

ABSTRACT

Strong economic growth is believed to support banking operations for the next twelve to eighteen years, but it is estimated that the government's macroeconomic policy will be able to lift GDP growth to 5.2% in 2018-2019. Credit growth is also believed to be in the range of 10% to 12% per year in the 2018-2019 period. In addition, increasing bank revenues and decreasing credit costs will make banks more qualified in providing capital to support asset growth.

This study aims to determine and analyze the influence of liquidity, financial leverage, personal financial need, and audit quality partially or simultaneously in detecting fraudulent financial statements in banking companies listed on the Indonesia Stock Exchange for the period 2013-2017.

The population in this study is a banking company that is consistently listed on the Indonesia Stock Exchange (IDX) for the period 2013-2017. The sampling technique in this study was purposive sampling and obtained as many as 80 sample companies. The analysis technique used in this study is panel data regression analysis using the application EViews 9 Version.

Based on the results of the research variable liquidity, financial leverage, personal financial need, and audit quality simultaneously influence the fraudulent financial statement. Partially, the variable liquidity, financial leverage, audit quality has an effect on fraudulent financial statements, while the variable personal financial need does not affect the fraudulent financial statement.

For investors to be more careful in making investment decisions given the risk of fraudulent financial statements. For auditors it is recommended to be taken into consideration for auditors in auditing financial statements of banking companies.

Keywords: *Fraudulent financial statement, Liquidity, Financial leverage, Personal financial need, Audit quality*