

ABSTRACT

This study empirically examine the influence of financial factor and non financial factor on fraudulent financial reporting. Factor-factors studied were financial leverage, liquidity, profitability, capital turnover, independent directors and classification of eksternal auditors.

This research was conducted by quantitative methods using secondary data . Secondary data comes from a list of cases from OJK and annual report of listed companies on the Stock Exchange . The study population is a company listed on the Stock Exchange , and then samples were taken by purposive sampling criteria on the company sanctioned from OJK contain elements of fraud and sanctions on non - financial companies and have the data required in this study . Total sample of 32 companies and incomplete data there are 12 companies . Classification of companies consists of 24 companies reporting financial reporting and the 24 companies that did not do fraudulent financial reporting by companies and industry have in common the same year . This study used statistical tool which logistic regression as the dependent variable is a dummy variable (non - metric) , while the independent variable is a variable mixture of metric and non - metric .

The result show that financial leverage, liquidity and capital turnover affect the fraudulent financial reportin., Then, profitability, independent directors and classification of external auditors no effect fraudulent financial reporting.

keyword : fraudulent financial reporting, financial leverage, liquidity, profitability, capital turnover, independent directors and classification of external auditors.