

ABSTRACT

There are many cases of manipulation of financial statements in Indonesia and abroad that show the poor integrity of financial statements in companies. This indicates that the company did not present the company's actual financial statements. The integrity of financial statements is the presentation of financial statements that are reasonable, honest, and unbiased. Factors that can affect the integrity of financial statements are institutional ownership, management ownership, and leverage.

This study aims to determine the effect of institutional ownership, management ownership, and leverage on the integrity of financial statements in the Insurance sub-sector listed on the Indonesia Stock Exchange for the period 2013 - 2018.

Sampling in this study uses purposive sampling which produces 11 samples in a period of 6 years or as many as 66 data samples. The analytical method used in this study is panel data regression analysis processed using Eviews 10.

Based on this research, the results show that simultaneous institutional ownership, management ownership, and leverage affect the integrity of financial statements. Then partially management ownership does not affect the integrity of the financial statements. While institutional ownership and leverage affect the integrity of financial statements.

In this study the authors provide advice to pay attention to factors - factors that can affect the integrity of financial statements such as boards of directors, audit committees, independent commissioners, audit quality, company size or can use other measurement methods such as using earnings management to calculate the integrity of financial statements.

Keyword: financial statements, institutional ownership, leverage, management ownership.