

ABSTRACT

This research aimed to analyze fraud triangle effect on financial statement fraud. The dependent variabel in this research is financial statement fraud measured by dummy variable, while the independent variables in this research are external pressure, financial target, ineffective monitoring and auditor change. Also, this research adds quality of external auditor as moderating variable. This research used 127 samples of non-financial companies listed on The Indonesia Stock Exchange in 2016 & 2017. This research uses Beneish Ratioto to classify potential fraud and non-fraud companies. This research examines the hypothesis by using logistic regression analysis with SPSS 23 software. The findings show that external pressure and auditor change significantly affect financial statement fraud. Meanwhile, financial target & ineffective monitoring are not significantly associated with financial statement fraud. This research proves that quality of external auditor as moderating variable could not moderate the relationship between external pressure, financial target, ineffective monitoring and auditor change to financial statement fraud.

Keywords: financial statement fraud, fraud triangle, beneish ratio's, quality of external auditor