

## ABSTRACT

*This study aims to determine the level risk of fraudulent financial statements from company's financial statements. Variables that were used to achieve the goal of research are accrual quality that proxied by RSST accrual, financial performance proxied by changing in receivable, changing in inventory, changing in cash sales and changing in earnings. Dependent variable used as detection level of risk in fraudulent financial statement is the sum of discretionary accrual and financial performance.*

*The population of this study was manufacturing company listed on the Indonesia Stock Exchange in 2008 until 2010. Total samples were 90 manufacturing companies in three years observation. Every year the company was divided into two groups, they were 42 companies that used big four public accountant and 48 companies that used non big four public accountant. This study used descriptive statistic for analyzing data and Olab Cubes method for testing hypothesis.*

*The result showed that the companies used non big four public accountant have greater risk level of fraudulent financial statement compared than companies that used big four public accountant.*

*Key words : fraud, fraudulent financial statement, big four, non big four, accrual quality, financial performance*