

ABSTRACT

Financial information and company performance can be seen through the financial statements presented by the company. Financial statements can help users of financial statements to make economic decisions. Therefore, financial statements must be free from misstatement and in accordance with generally accepted accounting standards. Financial reports that do not have integrity will mislead users in making decisions.

This study aims to determine the effect of intellectual capital, leverage, and audit tenure on the integrity of financial statements in property and real estate sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2015-2019 period. The population in this study are property and real estate sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2015-2019 period.

The sample selection technique used purposive sampling and obtained 145 samples. However, there are outliers that have extreme values from other data as much as 5 data, so that the final result is 140 data. The data in this study were analyzed using descriptive statistical analysis and panel data regression analysis.

The results obtained show that intellectual capital, leverage, and audit tenure have a simultaneous effect on the integrity of financial statements. Partially intellectual capital and leverage have a positive effect on the integrity of financial statements, while audit tenure has no effect on the integrity of financial statements.

The next researchers to re-examine independent variables that have no effect on the dependent variable or use other independent variables outside of this study that have a significant influence on the integrity of financial statements such as corporate governance, financial distress or other variables.

Keywords: Audit tenure, Financial Report Integrity, Intellectual capital and Leverage