

ABSTRACT

This research aims to analyze six factors in the fraud hexagon theory that influence the occurrence of financial statements fraud. The fraud hexagon is the newest fraud theory put forward by Vousinas in 2019 which is a development of the previous fraud theory. Restatement can be used as a signal of the financial statement fraud, so this research uses restatement to indicate fraud in financial statements. The dependent variable in this research is financial statement fraud, while the independent variables in this research are financial difficulties, ineffective monitoring, total accruals, tenure of the president director, multiple positions of the president director and related party transactions.

The object of this research is public companies that restate their financial statements for 2018-2021. This research method is quantitative and the analysis used is logistic regression. This research used a purposive sampling technique and produced 186 sample data. The research results show that ineffective monitoring has a positive effect on financial statement fraud. Meanwhile, the tenure of the president director has a negative effect on financial statement fraud. However, financial difficulties, total accruals, multiple positions of the president director and related party transactions do not affect the financial statement fraud.

Keywords : Fraud Hexagon Theory; Financial Statement Fraud; Restatement; Ineffective Monitoring, President Director's Tenure.