

ABSTRACT

The integrity of financial statement is a condition in which information in the financial statements is presented fairly and without bias, honestly presenting what is intended to be stated. Information in financial statements must be understood by users and meet the qualitative characteristics of accounting information which are divided into two main qualities, consisting of relevance and faithful representation and supporting qualities consisting of comparability, verifiability, timeliness and understandability. In Indonesia at the moment there are various cases of financial statement manipulation because of the low integrity of the financial statements so that the financial statements presented do not show the actual condition of the financial statements.

This study aims to determine the effect of audit tenure, institutional ownership, independent commissioners, and company size on the integrity of financial statements in the insurance sub-sector listed on the Indonesia Stock Exchange (BEI) in 2014-2019. Sampling in this study used purposive sampling of 66 companies in a period of 6 years. In this study using descriptive analysis method and panel data regression using Eviews 10 software.

Based on this study the results obtained simultaneously that audit tenure, institutional ownership, independent commissioners, and company size affect the integrity of financial statements. While partially, the variable company size has a positive effect on the integrity of financial statements. Then the variable institutional ownership negatively affects the integrity of financial statements. Then the variable audit tenure and independent commissioners do not affect the integrity of the financial statements.

Keywords: Audit Tenure, Institutional Ownership, Independent Commissioners, Company Size, Integrity of Financial Statements.