

ABSTRACT

The financial report serves to provide information that is presented to the company's internal and external interests about the company's performance. Financial statements are presented properly and correctly, financial statements have the best role that is easy to understand and reliable, to avoid misleading users in making judgments, business people must be trustworthy and not commit fraud when presenting financial statements. Therefore, companies must present reliable and relevant financial reports to avoid fraud.

This study aims to determine the effect of financial stability, external pressure, and financial target variables on financial statement fraud in non-banking companies listed in the Sri-Kehati index for the 2017-2020 period. The data used in this study obtained annual financial statements that have gone public.

The population used is non-banking companies listed in the Sri-Kehati index. The sample selection technique used is purposive sampling and obtained 10 companies with the 2017-2020 period. The data analysis method in this study is panel data regression using E-views 12.

The results showed that the variables of financial stability, external pressure, and financial target simultaneously were related to financial statement fraud. Meanwhile, financial stability and external pressure variables have no partial effect on financial statement fraud and financial target variables have no partial effect on financial statement fraud.

Keywords: *financial stability, external pressure, financial target dan financial statement fraud.*