

ABSTRACT

This study aims to examine the influence of each element in the new fraud diamond model on fraudulent financial statements in non-financial state-owned companies listed on the Indonesia Stock Exchange (IDX).

The independent variables used in this study include financial stability, external pressure, personal financial needs, financial targets, nature of industry, effective monitoring, history of sales, earnings growth, and change of directors. While the dependent variable used is financial statement fraud. This study has a population consisting of all non-financial state-owned companies listed on the Indonesia Stock Exchange (IDX) in the 2018-2022 period. The sample used was selected based on the purposive sampling method. The total sample of this study amounted to 90 company financial reports. This study uses the logistic regression analysis method in hypothesis testing.

The results of this study indicate that the nature of industry and history of sales has a proven positive effect on financial statement fraud. While other variables, namely financial stability, external pressure, personal financial needs, financial targets, effective monitoring, earnings growth, and change of directors, have no proven effect on financial statement fraud.

Keywords: New Fraud Diamond Model, Nature of Industry, History of Sales, Financial Statement Fraud