

ABSTRACT

Fraud is an activity that is intentionally act by a person or a group with the intention of obtaining a profit. In this case, the fraud of financial statements is an action that can be encountered in a company. Fraudulent financial statements can be done by manipulating or falsifying the information contained in the financial statements. This is done in order to cover the existence of good or bad information on the financial statements of the company.

This study was conducted with the aim of knowing the influence of External Pressure (LEV), Ineffective Monitoring (BDOUT), and the Audit Opinion (AUDREPORT) on financial statements fraud at financial companies of the banking sub-sector listed on Indonesia Stock Exchange during 2016 – 2018. The Data used in this study was obtained from the financial statements of each company.

The population used in this study is the financial sector company of the banking subsector. Sample selection technique used is purposive sampling and acquired 40 companies with the 2016 – 2018 period. The analytical method used in this research is logistic regression regression using SPSS software version 24.

The results of this study showed that external pressure (LEV), ineffective monitoring (BDOUT), and Audit Opinion (AUDREPORT) have a significant effect on Financial Statement Fraud. Partially, External Pressure (LEV) have a significant positive effect on Financial Statement Fraud, while Ineffective Monitoring (BDOUT), and the Audit Opinion (AUDREPORT) has no effect on Financial Statement Fraud.

Keywords : *Financial Statement Fraud, External Pressure, Ineffective Monitoring, and Audit Opinion.*