



Determinants Of Financial Report Fraud Through Fraud Triangle (Case Study Of Consumption Goods Manufacturing Companies Listed On The Idx In 2018-2021)

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Abstract: This study aims to examine the effect of the fraud triangle dimension on financial statement fraud in consumer goods manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018- 2021 period. This study uses quantitative methods in the form of financial statements obtained from the Indonesia Stock Exchange website (www.idx.co.id). The data used in this study is secondary data using the purposive sampling method so the number of companies sampled is 27 companies with observations for 4 years, so that the total sample obtained is 108. The data analysis technique used is descriptive statistical test, assumption test classical, multiple linear regression analysis, individual parameter significance test (t statistic test), and coefficient of determination test.

From the results of the study concluded that the results of data analysis obtained simultaneously variables of financial stability, external pressure, supervisory effectiveness and rationalization have an influence on fraudulent financial statements in manufacturing companies in the consumer goods sector. **Keywords:** Fraud Financial Statements, Fraud Triangle, Financial Stability, External Pressure, Supervisor Effectiveness, Rationalization.

INTRODUCTION

Financial reports are a means of communication between users and issuing entities. To be able to provide proper financial information to the public, financial reports must be free from fraud. fraud or fraud related to financial transactions within an entity becomes an urgency to take preventive and corrective actions so that the fraud itself does not recur. For this reason, researchers aim to enrich literacy related to proxies and indicators of evaluating fraud . Many studies have been conducted in this regard. However, the Corona Virus has spread or Covid-19 has spread globally to almost all countries since December 2019 and has caused various cases of confirmed cases of the virus and increasing deaths around the world. The covid pandemic in Indonesia itself first appeared on March 2 2020 and continued to grow until October 30 2020. As a result of the conditions of the covid-19 pandemic it has created a crisis condition and has had an impact on various social, economic, political and

cultural aspects. In response to this, the government and elements of society are taking maximum action to minimize the spread of Covid-19.

In March 2020, at a press conference held by the President of the Republic of Indonesia at the Bogor Palace, he appealed to all Indonesian people to practice social distancing, followed by various government policies. With the implementation of large-scale social restrictions (PSBB) and the prohibition of crowds and face-to-face activities, several organizations or companies and government agencies have started working from home (work from home). Several industrial companies are still operating by establishing a Covid-19 prevention protocol in accordance with government policy. This situation indirectly greatly impacted the deteriorating economic conditions due to the large number of workers who were affected by layoffs and the decline in people's purchasing power.

Deteriorating economic conditions and weak oversight and the company's focus shifting in dealing with the Covid-19 pandemic crisis opened opportunities for fraudsters within the company and took advantage of the conditions to take actions that were detrimental to the company. According to Iputan6 (2020) corporate leaders and corporate institutions reveal that while companies are trying to maintain their operations and business continuity, fraud and cyber incidents such as data theft are the result of the increasingly intensive use of information technology when working from home so that company operations can continue. Fraud can be interpreted as unethical actions that harm other parties and provide benefits for certain parties. In the business environment, it can be interpreted as an intentional fabrication or lie, reporting company assets incorrectly or manipulating data or records that can harm the company. It is not enough to just prevent fraud, but this fraud can be detected as early as possible.

Although, as experienced by both developed and developing countries, every achievement of capacity in the economic field tends to be accompanied by the emergence of new forms of welfare. The new crimes have new and various ways and methods. As many of us are surprised by the emergence of various new types of manipulation, especially in the business world. The most frequently encountered type of manipulation within an entity is fraud. Diseases with economic, political, cultural, ethical, moral, and even religious dimensions, which are now undermining all aspects of us today, are fraud in the form of corruption, collusion, and nepotism.

Financial reports provide all information regarding the company's financial position, how the company has performed so far, and how the company's cash flows are useful for interested parties. The company's goal of issuing financial reports actually wants to show the best company conditions. However, this motivation can lead to fraudulent acts on the company's financial statements. Fraudulent acts in the financial statements cause the information contained in the financial statements to be irrelevant and cause misstatements that can mislead users of financial statements. When a company presents immaterial information, this financial information cannot be used as a basis for making economic decisions because the analysis carried out is not based on actual information (Martanty and Daljono, 2013).

Fraud is a misrepresentation of material facts made by one party to another with the intention of deceiving and causing other parties relying on these facts to suffer losses. This act of manipulating financial statements is a form of fraud.

Another case of financial statement fraud is the case of PT Bank Bukopin Tbk. The cause of fraud in PT Bank Bukopin Tbk's financial statements is that several variables in the financial statements record many significant changes. The company's profit in 2016, for example, was recorded at Rp. 183.53 billion in the company's financial statements in 2017, this company recorded revenue of Rp. 1.086 trillion. Not only the profit variable, several other variables also recorded significant changes, including total interest and sharia income and so on. In note 51 of BBKP's financial statements, the company provides two reasons for the restatement of the company's conditional financial statements. The first, is the existence of bank credit card receivables caused by certain credit card modifications. The second is a matter of BSB sharia financing or receivables related to the addition of the balance of the allowance for impairment losses for certain debtors. BBKP in its statement in the 2017

financial report also said that it would take the necessary steps to deal with the issue of modifying the credit card data above (Source: Kompas.com).

As for other cases, PT Garuda Indonesia (Persero) Tbk claims to have recorded brilliant financial performance in 2018, with a net profit of US\$ 809 thousand or around Rp. 11.33 billion. However, two company commissioners refused to sign the financial statements because they suspected there were irregularities in recording transactions in order to polish the 2018 annual financial reports. as revenue by management. Mahata works directly with PT Citilink Indonesia, a subsidiary of Garuda Indonesia which is considered profitable up to US\$ 239.9 million. In this collaboration, Mahata is committed to bear all costs of providing, installing, operating and maintaining connectivity service equipment. Mahata has actually not paid a penny of the total compensation agreed until the end of 2018, but management continues to record the report as compensation income for the right to install connectivity service equipment and in-flight entertainment. In the end, Garuda Indonesia's financial statements made a net profit. However, this was detected by the regulators. In the end, the Indonesia Stock Exchange (IDX) gave written warning III and imposed a fine of IDR 250 million on Garuda Indonesia, and demanded that the company correct and present financial reports. Not only that, the Financial Services Authority (OJK) imposed a fine of Rp 100 million each on Garuda Indonesia and all members of the board of directors. OJK also requires companies to improve and restate their 2018 financial reports. For Public Accounting Firms (KAP), OJK freezes the Certificate of Registration (STTD) for 1 year to KAP Kasner Sirumapea. On the other hand, the Ministry of Finance also froze the permit for AP Kasner Sirumapea for 12 months. The financial scandal that experienced by Garuda Indonesia is an example of a fraudulent financial report or Fraudulent Statements type of fraud.

And also recently the Indonesian Stock Exchange (IDX) was shocked by allegations of manipulation of the 2019 annual financial statements (LKT) which hit one of the issuers in the services and trading sector in the field of information technology, PT Envy Technologies Indonesia Tbk (ENVY) and its subsidiary . In a statement published in the disclosure of information, ENVY explained the case related to the alleged manipulation of the financial statements (lapkeu) of its subsidiary, PT Ritel Global Solusi (RGS) in 2019. The 2019 RGS financial statements were then consolidated into ENVY's annual financial statements in 2019. RGS is a subsidiary of ENVY with 70% ownership which is engaged in online-based trading services through the "KO-IN" application. ENVY also stated that the current management did not know exactly the process that was carried out at that time, which resulted in the emergence of the consolidated report. Responding to this, ENVY's management said that they were currently asking for clarification from the auditors on several doubts, including the RGS financial statements. The company will clarify this LK problem with KAP Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan as public accountants at that time. Until now IDX has not given an official statement when contacted regarding this matter, including OJK.

Many phenomena of financial report fraud that occur and cause losses to various parties, the auditor has an important role to detect fraud in financial statements. Auditing Standards Section 316 of 2001 (PSA No. 70, 2001) states that the auditor cannot obtain assurance that a material misstatement of the financial statements is detectable, including material misstatement as a result of fraud. The audit must specifically assess the risk of material misstatement of the financial statements as a result of fraud and must consider this risk assessment in designing the audit procedures to be performed. When making this interpretation, the auditor must consider the risk factors for fraud based on Cressey's theory of the fraud triangle.

Based on the background above, the author is interested in conducting research with the title "Determinants of Financial Statement Fraud Through the Fraud Triangle (Case Study of Manufacturing Companies in the Consumer Goods Sector Registered on the IDX for the 2018-2021 period)".

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Agency Theory

Agency theory exists when there are differences in interests between shareholders as principals and managers as agents. The principals want high profits from the company so that the investment that has been invested can return quickly. The amount of profit is related to the number of dividends that will be distributed to investors. The higher the profit, the higher the stock price and the greater the dividend it will receive. But on the other hand, agents also have their own interests, namely the bonuses they receive. The principal wants a return on his investment, while the agent has an interest in getting a large compensation for his work. This difference in goals causes a conflict of interest between the agent and the principal. This is what drives the occurrence of information asymmetry between the two parties.

Definition of Fraud

According to the Association of Certified Fraud Examiners (ACFE), fraud is an act of deception or a mistake committed by a person or entity who knows that this mistake can result in some unfavorable benefits for the individual or entity or another party (in Sukirman, 2013).

From the above understanding, in general fraud is an act of fraud, which is carried out in such a way as to benefit individuals/groups or harm other parties (individuals, companies or institutions) (in the financial accounting journal.com).

Fraud Triangle

One of the basic concepts of fraud prevention and detection is the fraud triangle. The book entitled Auditing and Forensic Accounting, Singleton, Tommie recounts that in 1950, Donald Cressey was encouraged by Edwin Sutherland, who was serving on his dissertation committee, to use the thesis why a person in a position of trust would become a violator of that trust (why someone in a position of trust will be a violator of that trust).

Sutherland and Cressey decide to interview a conman who was convicted of embezzlement. Cressey interviewed about 200 embezzlers in prison. One of the main conclusions is the effort that every fraud has three things in common (Tuannakotta, 2010):

1. Pressure (sometimes referred to as motivation, and usually “nonshareable”).
2. Rationalization (from personal ethics), and knowledge.
3. The opportunity to commit a crime.

Financial Report Fraud

Definition of fraudulent financial statements according to ACFE (Association of Certified Fraud Examiners, 2012) is the presentation of the financial condition of a company that is intentionally wrong which can be achieved through misstatement, namely the omission of a number of values in financial reports that aim to deceive users of financial statements. The purpose of this type of fraud is to deceive readers of financial statements, especially investors and creditors, into investing or lending money to companies that would otherwise not be able to invest or lend. This fraud can be financial and non-financial.

Financial Statement Fraud is defined as an intentional error, obscuration of material facts, or accounting data that is misleading and can influence or change the decision and judgment of the reader after considering the facts of the misstatement it presents (Subagio et al., 2013). Generally, financial statement fraud includes the following:

1. Manipulation, obfuscation or falsification of material documents, supporting documents in the financial statements.
2. Intention to make a material misstatement of events, transactions or other information used in the preparation of financial statements.
3. Intentionally misapplying the accounting principles, procedures and policies used to measure, assess, report and disclose business or economic events in the financial statements.
4. Deliberation to cover up the untruthful disclosure of the accounting method used in financial reporting



Rezaee (2002) states that financial statement fraud is related to several schemes such as: (1) falsification, alteration or manipulation of financial records, supporting documents or business transactions; (2) intentional material misrecording, omission, or misrepresentation of events, transactions, accounts, or other significant information from which the financial statements are prepared; (3) intentional errors in the use of accounting principles, policies and procedures used to measure, recognize, report and disclose economic events and business transactions; (4) intentional omission of disclosures or inadequate presentation of disclosures relating to accounting standards, principles, practices and related financial information; (5) use of aggressive accounting techniques through prohibited profit management; and (6) manipulation of accounting practices based on available accounting standards that have loopholes that companies can use to hide the economic substance of their performance.

Financial Reports

According to Kasmir (2013: 7), "Financial reports are reports that can describe the current or future financial condition of a company." The financial statements consist of a balance sheet and a calculation of profit and loss from the company's operating results with reports related to changes in equity in a company (Munawir, 2010: 5).

At the same time, according to Sutrisno (2012: 9), financial statements are the end result of an accounting process which includes two main reports (balance sheet and income statement), which are prepared with the aim of providing financial information to companies that can be used as material for consideration in decision-making by interested parties.

Purpose of Financial Reports

Financial reports in a company that are made certainly have goals and benefits. The purpose of making financial reports is cited according to Kasmir (2013: 10), disclosing in detail about the purpose of making financial reports is:

1. Media information about the type and total assets (assets) contained in a company.
2. Information media regarding the types and total liabilities and capital of a company owned.
3. Media information regarding the type and total revenue earned by the company in a certain period.
4. Media information regarding the types and total costs incurred by the company in a certain period.
5. Media information regarding the performance of management within the company in a certain period.
6. Media information regarding the records contained in the financial statements.

Research Hypothesis

1. Effect of Financial Stability on Fraudulent Financial Statements
Ha : there is a significant effect of financial stability on fraudulent financial statements
2. Effect of External Pressure on Fraudulent Financial Statements
Ha : Allegedly there is a significant influence of external pressure on fraudulent financial statements
3. Effect of Supervision Effectiveness on Financial Statement Fraud
Ha : llegedly there is a significant influence on supervisory effectiveness on fraudulent financial statements
4. The Effect of Rationalization on Financial Statement Fraud
Ha: It is suspected that there is no significant effect of rationalization on fraudulent financial statements
Ho: It is suspected that there is a significant effect of rationalization on fraudulent financial statements.

METHODS

Types of Research

Types of research conducted is quantitative research. A quantitative research approach can be interpreted as a research method used to examine certain populations or samples,



data collection uses research instruments, data analysis is statistical/quantitative with the aim of testing/hypotheses set (Sugiyono, 2013: 8).

The dependent variable in this study is: Financial Statement Fraud while the independent variables used in this study are: financial stability, external pressure, monitoring effectiveness, and rationalization

Population and Sample

The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange during the 2018 - 2021 period. The consideration for selecting a population of manufacturing companies is because companies in one type of industry, namely manufacturing, tend to have almost the same accrual characteristics. In addition, financial report data for manufacturing companies is more reliable in presenting financial statement accounts, such as assets, cash flow, sales, and others. The sampling technique was carried out by purposive sampling with the aim of obtaining a representative sample according to the specified criteria. The criteria used to select the sample are as follows:

1. Manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2018-2021 period.
2. Companies that publish their complete annual financial reports during the observation period on the company's website or on the Indonesia Stock Exchange (IDX) website and are not delisted from the Indonesia Stock Exchange (IDX) during the 2018-2021 observation period.
 - 1) Companies whose financial statements are stated in Rupiah (Rp).
 - 2) Companies that earn profits during the 2018-2021 period.

Variable Operational Definition

Dependent Variable (Y)

The dependent variable or dependent variable in this study is financial statement fraud. Fraudulent financial statements are acts committed by high-ranking companies or government agencies that aim to hide the company's financial reality by manipulating finances or beautifying the presentation of financial statements to gain individual benefits or benefits for their position or responsibility

In detecting fraud on financial statements. in this study was measured using the fraud score model (F-score) developed by Dechow in 2009. The F-score model is the sum of two components, namely accrual quality proxied by RSST and financial performance (financial performance) proxied with changes in accounts receivable, changes in inventory accounts, changes in cash sales accounts, and changes in income before interest and taxes (Zelin, 2018). fraud score model (F-score) can be calculated using the following formula:

$$\text{F-score} = \text{Accrual Quality} + \text{Financial Performance}$$

Accrual Quality which is proxied by accrual RSST can be measured by changes in current assets minus changes in current liabilities, and depreciation as well as changes in long-term operating assets and long-term operating liabilities (Rini, 2012). The following is the accrual RSST formula:

$$\text{RSSTAccrual} = \frac{\Delta\text{WC} + \Delta\text{NCO} + \Delta\text{FAN}}{\text{AverageTotal Asset}}$$

WC = Current Asset – Current Liabilities

NCO = (Total Asset – Current Asset – Investment and Advances) – (Total Liabilities – Current Liabilities – Long Term Debt)

FIN = Total Investasi – Total Liabilities

ATS = (Beginning total asset + end total asset)/2

Description :

WC : Working capital



NCO : Non-current operating accrual
 FIN : Financial Accrual
 ATS : Average total asset

Financial performance (financial performance) which can be seen in the company's financial statements is considered to be able to provide an overview of predictions or forecasts for fraudulent reports (Zelin, 2018). The formula for calculating financial performance is as follows:

Change in Inventory : $\Delta \text{Inventory} / \text{Average Total Asset}$
 Change in Sales : $(\Delta \text{Sales} / \text{sales}(t)) - (\Delta \text{Receivable} / \text{Receivable}(t))$
 Change in Earnings : $(\text{Earnings}(t) / \text{Average Total Asset}(t)) - (\text{Earnings}(t-1) / \text{Average Total Asset}(t-1))$

Independent Variables

Variables are often called independent variables. Stimulus, predictor and antecedent. Independent variables are variables that influence or cause changes or the emergence of dependent (bound) variables (Sugiyono, 2018: 39). Independent variables in this study include Financial Stability, External Pressure, Monitoring Effectiveness, and Rationalization.

Financial Stability (X1)

Financial stability is a description of the company's financial condition which shows a stable condition, whereas when financial stability conditions decrease, management will seek various ways so that the company's condition remains good (Zelin, 2018). Managers will feel pressured when facing financial stability that is threatened due to economic, industrial and company operational factors so that companies manipulate financial reports so that they still look good (Rahmauni, 2018). Financial stability is a proxy for the pressure variable.

Financial Stability is measured by the growth in changes in the company's assets annually (AGROW), which can be calculated by the formula:

$$\text{Final Performance} = \text{Change in Receivable} + \text{Change in Inventory} + \text{Change in Cash Sales}$$

$$\text{AGROW} = \frac{\text{Total Aset}_t - \text{Total Aset}_{(t-1)}}{\text{Total Aset}_t}$$

External Pressure External

Pressure is a strong incentive for management to realize the expectations of third parties. So that in order to overcome this pressure, an external source of financing is needed for business continuity (Ijudien, 2018). According to the Statement on Auditing Standard (SAS) No. 99, it explains that strong pressure originates from external parties which can lead to fraud on financial statements. In this study, external pressure is a proxy for

External pressure. External pressure in this study is measured by the Leverage Ratio (LEV), which is a ratio that assesses the company's ability to fulfill its obligations (Zelin, 2018). Leverage ratio can be calculated by the formula:

$$\text{LEV} = \frac{\text{Total Liabilities}}{\text{Total Aset}}$$

Oversight Effectiveness

Circumstances in which the company does not have a supervisory unit that effectively monitors the company's performance. Examples of risk factors: management dominance by one person or small group, no compensation controls, ineffective board of directors and audit committee oversight of the financial reporting process and internal controls and the like. (According to SAS No.99, source: Skousen et al., 2008). Monitoring effectiveness is a proxy for opportunity.

Supervisory effectiveness is proxied by the ratio of the number of independent commissioners to the total number of commissioners in the company (BDOUT), with the formula:

$$\text{BDOUT} = \frac{\text{Number of Independent Board of Commissioners}}{\text{Total Board of Commissioners}}$$

Rationalization

Rationalization is loaded with subjective assessments of the company. The company's subjective assessment and decision making will be reflected in the company's accrual value (Skousen et al., 2008). Total accruals will affect financial statement fraud because these accruals are strongly influenced by management decision making in the rationalization of financial statements.

Rationalization has a subjective assessment of the company, this subjective assessment and decision-making will be reflected in the company's accrual value (Skousen et al; 2008). Therefore, rationalization will be proxied by Total Accruals (TATA). Based on Beneish's research (2012), put forward the TATA formula as follows:

$$\text{TATA} = \frac{(\text{Income before extraordinary} - \text{cash flow from operation})}{\text{Total Assets}}$$

Data Collection Method

The collection method in this study is the documentation method. The documentation method is a method of measuring data by using and studying records on documentation from companies that are relevant to the problem under study. The method is carried out by collecting all secondary data from www.idx.co.id, and company website. In addition, theories and other supporting data were obtained and collected from scientific journals, literature, books, the internet and other documents related to this research.

The sampling method used in this study is a non-random. This is because this research uses the entire research population that meets the criteria as a predetermined research sample.

RESULT AND DISCUSSION

Multiple Linear Regression Analysis Test

Table 1. Multiple Linear Regression Analysis Test

Model		Coefficients ^a			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	1,182	,159		7,422	,000
	Financial stability	,612	,299	,166	2,044	,044
	External Pressure	-1,580	,177	-,673	-8,924	,000
	Surveillance Effectiveness	,357	,348	,078	1,025	,308
	Rationalization	,633	,373	,138	1,695	,094

a. Dependent Variable: Fraud of LK

Source : Data Research 2022

Based on the results of regression, a linear equation can be made between financial stability, external pressures, supervisory effectiveness and rationalization of financial statement fraud as follows:

$$\text{Fraud of LK} = a + b_1\text{AGROW} + b_2\text{LEV} + b_3\text{BDOUT} + b_4\text{TATA} + e$$

$$\text{Fraud of LK} = 1,182 + 0,612 - 1,580 + 0,357 + 0,633 + e$$

The regression equation has the following meanings:

1. Based on this equation, it can be explained that the constant value obtained is 1.182 indicating that if the variables of financial stability (AGROW), external pressure (LEV), supervisory effectiveness (BDOUT), and rationalization (TATA) do not change is zero then financial statement fraud has value of 1.182.
2. The financial stability variable (AGROW) has a positive regression coefficient of 0.612. If it is assumed that the other independent variables are constant, this means that every 1 percent increase in financial stability will increase fraudulent financial statements by 0.612 percent and vice versa.
3. The external pressure variable (LEV) has a negative regression coefficient of -1.580. If it is assumed that the other independent variables are constant, this means that every increase in external pressure (LEV) by 1 percent will reduce fraudulent financial statements by -1.580 percent and vice versa.
4. The supervisory effectiveness variable (BDOUT) has a positive regression coefficient of 0.357. If it is assumed that the other independent variables are constant, this means that every 1 percent increase in supervisory effectiveness (BDOUT) will increase fraudulent financial reporting by 0.357 percent and vice versa.
5. The rationalization variable (TATA) has a positive regression coefficient of 0.633. If it is assumed that the other independent variables are constant, this means that every 1 percent increase in rationalization (TATA) will increase financial reporting fraud by 0.633 percent and vice versa

The T statistical test

The T statistical test aims to show how far the influence of one independent variable is partially in explaining the variation of the dependent variable.

Table 2. The T statistical test

Coefficients ^a			
	Model	T	Sig.
1	(Constant)	7,422	,000
	Financial stability	2,044	,044
	External Pressure	-8,924	,000
	Surveillance Effectiveness	1,025	,308
	Rationalization	1,695	,094

a. Dependent Variable: Fraud of LK

Source : Data Research 2022

Based on the table above, the results of individual significance tests (t-test) for the variables used in this study show the results of hypothesis testing, including:

1. Hypothesis Testing 1

Based on the table above, the financial stability variable (AGROW) has a significance value of 0.044, meaning it is smaller than 0.05. So that the financial stability variable is proven to have a significant effect on fraudulent financial statements. So that H_a is rejected and H_o is accepted.

2. Hypothesis 2 Testing

Based on the table above, the external pressure variable (LEV) has a significance value of 0.000 meaning it is smaller than 0.05 and based on the results of the

regression analysis shows that external pressure (LEV) has a negative and significant effect. So that the external pressure variable (LEV) is proven to have a negative and significant effect on the financial statement fraud variable. So that H_a is rejected and H_o is accepted.

3. Hypothesis 3 Testing

Based on the table above, the supervisory effectiveness variable (BDOUT) has a significance value of 0.308, which means it is greater than 0.05. So that the supervisory effectiveness variable (BDOUT) is proven to have no significant effect on the financial statement fraud variable. So that H_a is accepted and H_o is rejected.

4. Hypothesis 4 Testing

Based on the table above, the rationalization variable (TATA) has a significance value of 0.094 greater than 0.05. So that the rationalization variable (TATA) proved to have no significant effect on the financial statement fraud variable. So that H_a is accepted and H_o is rejected.

The F statistical test

According to Ghozali (2018:96) the F statistical test is a test of the overall significance of the sample regression. The F test is used to determine whether all the independent variables are used to determine whether all the independent variables referred to in the model have a simultaneous effect on the dependent variable. The test criteria for the F test are if the significance value is < 0.05 , then there is a significant effect. If the significant value is > 0.05 then there is no significant effect. The results of the F test are as follows:

Table 3. The F statistical test

ANOVA ^a		
Model	F	Sig.
Regression	22,966	,000 ^b
Residual		
Total		

a. Dependent Variable: Fraud of LK

b. Predictors: (Constant), Rationalization, External Pressure, Surveillance

Effectiveness, Financial stability

Source : Data Research 2022

Based on the table above, it shows the simultaneous significance test for the F value of 22.966 with a significant value of 0.000, which is less than 0.05. These results indicate that the independent variables of financial stability, external pressure, supervisory effectiveness, and rationalization simultaneously have a significant effect on the dependent variable of fraudulent financial statements

Coefficient of Determination

The coefficient of determination (R^2) basically measures how far the model's ability to explain the variation of the dependent variable. The coefficient of determination is between 0 and 1.

Table 4. Koefisien Determinasi

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,713 ^a	,508	,486	,27170

a. Predictors: (Constant), Rationalization, External Pressure, Efektivitas Pengawasan, Stabilitas keuangan

b. Dependent Variable: Fraud of LK

Source : Data Research 2022

Based on the table above in the adjusted R square column, the coefficient of determination is 0.486, which means that the independent variables of financial stability, external pressure, supervisory effectiveness, and rationalization are able to explain 48.6%. While the rest ($100\% - 48.6\% = 51.4\%$) is explained by other variables not analyzed in this study.

CONCLUSIONS

Based on the results of an analysis of the influence of the determinants of financial statement fraud through the fraud triangle on manufacturing companies in the consumer goods sector listed on the IDX for the 2018-2021 period using the SPSS 25 data analysis tool, the following conclusions are generated:

1. From the results of data analysis, it is obtained that partially the financial stability variable has an influence on fraudulent financial reporting in manufacturing companies in the consumer goods sector.
2. The results of data analysis, it is obtained that partially the external pressure variable has an influence on fraudulent financial statements in manufacturing companies in the consumer goods sector
3. From the results of the data analysis, the results were obtained that partially the effectiveness variables of supervisors have no influence on the fraud of financial statements in manufacturing companies in the consumer goods sector.
4. From the results of data analysis, it was obtained that partially the rationalization variable had no effect on fraudulent financial statements in manufacturing companies in the consumer goods sector.
5. From the results of data analysis, the results show that simultaneously the variables of financial stability, external pressure, supervisory effectiveness and rationalization have an influence on fraudulent financial reporting in manufacturing companies in the consumer goods sector.

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