

ABSTRACT

This study aims to provide empirical evidence of the influence of hexagon fraud elements in detecting financial statement fraud with blockholders ownership as a moderation variable. The research uses secondary data, in the form of financial statements of manufacturing sector companies available on the IDX 2018-2022. The research data was obtained using purposive sampling techniques amounting to 510 observational data of financial statements. Data analysis using logistic regression and MRA (moderated regression analysis). The results showed that ineffective monitoring (opportunities), auditor turnover (rationalization) had a positive effect on financial statement fraud, financial targets (pressure) had a negative effect on financial statement fraud. While the change of directors (capability), arrogance of directors (arrogance) and concurrent positions of the board of commissioners (collusion) do not affect financial statement fraud. The results of this study also provide evidence that blockholders ownership can weaken ineffective monitoring of financial statement fraud, blockholders ownership can weaken auditor turnover against financial statement fraud, blockholders ownership can weaken the arrogance of directors against financial statement fraud, blockholders ownership can weaken the concurrent position of the board of commissioners against financial statement fraud, while blockholders ownership does not able to moderate financial targets and change of directors against financial statement fraud.

Keywords: Fraud hexagon, Blockholders ownership, Financial statement fraud.