

ABSTRACT

This study aim to examine the effect of corporate governance and audit quality on financial statement fraud, proxied by the Beneish M-Score Model. The corporate governance variables include independent commissioners, the remuneration strukture of the board of commissioners and directors, audit committee activity, and institusional ownership. Meanwhile, audit quality is measured by audit firm size, audit tenure, and audit fees.

The population of this study consists of manufacturing companies listed on the Bursa Efek Indonesia during 2022-2024 period. A total of 158 companies were selected using purposive sampling. Hypothesis testing was conducted using logistic regression analysis with SPSS software.

The findings reveal that the remuneration of the board of commissioners and directors, as well as audit committee activity measured by the number of meetings per year, are negatively associated with financial statement fraud. In contrast, institusional ownership is positively associated with financial statement fraud. Meanwhile, independent commissioners, audit firm size, audit tenure, and audit fees do not exhibit a staisically significant effect on financial statement fraud.

Keywords: *Corporate Governance, Audit Quality, Financial Statement Fraud, Beneish M-Score, Agency Theory*

