

ABSTRACT

Financial statement fraud is an act that is intentionally carried out consciously by eliminating material information in the financial statements. Financial statement fraud causes losses to those who use financial statements and provides benefits to fraudsters. The purpose of this study is to examine the determinants of financial statement fraud using the fraud diamond theory perspective.

The population in this study are manufacturing companies listed on the Indonesia Stock Exchange in 2018-2020. Purposive sampling was used as a sampling method. A total of 295 research data were used as research samples. Logistic regression analysis was used as a method of research analysis.

The results of this study indicate that the determination of financial statements using the fraud diamond theory perspective which is represented by financial stability, external pressures, and change in directors have positive significant effect on financial statements fraud, while financial targets, effective of monitoring, nature of industry, change in auditor no significant effect on financial statements fraud.

Keywords: Financial statements fraud, fraud diamond theory, indonesia stock exchange, and logistic regression