ANALYSIS OF THE INFLUENCE OF FINANCIAL TARGET, RATIONALIZATION, DUALISM POSITION AND COLLUSION ON FRAUDELENT FINANCIAL STATEMENTS WITH THE AUDIT COMMITTEE AS A MODERATION VARIABLE IN SHARIA COMMERCIAL BANKS IN 2014-2023

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Abstract

This research aims to find out the influence of financial targets, rationalization, dualism position and collussion on fraudulent financial statements with audit committees as a moderating variable in Islamic commercial banks in Indonesia. In the research that has been carried out, the method used is quantitative by processing panel data obtained from the annual reports of each Islamic commercial bank. After carrying out the test, the results were obtained that the financial target variable had a positive but not significant effect (had no effect) on fraudulently lent financial statements. rationalization has a positive but not significant effect (has no effect) on fraudulent financial statements. dualism position has a negative and insignificant effect (has no effect) on fraudulently lent financial statements. Collusion has a positive but insignificant effect (has no effect) on fraudulent financial statements. The audit committee cannot moderate the influence of the financial target on fraudulently lent financial statements. The audit committee cannot moderate the influence of rationalization on fraudulent financial statements. The audit committee can moderate the influence of dualism position on fraudelient financial statements and the audit committee cannot moderate the influence of collussion on fraudelent financial statements. In conclusion, financial targets, rationalization, dualism position, and collussion have no effect on fraudulently elegant financial statements. The audit committee is only able to moderate the influence of the dualism position on fraudulent financial statements.

Keywords: *dualism position, Collussion, Fraudelent Financial Statement*

1. INTRODUCTION

Financial reports are a means of communication between external parties in providing information regarding activities in the company during a certain time period. Apart from being a communication tool with external parties, financial reports are also used to provide information to internal company parties over a certain period of time. This financial information is used to make managerial decisions, assess operational performance, assess investment feasibility, assess debt value, calculate taxes, and carry out all accounting functions (Pramurza, 2021). However, it cannot be denied that not all business owners understand the essential value of financial reports that are clean and free from fraud. This action is included in the category of fraud, which is more precisely known as financial statement fraud. The Association of Certified Fraud Examiners (ACFE), fraud is the misuse of organizational assets by someone for personal gain. Fraud is the behavior of someone who spreads false information and hides material facts intentionally to gain benefits from the injured party, such as theft and manipulation of financial statements. Fraudulent financial statements or fraudulent financial statements are a form of

fraud that has an impact on the long-term success of a company. Fraudulent financial statements are the presentation of financial reports that contradict what shareholders and other stakeholders deliberately do (Christian N et al. , 2022). Based on the 2019 survey conducted by ACFE, there were 239 fraud cases with a total loss of Rp. 873,430,000,000. In this case, the highest loss was caused by a case of financial statement fraud, the loss of which reached IDR 242,260,000,000.

In fact, fraud does not only occur in manufacturing companies or the public sector. As is the case in the banking sector, where this research will focus on Islamic commercial banks which are not spared from this practice. In a 2019 survey conducted by the Association of Certified Fraud Examiners Indonesia (ACFE, 2019), it was seen that the banking industry was in first place at 41.4% in the number of fraud cases compared to other industries. This is also proven by the existence of fraud cases that occurred in the banking sector. The Bank Syariah Mandiri (BSM) case had internal implications for the bank, namely by providing fake loans to BSM in Bogor amounting to 102 billion to 197 fake customers. Another case is BSI KCP Sumenep in 2023 related to fraud with losses reaching 60 billion.

There are several factors that influence fraudulent financial statements, one of which is financial targets. According to Skousen & Twedt, (2009) the company's financial target is generally in the form of profit which can be proxied by the value of return on assets (ROA). Return on assets is a measure of operational performance that shows how efficiently assets are used to generate profits by comparing profits with the total assets of a company. Therefore, the higher the financial target, the more likely it is to trigger fraudulent financial statements. When a company's growth is below the industry average, pressure to meet financial targets increases, forcing management to manipulate financial reporting to improve the company's prospects. The next factor that influences fraudulent financial statements is rationalization. Rationalization is a rationalistic attitude that allows board members, management or employees to be involved in justifying fraudulent financial reporting. In terms of risk, fraudulent financial reporting is very likely to occur if the CEO or manager does not care about the financial reporting process, because they always use optimistic forecasts (SAS No. 99).

Apart from the factors above, Dualism position can also influence fraudulent financial statements. Dualism Position is the multiple positions held by a director. Having multiple positions can result in their work being disrupted because they are too busy to focus on being effective observers. Determination of company policy is strongly influenced by the dominance of power. This is a form of arrogance used to uncover fraudulent financial reports (Handoko, 2021). Collusion is a dishonest act between two or more parties with an agreement or agreement with the intention of taking advantage of a third party. Where one party acts with malicious intent towards another party and has a detrimental impact on the other party. Handoko, (2021) said that collusion between management, employees and third parties can hide fraudulent financial statements.

Previous research shows mixed findings between financial targets and fraudulent financial statements. According to Rifa & Maharani Tasrif (2022) and say that financial targets have a positive and significant effect on fraudulent elent financial statements. However, this is different from what was done by Apriliana & Agustina (2017) who stated that financial targets had a positive and insignificant effect on fraudulent elent financial statements. Research conducted by Yesiariani & Rahayu (2017) states that rationalization has a positive and insignificant effect on fraudulent financial statements. However, this is different from what was done by Nindito

(2018) who said that rationalization had a negative and insignificant effect on fraudulent financial statements. Research conducted by Dewi & Luthan (2023) states that collusion has a negative and insignificant effect on fraudulently lent financial statements. However, this is different from research conducted by (Puteri Amira Syifani, n.d., 2021) which states that collusion has a positive and significant effect on fraudulently lent financial statements. Other research conducted by (Yasir, 2019) states that dual positions have a negative and insignificant effect on fraudulent financial statements. However, this is different from research conducted by Harni, (2021) which states that the dualism position has a positive and significant effect on fraudulently elegant financial statements.

The results of previous research show that the effectiveness of the above factors in detecting fraudulent financial statements still shows mixed and inconsistent results. Therefore, from these diverse and inconsistent results, researchers want to complement previous research by adding variables that have not been widely used, namely collusion and dualism position and adding the audit committee as a moderating variable. This was done to find out whether the audit committee is able to strengthen fraud against fraudulent financial statement or vice versa.

This research aims to determine the influence of financial targets, rationalization, dualism position and collussion on fraudulently lent financial statements with the audit committee as a moderating variable. And the benefit of this writing is that it can provide knowledge and insight regarding the influence of financial targets, rationalization, dualism position and collusion on fraudulent financial statements in sharia banking in Indonesia, useful for auditors in preventing fraudulent financial statement attempts on sharia banks. And for Islamic banks, it is hoped that it can be used as material for consideration in preventing fraudulent financial statements as well as material for evaluating the policies that have been implemented.

2. METHODOLOGY

The type of research used by researchers is quantitative research. In this case, the data used are numbers that are evaluated statistically. Quantitative research is research whose problems consist of facts that emerge from a population at this time (Ayem & Wardani, 2023). The type of data used in this research is the annual report of Sharia Commercial Banks for the period 2014-2023. In this research, purposive sampling was used as a research sampling technique. purposive sampling is a sampling technique with certain data source criteria (Adistra Rifaldi, 2022). The sample selected in this research must meet certain criteria, namely:

1. Sharia commercial banks registered with the OJK for the 2014-2023 period
2. Sharia Commercial Banks displaying annual reports for the 2014-2023 period.
3. Sharia Commercial Bank which has complete data for this research.

Table 1 Sample Characteristics

Sample Criteria	Number of Companies
BUS registered with OJK for the 2014-2023 period	13
Incomplete BUS publishes annual financial reports for the 2014-2023 period	(3)
BUS that does not have the necessary financial data and ratios	(1)
Eligible samples	9
The year period studied	10
Total sample data	90

Based on the criteria in table 1, the companies that will be used for the research sample consist of 90 data from 9 companies.

Table 2 Research Sample

No	Bank Sample
1.	Bank Muamalat Indonesia
2.	Bank Victoria Syariah
3.	Bank Syariah Mega Indonesia
4.	Bank Panin Syariah
5.	Bank Syariah Bukopin
6.	Bank BCA Syariah
7.	Maybank Syariah Indonesia / Bank Aladin
8.	BTPN Syariah
9.	Bank BJB Syariah

The analytical tool used in this research is moderate regression analysis (MRA). The MRA method or test is a test used to see the relationship between an independent variable and other independent variables.

3. RESULT AND DISCUSSION
3.1. Result
a. Statistic Descriptif

Tabel 3 Statistic Descriptif Tes

	X1	X2	X3	X4	Y	Z
Mean	0.717161	-0.011311	0.700000	0.577778	0.038202	3.433333
Median	0.430000	-0.009669	1.000000	1.000000	-0.020909	3.000000
Maximum	13.60000	0.330725	1.000000	1.000000	1.741141	6.000000
Minimum	-20.13000	-0.469107	0.000000	0.000000	-1.000762	2.000000
Std. Dev.	4.880463	0.101613	0.460825	0.496681	0.358548	0.793938
Skewness	-0.513363	-0.750534	-0.872872	-0.314945	2.240703	0.694185
Kurtosis	6.958027	8.025745	1.761905	1.099190	12.67658	3.469540

Source: Data processed with Eviews 12

Based on the table of descriptive statistical test results for 2014-2023, it shows that the sample used in the research consisted of 90 observation data. The descriptive statistical results are that the Financial Target Variable (X1) in this study has a minimum value of -20.13000 and a maximum value of 13.60000. The average value is 0.717161 with the standard deviation showing a value of 4.880463. The Rationalization variable (X2) in this study has a minimum value of -0.469107 and a maximum value of 0.330725. The average value is -0.011311 with the standard deviation showing a value of 0.101613. The Dualism Position variable (X3) in this study has a minimum value of 0.000000 and a maximum value of 1.000000. The average value is 0.700000 with the standard deviation showing a value of 0.460825. The collision variable (X4) in this study has a minimum value of 0.000000 and a maximum value of 1.000000. The average value is 0.577778 with the standard deviation showing a value of 0.496681. he Fraudulent Financial Statement (Y) variable in this study has a minimum value of -1.000762 and a maximum

value of 1.741141. The average value is 0.038202 with the standard deviation showing a value of 0.358548. The audit committee variable (Z) in this study has a minimum value of 2,000000 and a maximum value of 6,000000. The average value is 3.433333 with the standard deviation showing a value of 0.793938.

b. Uji Moderate Regression Analysis

Table 4 MRA Test Results

Dependent Variable: LOG_Y				
Method: Panel Least Squares				
Date: 07/25/24 Time: 23:47				
Sample: 2014 2023				
Periods included: 10				
Cross-sections included: 9				
Total panel (unbalanced) observations: 33				
Period weights (PCSE) standard errors & covariance (no d.f. correction)				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-2.531859	0.344824	-7.342473	0.0000
X1	0.092755	0.147788	0.627620	0.5391
X2	7.379550	10.92856	0.675253	0.5092
X3	-2.393460	1.317345	-1.816882	0.0880
X4	1.486013	1.393716	1.066224	0.3021
X1*Z	-0.017261	0.035617	-0.484644	0.6345
X2*Z	-0.749488	2.749359	-0.272604	0.7886
X3*Z	0.846753	0.369452	2.291919	0.0358
X4*Z	-0.667253	0.414543	-1.609610	0.1270
Effects Specification				
Cross-section fixed (dummy variables)				
Root MSE	0.635542	R-squared		0.832956
Mean dependent var	-2.269713	Adjusted R-squared		0.665913
S.D. dependent var	1.579105	S.E. of regression		0.912727
Akaike info criterion	2.961625	Sum squared resid		13.32914
Schwarz criterion	3.732554	Log likelihood		-31.86682
Hannan-Quinn criter.	3.221019	F-statistic		4.986457
Durbin-Watson stat	1.747650	Prob(F-statistic)		0.001277

Source: Data processed with Eviews 12

Data research uses Eviews 12 software, the ordinary least squares (OLS) model is used in multiple linear regression research. Statistical tests and MRA are used to determine whether the moderating variable (audit committee) is able to moderate the relationship between the independent variable and the dependent variable. The table shows the model created from the Random Effect Model test for research as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_1 X_1 Z_1 + \beta_2 X_2 Z_2 + \beta_3 X_3 Z_3 + \beta_4 X_4 Z_4 + \epsilon$$

$$Y = -2.531859 + 0.092755(X1) + 7.379550(X2) \quad -2.393460(X3) + 1.486013(X4) - 0.017261(X1\_Z) - 0.749488(X2\_Z) + 0.846753(X3\_Z) - 0.667253(X4\_Y) + \varepsilon$$

c. Statistic Test

1) t-Test (T ratio)

The t test is carried out to partially determine whether the independent variables used in the model have an influence on the dependent variable. The condition for concluding that the independent variable has a partial effect on the dependent variable is that the probability value is smaller than 0.05. Based on the table of regression test results above, the results can be concluded as follows:

1) The influence of the ROA variable (X1) on FFS (Y).
   The ROA variable (X1) has a regression coefficient value of 0.092755. The probability value is 0.5391 (value 0.5391 > 0.05) which means that the ROA variable (X1) has a positive and insignificant influence on the FFS variable (Y).

2) The influence of the TATA variable (X2) on FFS (Y).
   The TATA variable (X2) has a regression coefficient value of 7.379550. The probability value is 0.5092 (value 0.5092 > 0.05) which means that the TATA variable (X2) has a positive and insignificant influence on the FFS (Y) variable.

3) The influence of the Dualism position variable (X3) on FFS (Y).
   The Dualism Position variable (X3) has a regression coefficient value of -2.393460. The probability value is 0.0880 (value 0.0880 > 0.05) which means that the DP (X3) variable has a negative and insignificant influence on the FFS (Y) variable.

4) The influence of the Collussion variable (X4) on FFS (Y).
   The Collussion variable (X4) which is moderated by KA (Z) has a regression coefficient value of 1.486013. The probability value is 0.3021 (value 0.3021 > 0.05) which means that the Collussion variable (X4) has a negative and significant relationship with the FFS (Y) variable after being moderated by KA (Z).

5) The influence of the ROA variable (X1) on FFS (Y) is moderated by KA (Z).
   The variable ROA (X1) which is moderated by KA (Z) has a regression coefficient value of -0.017261. The probability value is 0.6345 (value 0.6345 > 0.05) which means that the ROA (X1) variable has a negative and insignificant relationship with the FFS (Y) variable after being moderated by KA (Z).

6) The influence of the TATA variable (X2) on FFS (Y) is moderated by KA (Z).
   The TATA (X2) variable which is moderated by KA (Z) has a regression coefficient value of -0.749488. A probability value of 0.7886 (value 0.7886 > 0.05) which means that the TATA (X2) variable has a negative and insignificant relationship with the FFS (Y) variable after being moderated. KA(Z).

7) The influence of the Dualism Position variable (X3) on FFS (Y) is moderated by KA (Z).
   The variable DP (X3) which is moderated by KA (Z) has a regression coefficient value of 0.846753. The probability value is 0.0358 (value 0.0358 < 0.05) which means that the DP (X3) variable has a positive and significant relationship with the FFS (Y) variable after being moderated by KA (Z).

8) The influence of the Collussion variable (X4) on FFS (Y) is moderated by KA (Z).

The Collussion variable (X4) which is moderated by KA (Z) has a regression coefficient value of -0.667253. The probability value is 0.1270 (value 0.1270 > 0.05) which means that the Collussion variable (X4) has a negative and insignificant relationship with the FFS (Y) variable after being moderated. KA(Z).

2) F Test (Uji Simultan)

This F test is carried out to find out whether the independent variable can influence the dependent variable simultaneously or not (Ghozali & Ratmono, 2017). The explanation regarding the F test in the panel data moderation equation regression table above has a probability value (F-statistic) of 0.001277 (<0.05) indicating that at least one of the independent variables has a simultaneous effect on the dependent variable. Thus it can be concluded that the overall regression model significantly explains variations in the independent variables.

**3) Uji R^2 (Koefisien Determinasi)**

The R2 test was carried out to measure the level of the model's ability to explain variations in the dependent variable (Ghozali & Ratmono, 2017). In the regression equation table, it is known that the adjusted R-Squared value of all independent variables is able to explain variations in variable Y of 0.665913. Therefore, the adjusted R-squared value of 66% indicates that all independents are able to explain 66% of the variation in variable Y, while the remaining 34% is explained by other variables outside the model. The adjusted R-squared value is used because the adjusted R-squared value is more accurate than the R-squared value, as stated by (Ghozali & Ratmono, 2017).

d. Classic Assumption Test

1) Normality Test

The purpose of the normality test is to evaluate whether the data follows a normal distribution or not. In this test, the Jarque-Bera histogram is used. The residual is said to have a normal distribution if it has a probability value > 0.05.

Figure 1 Normality Test
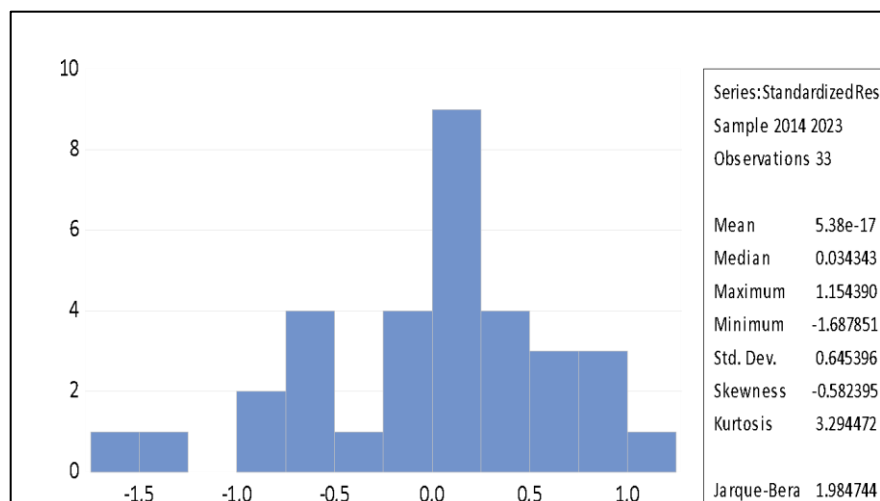
Source: Data processed with Eviews 12

Referring to the table, the jarque-bera probability value is 0.370796 > 0.05. Therefore it can be concluded that the data has a normal distribution.

a. Multikolinearity Test

Table 5 multikolinearity Test

	X1	X2	X3	X4	Z
X1	1.000000	0.087465	-0.174134	0.047294	-0.097383
X2	0.087465	1.000000	0.049991	-0.019251	0.097649
X3	-0.174134	0.049991	1.000000	-0.210267	-0.034937
X4	0.047294	-0.019251	-0.210267	1.000000	0.210377
Z	-0.097383	0.097649	-0.034937	0.210377	1.000000

Source: Data processed with Eviews

The results of the multicollinearity test using a correlation model with a value below 8 are that there are no significant multicollinearity problems in the model. When the correlation value is above 8, this indicates that the level of multicollinearity between the independent variables in the regression model is low or acceptable.

b. Heteroscedasticity Test

Tabel 6 Heteroscedasticity Test

Dependent Variable: RESABS
Method: Panel Least Squares
Date: 07/25/24   Time: 23:38
Sample: 2014 2023
Periods included: 10
Cross-sections included: 9
Total panel (unbalanced) observations: 33
Cross-section SUR (PCSE) standard errors & covariance (no d.f. correction)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.515529	0.243255	2.119296	0.0718
X1	-0.145115	0.092517	-1.568514	0.1607
X2	5.935414	5.360494	1.107251	0.3048
X3	0.749148	0.740345	1.011891	0.3453
X4	1.684111	0.812404	2.072996	0.0769
X1*Z	0.030245	0.020839	1.451334	0.1900
X2*Z	-1.482797	1.285552	-1.153432	0.2866
X3*Z	-0.282116	0.209229	-1.348358	0.2195
X4*Z	-0.310245	0.230156	-1.347977	0.2197

Source: Data processed with Eviews 12

Referring to the table above, the profitability value for each variable exceeds the significance value of 0.05. It can be said that the variation of the error or residual in the regression model is estimated to be constant throughout the range of the independent variable.

Therefore, it can be concluded that this research data is free from symptoms of heteroscedasticity.

c. Autocorrelation Test

Table 7 LM Test

Breusch-Godfrey Serial Correlation LM Test:			
Null hypothesis: No serial correlation at up to 2 lags			
F-statistic	0.790749	Prob. F(2,22)	0.4660
Obs*R-squared	2.213152	Prob. Chi-Square(2)	0.3307

Source: Data processed with Eviews 12

Autocorrelation results using the Breusch-Godfrey test (LM Test) show a probability chi square value of 0.3307 which is greater than 0.05. This means that it can be concluded that there is no autocorrelation problem in the regression model.

3.2. Discussion
3.2.1. Financial target for fraudelent financial statement

The value of the Financial Target variable has a coefficient value of 0.092755 and a significance value of 0.5391, which means more than 0.05. This shows that Financial Target has a positive and insignificant influence on DAC (fraudelent financial statement), so H1 is rejected.

This is because increasing ROA in banking is useful for improving the quality of the company so that it can compete with other companies. The high ROA generated by sharia banking can increase the potential for business performance through innovative products so that companies can compete and also become competitors that other companies fear. Apart from this, quality human resources make them better prepared to face job demands. Then the company can increase value for shareholders without having to manipulate them because the company adheres to the principles of Good Corporate Governance (Imawan, 2020). The results of this research are in accordance with research conducted by (Aminatun et al., 2021) and (Ines, 2017) which stated that financial targets as proxied by ROA do not have a significant effect on fraudulent financial statements.

1. **Rationalization for fraudelent financial statement**

Rationalization variable has a coefficient value of 7.379550 and a significance value of 0.5092, which means more than 0.05. This shows that Rationalization has a positive and insignificant influence on DAC (fraudelent financial statement), so H2 is rejected.

Rationalizers will provide a subjective form of assessment. In this case, the company's accrual value is a reflection of this subjective assessment (Skousen et al., 2009). Apart from that, management's judgment and estimates have also become better, which means that the level of discretionary accruals is getting lower and the level of non-discretionary accruals is getting higher. The results of this research are in accordance with research conducted by (Sasongko & Wijayantika, 2019) which states that Rationalization does not have a significant effect on fraudulent financial statements.

2. Dualism position for fraudelent financial statement

The value of the Dualism Position variable has a coefficient value of -2.393460 and a significance value of 0.0880, which means more than 0.05. This shows that Dualism Position has a negative and insignificant influence on DAC (fraudelent financial statement), so H3 is rejected.

The CEO will not create an opportunity to commit fraud from his dual position, but the CEO will use his position to improve the company's performance and be accountable for his own performance as CEO in an effort to maintain his position (Ratnasari & Solikhah, 2019). Apart from that, the CEO will carry out his duties effectively and use his power wisely because there is supervision carried out by the committee and board of commissioners. The results of this research are in accordance with research conducted by (Preicilia et al., 2022) and (Ratnasari & Solikhah, 2019) which stated that dualism position has a negative and insignificant effect on fraudulent elent financial statements.

3. Collussion for fraudelent financial statement

The value of the Collusion variable has a coefficient value of 1.486013 and a significance value of 0.3021, which means more than 0.05. This shows that Collusion has a positive and insignificant influence on DAC (fraudulent financial statement), so H4 is rejected.

Collaboration between companies and government agencies does not have a significant impact on the occurrence of fraud. Just because a company has a working relationship with a government agency does not mean it will always commit fraud. The benefits and profits obtained from the government will be obtained when the cooperation built is in a good corridor. Government agencies have of course made a selection based on criteria that have been determined according to standards before deciding on a collaboration with a company. To win the tender project cooperation, the company will perform as well as possible (Elita Septiningrum & Mutmainah, 2022). The results of this research are in accordance with research conducted by (Achmad et al., 2022) which states that collussion has a positive and insignificant effect on fraudulent financial statements.

4. The audit committee cannot moderate the relationship between financial targets and fraudulent financial statements

The value of the financial target variable which is moderated by the audit committee has a coefficient value of -0.017261 and a significance value of 0.6340, which means more than 0.05. This shows that Financial Target has a negative and insignificant influence on DAC (fraudelent financial statement) which is moderated by the audit committee, so H5 is rejected.

An audit committee is appointed to help oversee management's duties and responsibilities in managing the company. It is hoped that the existence of an audit committee in the company will reduce the possibility of fraudulent financial statements being carried out by management and will mediate differences in the interests of the two. However, actions to prevent and reduce the effects of financial targets that can put pressure on management are not necessarily guaranteed by the presence of an audit committee in the event of a fruadelent financial statement because its nature is usually hidden from the audit committee. This is because the audit committee cannot moderate the influence between financial targets and fraudulent financial statements. This research is in accordance with that carried out by (Mardiana & Jantong, 2020) who in their research stated that the audit committee cannot moderate the influence of financial targets on fraudulently lent financial statements.

5. **The audit committee cannot moderate the relationship between rationalization and fraudulent financial statements**

Rationalization variable which is moderated by the audit committee has a coefficient value of -0.749488 and a significance value of -0.017261, which means less than 0.05. This shows that rationalization has a negative and significant influence on the DAC (fraudelent financial statement) which is moderated by the audit committee, so that H6 is rejected.

Rationalizers will provide a subjective form of assessment. In this case, the company's accrual value is a reflection of this subjective assessment (Skousen et al., 2009). Apart from that, management's judgment and estimates have also become better, which means that the level of discretionary accruals is getting lower and the level of non-discretionary accruals is getting higher (Francis, 2010). The existence of an audit committee can minimize the occurrence of fraudulent financial statements. One of the duties of the audit committee is to review financial information that will be released by the company. Therefore, the review and investigation of all financial information transactions issued by the company will be carried out by the audit committee so that it will reduce acts of fraud. The results of this research state that the audit committee is able to moderate and weaken the influence of rationalization on fraudulent financial statements.

6. **The audit committee cannot moderate the relationship between dualism position and fraudulent financial statements**

The value of the Dualism Position variable which is moderated by the audit committee has a coefficient value of 0.846753 and a significance value of 0.0358 which means less than 0.05. This shows that the dualism position has a positive and significant influence on the DAC (fraudelent financial statement) which is moderated by the audit committee, so that H7 is accepted.

A board of directors that has multiple positions will trigger a concentration of power. This concentration of power will encourage directors to believe that they have full power over the company and then prioritize their own interests. The research results stated that the audit committee was able to moderate and strengthen the influence of the dualism position on fraudulently lent financial statements. This is because the audit committee can moderate the influence between dualism position and fraudulent financial statements. This research is in accordance with that carried out by Yasir (2019) who in his research stated that the audit committee can moderate the influence of dualism position on fraudulent elent financial statements.

7. **The audit committee cannot moderate the relationship between collussion and fraudulent financial statements**

The value of the collussion variable which is moderated by the audit committee has a coefficient value of -0.667253 and a significance value of 0.1270, which means more than 0.05. This shows that collussion has a negative and insignificant effect on DAC (fraudulent financial statement) which is moderated by the audit committee, so H8 is rejected.

Collusion is the main element in many acts of financial statement fraud. Because sometimes many parties involved work together to cover up the fraud. However, in this case, the audit committee may not be able to increase the occurrence of fraud because in preparing the report there are several parties who work together to cover up transaction manipulation and existing traces of fraud. If the information presented is more detailed, it will make it easier for the audit committee to carry out supervision. This is because the audit committee cannot

moderate the influence between collussion and fraudulent financial statements. This research is in accordance with that carried out by (Nugroho et al., 2021) (Ghaisani et al., 2022) who in their research stated that the audit committee cannot moderate the influence of collussion on fraudulently lent financial statements.

4. CONCLUSION

The purpose of this research is to find out how the influence of Financial Target, Rationalization, Dualism Position and Collussion on moderated Fraudelent Financial Statements. is to find out the influence of Financial Target, Rationalization, Dualism Position and Collusion on Fraudelent Financial Statements which are moderated by the audit committee. From the various tests that have been carried out, it can be concluded that the ROA, TATA, DP and collussion variables have no effect on FFS. Meanwhile KA has not been able to moderate ROA, TATA and Collussion. However, KA was able to moderate the DP. The hope of this research is that it can provide information related to fraud to individual readers or writers, to serve as reference material for academics and to serve as reference material for other research as well as adding new variables for further research to make it more precise. target. better.

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