ABSTRACT

The purpose of this study is to empirically examine the effect of CSR disclosure on the possibility of financial statement fraud with the governance as a moderating variable.

For this purpose, the research uses secondary data, namely annual report data and sustainability reports for banking sub-sector companies listed on the Indonesia Stock Exchange from 2018 to 2020. The linear regression equation model used IBM SPSS Statistics 25 to analyze the data.

This study found that CSR disclosure is significant and positively influences the likelihood of fraudulent financial reporting. This result rejects the statement of hypothesis 1 which shows the direction of the relationship between CSR and the possibility of fraudulent financial reporting is negative. Then, corporate governance also cannot moderate the relationship between CSR disclosure and the possibility of fraudulent financial reporting. This happens because in governance there are regulations that require banks to make disclosures so that it seems mandatory.

Keywords : Corporate Social Responsibility, Financial Statement Fraud, Corporate Governance