

ABSTRACT

The integrity of financial reports is a measure of the truth and honesty of a company in presenting all information needed by interested parties through financial reports. The integrity of financial reports can be achieved if the company has the qualitative characteristics of financial reports, namely relevant and reliable. Measurement of the integrity of financial statements in research uses the principle of conservatism. The principle of conservatism is that financial reports are prepared with care in the face of freedom and risk to be considered.

This study aims to determine the effect of institutional ownership, independent commissioners and debt policies on the integrity of the financial statements of coal mining sub-sector companies listed on the Indonesia Stock Exchange in 2017-2021. The data used in this study were obtained from annual report data on the Indonesia Stock Exchange and the company's official website. The method used in this research is quantitative. The sampling technique used purposive sampling technique. The analysis technique used in this study is panel data regression analysis using Eviews 12. The number of samples obtained in this study were 20 companies.

Based on the results of the descriptive statistical analysis that was carried out in this study, the 100 data available obtained the final data as many as 95 data that will be used for this research, because there are 5 data that are outliers. The results of the descriptive statistical analysis carried out in this study showed that institutional ownership and independent commissioners did not vary or be in groups. Meanwhile, debt policies and the integrity of financial reports varied or were not grouped. After the descriptive statistical analysis was carried out, the classical assumption test was carried out and the panel data model was selected.

Based on the results of tests conducted in this study indicate that institutional ownership, independent commissioners and debt policies simultaneously affect the integrity of financial statements. Partially, institutional ownership and debt policy have a positive effect on the integrity of financial statements. Meanwhile, the independent commissioner has no effect on the integrity of the financial statements.

Keywords: *integrity of financial reports, institutional ownership, independent commissioners, debt policy.*