

ABSTRACT

Fraud is a crime that can be handled in two ways; prevent and detect. One type of fraud is a fraudulent financial statement. Financial statement fraud is an intentional effort by the company to deceive and mislead the users of financial statement, especially investors and creditor, this is done by presenting and engineering the value of the material from financial statement.

In this study there were three phenomena. The phenomenon of fraud at the companies PT Toshiba, Mitsubishi Motors, PT Tiga Pilar (AISA). This study aims to determine and analyze the effect of financial stability, external pressure, ineffective monitoring, nature of industry, opinion auditor and change in auditor towards detection financial statement fraud.

The population in this study are manufacture listed on the Indonesia Stock Exchange in 2015-2017. The sampling technique in this study was purposive sampling technique and obtained as many as 53 companies within a period of 3 years to obtain 159 total sample companies. The analysis technique used in this study is panel data regression analysis using EVIEWS 9 software.

The results showed that financial stability, external pressure, ineffective monitoring, nature of industry, opinion auditor and change in auditor simultaneously influence the detection financial statement fraud. Partially, financial stability and nature of industry has a significant positive effect on detection financial statement fraud, while external pressure, ineffective monitoring, opinion auditor, change in auditor have no effect on detection financial statement fraud.

For investors to be more careful in terms of decision making given the risk of financial statement fraud. Furthermore, with the results of this study, it is expected to be a material consideration in making investment decisions. For example, by considering the ratio of change in total assets, the ratio of changes in accounts receivable to sales, and the number of board of commissioners owned by the company.

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