

ABSTRACT

Companies should provide transparent information to outsiders. However there are still asymmetric information between management and outsiders that can cause fraud. Information required by outsiders is the financial statements. The financial statements provide company performance information so that financial statements should present information based on qualitative characteristics. In fact, one of them still ignores the qualitative characteristics. Fraudulent financial statements are a deliberate thing that can produce such an incompatible information which influences the user in making a decision.

This study aims to determine the influence of the fraud triangle factors that are pressure (measured by changes in total assets, leverage, return on assets, and ownership), opportunity (measured by sales receivables and independent commissioners), and rationalization (measured by replacement of external auditors) to fraudulent financial statement fraud.

The population in this study are service companies listed on the Indonesia Stock Exchange during 2010-2015. The method used for sampling is purposive sampling with a sample size of 36. The hypothesis in this study was tested using descriptive statistical analysis and logistic regression analysis.

The result of this study showed that simultaneously and partially pressure, opportunity, and rationalization do not affect fraudulent financial statements.

The results of this study are expected to provide knowledge and contribute to the development of fraud auditing science, especially the fraud triangle. And provide additional information about the factors that affect the company to do financial statements fraud.

Keywords: fraudulent financial statement, fraud triangle, pressure, opportunity, rationalization

