

## ABSTRACT

*Integrity of financial statements is the presentation of a financial report that displays the actual condition of the company so that it can show true and accurate information with the aim of not misleading users in making decisions. Financial statements with integrity in their presentation relate to the application of the principle of prudence as an assessment needed to deal with conditions of uncertainty.*

*This study aims to determine the effect of firm size, independent commissioners, and auditor industry specialization on the integrity of financial statements in insurance sub-sector companies listed on the Indonesia Stock Exchange (IDX) in 2016-2020.*

*The sample selection technique in this study used purposive sampling and obtained 13 companies with a period of five years so that 65 data were obtained. However, there are outliers that have extreme values from other data as many as 3 companies so that the final result is 50 data from 10 companies. The data in this study were analyzed using descriptive statistical analysis and panel data regression analysis using Eviews 10 software.*

*The results of the study indicate that firm size, independent commissioners, and auditor industry specialization have a simultaneous effect on the integrity of financial statements. Partially, the size of the company has a negative effect on the integrity of the financial statements. Meanwhile, independent commissioners and auditor industry specialization have no effect on the integrity of financial statements.*

*For academics, it is hoped that this research can provide additional insight regarding the integrity of financial statements. It is recommended for further researchers to be able to add other independent variables other than those used in this study that are related to the integrity of financial statements, and can replace objects other than the insurance sub-sector listed on the Indonesia Stock Exchange. For companies, especially companies in the insurance sub-sector, this research is expected to be a consideration in order to continue to improve the integrity of financial statements by looking at the size of the company. For auditors, it is hoped that this research can make auditors pay more attention to the level of integrity of a financial report.*

*Keywords: integrity of financial statements, independent commissioners, auditor industry specialization and company size*