

ABSTRACT

Fraud is an act that is against the law and is done intentionally to meet certain objectives, for example, meeting the social life of the offender. Errors in financial statements occur because of deliberate actions, so this is included in fraud. Fraud can be done by people from within and outside the organization to gain personal or group benefits. Financial statement fraud is intentional or negligence of material misstatement of an organization by manipulating or manipulating financial statements. The purpose of this study is to obtain empirical evidence about financial statement fraud that is influenced by earnings management proxied by discretionary accruals, analyst forecasts, and income bubbles.

The population in this study are companies listed on the Indonesia Stock Exchange (IDX) during 2013-2018. Determination of the research sample using purposive sampling with the criteria (1) companies listed on the Indonesia Stock Exchange for the period 2013-2018, (2) companies categorized as companies that commit fraud (companies that violate the rules VIII.G.7 OJK), and (3) companies that are categorized as companies that do not commit fraud as a comparison for companies that commit fraud. So as to get 16 companies that commit fraud and 24 companies that do not commit fraud. Secondary data obtained were tested using SPSS (Statistic Product and Service). The results of this study conclude that income inflation has an effect on financial statement fraud, while discretionary accruals and analyst forecast do not affect financial statement fraud.

Keywords: Earnings management, discretionary accruals, analyst forecasts, inflated earnings, fraud, fraudulent financial statements.