

ABSTRACT

A financial statement is information that contains the position and financial performance of a company that can be used as a material for decision-making for its users, so that information in the financial statements must be presented relevantly and reliable or in other words, it needs to be integrity. However, cases of fraud in financial statements still occur frequently, indicating the poor integrity of financial statements in a company. This indicates that the company has not presented relevant and reliable financial statements.

This study aims to determine the effect of managerial ownership, independent commissioner, auditor industry specialization, and profitability on integrity of financial statements of insurance sector companies listed on the Indonesia Stock Exchange in 2017 – 2020. The sample for this study is selected by using purposive sampling method. For the four-year observation, there are 48 data samples being used. After the outlier, the data samples changed to 41. The research method for this study is panel data regression analysis.

The result showed that simultaneously, managerial ownership, independent commissioner, auditor industry specialization, and profitability have an effect on integrity of financial statements. Partially, managerial ownership have an positive effect, profitability have an negative effect, while independent commissioner and auditor industry specialization have no effect on integrity of financial statements.

Keywords: *Auditor industry specialization, independent commissioner, integrity of financial statements, managerial ownership, and profitability.*