

ABSTRACT

This study aimed to examine the effect of fraud indicators against fraudulent financial statement on non-financial public companies listed on the Indonesian Stock Exchange (BEI) in the period 2013-2015. The variables used in this research is financial stability, external pressures, financial targets, debt, liquidity, level of performance, the effectiveness of supervision, the quality of the external auditor, auditor changes and change of directors.

This research was conducted by quantitative methods using secondary data. The secondary data derived from the annual reports non-financial companies listed on the Stock Exchange. The population of this research is a company listed on the Stock Exchange 2013-2015 period, and then the sample was taken by purposive sampling method with the criteria of non-financial companies, have the required data in the study, increased sales and profit and presents a report to the currency. This study uses multiple linear regression statistical tools.

The results showed that the fraud indicators of financial stability, debt, and changes in directors positive influence on fraudulent financial statements, while the fraud indicators financial targets, the pressure is external, liquidity, level of performance, effectiveness watchdog, the quality of the external auditor and changes in auditor has no effect on fraudulent financial statement.

Keywords: indicators of fraud, fraudulent financial statements, fraud triangle, diamond fraud, F-Score