

ABSTRACT

Financial statement fraud is a deliberate manipulation in the presentation of financial reports aimed at misleading stakeholders. Financial statement fraud is influenced by various factors, including Good Corporate Governance (GCG), Liquidity, and Financial Target. Additionally, Behavior Intention serves as a moderating variable that can strengthen or weaken the relationship between these factors and financial statement fraud. Behavior Intention reflects the intention of individuals or management in making decisions based on attitudes toward behavior and subjective norms influenced by the surrounding environment.

This study aims to analyze the effect of good Corporate Governance, liquidity, and Financial Targets on financial statement fraud in pharmaceutical companies listed on the Indonesia Stock Exchange during the 2019-2023 period. Furthermore, this study also examines behavior intention as a moderating variable in the relationship between Financial Targets and financial statement fraud.

This study employed quantitative methods. The sampling technique used was purposive sampling, involving nine companies observed over five years, resulting in a sample of 45 observations. Data analysis techniques used were panel data regression and moderated regression analysis using Eviews 12 software.

The results of this study indicate that good corporate governance, liquidity, and financial targets simultaneously influence financial statement fraud. Partially, good corporate governance and liquidity negatively influence financial statement fraud, while financial targets positively influence financial statement fraud. Moderating variables in the form of behavioral intentions, measured by the financial statement restatement indicator as a proxy for attitude toward behavior and the debt-to-equity ratio (DER) as a proxy for subjective norms, are unable to moderate the influence of financial targets on financial statement fraud.

This study provides insights into the factors influencing fraudulent financial reporting, focusing on pharmaceutical companies listed on the Indonesia Stock Exchange for the 2019-2023 period. These findings are expected to contribute to the development of academic literature and serve as a practical reference for company management, auditors, and investors in identifying potential fraud risks. Furthermore, this study also provides guidance for future researchers to examine other variables or use different analytical approaches to enrich the study of ethical and transparent financial reporting.

Keywords: *Financial Statement Fraud, Good Corporate Governance, Liquidity, Financial Target, Behavior Intention, Pharmaceutical Companies*