



## Islamic Principles in Efforts to Prevent Accounting Fraud

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**Abstract:** Weak internal control is generally caused by the internal environment and the external environment. Among several types of fraud. Financial statement fraud is the type of fraud that has the most detrimental effect of fraud. Islam has set values, concepts in regulating ethics and regulations so that this life runs according to rules and harmony. Economic activities in Islam are not only oriented to worldly and contemporary interests, but also to ukhrawi benefits. Spirituality is the greatest meaning and purpose in a person's life which is considered capable of providing a more positive reciprocal relationship between the organization and its members, and enabling everyone to work together and achieve the same goals. Therefore, to avoid fraud, Islam threatens a lot and warns in its argument that there will be retaliation for cheating. Religiosity with the principles of faith, morals and trust is the main capital for preventing fraud.

**Keywords:** Faith, Morals, Trust, Fraud Prevention

### INTRODUCTION

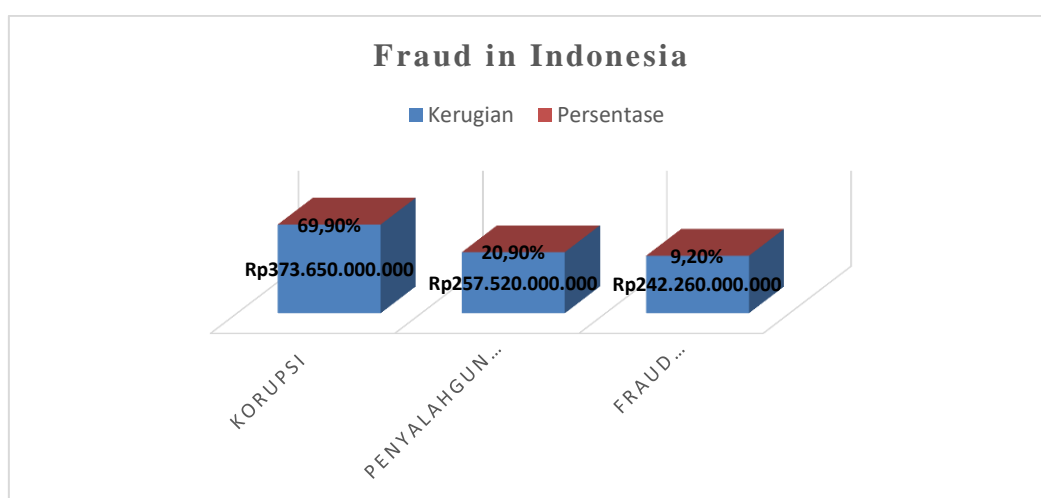
Islamic economics is something that must be implemented in business life. There is no doubt as a majority of Muslims to implement the concepts based on the Qur'an and Al-Hadith. Concerns about the basic principles of economics in the accounting literature, in general, accounting standards start the discussion from the needs of users or the objectives of financial statements even though the assumptions of each economic community have been through rigorous consideration to characterize financial statement models in various accounting dimensions.

The rise of news coverage in newspapers and television regarding complaints of fraud within the company and management officials or government officials makes us more aware that we must do something to correct these irregularities. So far, law enforcement efforts to combat fraud have been less successful. Government measures to improve the general situation were not very successful.

The Association of Certified Fraud Examiners (ACFE) defines fraud as a person exercising a position to obtain the willful misuse or misappropriation of an organization's

assets or resources. In other words, fraud is dishonesty about the existence of income made by someone by presenting something that does not reflect the real situation (Tuanakotta, 2013). (Gilbert & Wakefield, 2018) expressing fraud includes intentional dishonesty, misrepresentation, manipulation, and presentation of facts that can harm other people and the organization. Fraud also includes theft, confiscation, attempts to obtain something illegally and errors in the preparation of financial statements covering the assets and liabilities of the organization (Rivai, 2013).

Then, the Association of Certified Fraud Examiners (ACFE) reported that in 2019, based on the frequency of fraudulent acts, misuse of state and company assets (misappropriation of assets) was the act of fraud that had the highest frequency, followed by corruption (Corruption) and the last one was financial statement fraud (Financial Statement Fraud). But financial statement fraud is a type of fraud that has the most detrimental impact of fraud among other types of fraud (ACFE, 2020).



**Figure 1**

Source: ACFE Indonesia (2019)

Fraudulent financial statements are believed to cause material misstatements in financial statements because they can provide misleading information. In addition, fraud will have harmful effects, including damage to external business relationships, employee morale, company reputation, and brands. In fact, some of the effects of fraudulent activity, such as a company's bad reputation, can have long-lasting effects (Sudarso et al., 2021).

Financial statement fraud is generally caused by the internal environment and the external environment. The influence of the internal environment is generally related to, among others, weak internal control, poor management ethics or the liquidity and profitability factors of the company concerned (Alfian, 2016). Experts estimate that detected fraud is only a small part of all actual fraud cases. Therefore, the main effort that must be done is prevention, starting with beliefs and attitudes.

Spirituality and religiosity are the most important assets for fraud prevention. Islam as a religion that is rahmatan lil'alamin rejects all fraud or fraud because in its concept fraud brings greater harm than benefits. Even the smallest Islamic values do not intend to harm humans and their creatures. Islam is a religion with universal insight, fair to all people, even to flora and fauna, spirits and future generations (Nata, 2015). These values enter all aspects of life whether political, defense, social, legal and economic and Islam does not limit freedom of movement and human creativity only provides rules and values so that everyone does not harm each other. In Surah Al Baqarah verses 8-10:



an individual or organization including embezzlement, theft, forgery, misuse, and loss of evidence by on purpose.

Fraud in corporate organizations generally comes from two directions, namely internal and external. Internal fraud is fraud that originates from parties within the company's own organization, such as corruption, presentation of false reports, manipulation of financial statements, duplicate financial statements, covering or disguising embezzlement of money, incompetence in counting, theft or inappropriate use of organizational assets by employees. and management for personal or group interests and uses that are not in accordance with their designation. Meanwhile, external fraud is fraud originating from parties outside the company's organization, such as bribery, increase in invoice value, double invoices and quality fraud such as goods transactions that are not in accordance with the agreed presentation.(Sayyid, 2015).

Fraudulent statement, namely fraud by presenting financial statements that are better than the truth (over statement) and worse than the truth (under statement).(Prayoga & Sudarmaji, 2019), presenting assets or income that is higher than it really is, or presenting assets and income that is lower than it really is (Tuanakotta, 2015).

The Qur'an describes cheating (Fraud) or cheating is confirmed in the letter Al-Muthaffifin/83:1-3 As follows;

وَيْلٌ لِّلْمُطَفِّفِينَ ۝ ١ الَّذِينَ إِذَا أَكْتَالُوا عَلَى النَّاسِ يَسْتَوْفُونَ ۝ ٢ وَإِذَا كَالُواهُمْ أَوْ وَزَنُوهُمْ يُخْسِرُونَ ۝ ٣

Translation:

1. Huge accident for those who cheat
2. (i.e.) people who when they receive a dose from someone else they ask to be fulfilled,
3. and when they measure or weigh for others, they reduce.

In addition, the Qur'an also recommends not to cheat when doing muamalah. One of them in Surah Al-An'am/6:152 as follows:

وَلَا تَقْرَبُوا مَالَ الْيَتِيمِ إِلَّا بِالَّتِي هِيَ أَحْسَنُ حَتَّىٰ يَبْلُغَ أَشُدَّهُ وَأَوْفُوا بِالْكَيْلِ وَالْمِيزَانَ بِالْقِسْطِ ۚ لَا نُكَلِّفُ نَفْسًا إِلَّا وُسْعَهَا وَإِذَا قُلْتُمْ فَاعْدِلُوا وَلَوْ كَانَ ذَا قُرْبَىٰ ۗ وَبِعَهْدِ اللَّهِ أَوْفُوا ذَلِكُمْ وَصْنُكُمْ بِهِ ۗ لَعَلَّكُمْ تَذَكَّرُونَ ۝ ١٥٢

Translation :

152. And do not approach the property of an orphan, except in a more beneficial way, until he is an adult. And perfect the measure and the scales with justice. We do not carry a burden on a person but only his ability. And when you say, then act justly, even though he is a relative, and fulfill the promise of Allah. That is what Allah has commanded you to remember.

And also in Surah Ar Rahman/55:9 as follows:

وَأَقِيمُوا الْوَزْنَ بِالْقِسْطِ وَلَا تُخْسِرُوا الْمِيزَانَ ۝ ٩

Translation :

9. And establish the scales with justice and do not reduce the balance.

Fraud or cheating is also described in the hadith narrated by Muslim as follows:

وَمَنْ غَشَّنَا فَلَيْسَ مِنَّا

Translation :

- And whoever deceives us, then he is not from us.

Several verses in the Qur'an describe Islam as completely rejecting all acts of fraud because in principle it becomes a disaster that will harm all parties. Islam does not view cheating from its nominal high and low and cheating is a disgraceful character and belongs to the group of wretched people.

Cressey in 1953 first gave birth to the theory of The Fraud Triangle, namely three factors that cause a person to violate trust, namely pressure, opportunity and rationalization. Wolfe & Hermanson (2004) perfected The Fraud Triangle theory with Fraud Diamond theory which includes elements namely pressure, opportunity, rationalization and capability.

According to the Association of Certified Fraud Examiners (ACFE) in the third edition of the manual, the axioms of fraud include: 1) Hidden, this fraud is carried out in secret and tries to cover up its actions; 2) Evidence to the contrary, to prove that fraud has occurred, efforts must be made so that the fraud does not occur, and vice versa; 3) Types of fraud, which consist of internal fraud and fraud control system. Internal fraud occurs naturally which is inherent in every form of activity.

The Islamic concept of economic justice is also in line with accounting fraud which can be categorized into three types according to The Association of Certified Fraud Examiners (ACFE) which is a professional organization engaged in the examination of fraud based in the United States. The concept of fraud is:

1. Asset misappropriation, namely Asset misappropriation.
2. False statement or Fraudulent Statement.
3. Corruption.

### **Islam as a Value System**

The value system is a collection of items (values) that regularly interact with each other and are interdependent which form a unique entity. Islam has a guideline revealed by Allah SWT, namely the Qur'an as its holy book, which contains the values of truth, faith, law, ethics, morals and so on. The basic principles in Islam are very valuable and needed in life in this world and in the hereafter. So in Islam the principles of aqidah, ethics, morality, muamalah and worship are a unity that cannot be separated and have dependencies between one principle and another.(Qardhawi & Nilai, 1997).

If humans do muamalah then the basis is sharia values, while sharia is imbued with the values of aqidah or monotheism. If Islamic values are implemented, it will form humans with good morals or noble character. Humans who have noble character will have intentions, think and act based on and are inspired by the values of aqidah, sharia and morals so that their thoughts and actions will benefit all parties. Islam also regulates aspects and values of the accounting profession.

Islam wants not only to think about capitalist interests, not only to think about the world, but he must also be able to deliver all parties, both management, employees, investors, analysts and accountants to safety and victory in this world and the hereafter. (Febrianto & Fitriana, 2020). In addition, Alfian (2016) states that in the Islamic tradition all ethics that are used as a business framework are built on the basis of sharia. Sharia is a guideline used by Muslims to behave in all aspects of life(Kusumaningtyas, 2018).

Experts are increasingly realizing that religious beliefs have a very large role in shaping the character of individuals and groups (Mujib, 2018). The spiritual approach, also known as inner awareness, recognizes that humans work not only with their physical bodies, but also with their hearts or spirits. The relationship between religion and work is actually not new(McGhee & Grant, 2008). Especially in Islam, the relationship is not only there, but inseparable.

Economic activities in Islam are not only oriented to worldly and contemporary interests, but also ukhrawi benefits (Misbach, 2020). Spirituality is the greatest meaning and purpose in a person's life which is considered capable of providing a more positive reciprocal relationship between the organization and its members, and enabling everyone to work together and achieve the same goals. (Eferin, 2016). Furthermore, (Eferin, 2016) argues that organizations that uphold the value of spirituality are those that have main goals and noble intentions that go beyond material success as their foundation.

The understanding of spirituality in Islam is not like secular understanding, which is guided by the instructions given by Allah swt., and there is no separation between religion and daily activities. (Mujib et al., 2021). Islamic spirituality is love colored and conditioned by knowledge and based on obedience (Othman, 2011).

By practicing Islamic values, it has the potential to reduce corruption and waste, prevent fraud and deviant behavior (Khir et al., 2016). This is because a Muslim armed with his spiritual values will refrain from things that are forbidden by Him (Mahdavihou & Khotanlou, 2012). Research shows that there is a positive and significant influence between religiosity and spirituality on fraud prevention, including: (Mohammed Rouhoma et al., 2018); (Said et al., 2018); (Maifizar et al., 2020) and (Hayati & Amalia, 2021).

## RESEARCH METHODS

This study uses a library research approach. This research is a library research that focuses on collecting information and data with tools from various materials such as articles, documents, books, magazines, historical stories, news, and so on. Data Analysis Techniques In this study, data was collected by tracing literacy/reading related to the themes and issues raised, literacy namely articles, journals, news related to Islamic concepts and fraud prevention efforts.

## FINDINGS AND DISCUSSION

Practices and terms related to fraud in Islam are as follows, "The theory of fraud in Islam has been assigned with many various terminologies. the main common ones include taghrir, tadlis, ghabn, ghubn, ghushsh and gharar, while the fewer common include khallab, khiyanah, ihtiyal, tahayul, tatlil, iham, nasb and khadi'a, which all vary in connotation from fraud, scam, cheating, laceration, misrepresentation, duplicitous to imbalance." (Jabbar, 2012) the concept of deception in Islam is defined by many different terminology. The most common include taghrir, tatlil, ghabn, ghubn, ghushsh and gharar, while the less common include khallab, khiyanah, ihtiyal, superstition, tatlil, iham, nasb and khadi'a, all of which are variations of fraud, trickery, deception, lesions, misinterpretations, imbalance fraud.

Other than that, (Ibrahim et al., 2013) explained that fraud, among others (tadlis or khilaba), wrong (ghabn), ghabn fahish, deception (ghushsh), imbalance (gharar), and tricks (taghrir) which are used by replacing them with the aim of committing fraud. Apart from that, there are several words that refer to the term fraud but are still not commonly used, including khallab, khiyanah, ihtiyal, superstition, tatlil, iham, nasb, and khadi'a, all of which are variations of the meaning of fraud, deceit, cheating, , lesion, erroneous, manipulation of the balance sheet.

A substantial paradigm in the development of conventional accounting and sharia accounting is that accounting is not just a science but a service activity that is not only an organization's financial reporting but also as a responsibility. The meaning of reporting as accountability is in line with the concept of the Qur'an in Surah Al Maidah verses 15-17:



يَا هَلْ أَلْكُتُبِ قَدْ جَاءَكُمْ رَسُولُنَا يُبَيِّنُ لَكُمْ كَثِيرًا مِمَّا كُنْتُمْ تُخْفُونَ مِنَ الْكِتَابِ وَيَعْفُو عَنْ كَثِيرٍ قَدْ جَاءَكُمْ  
مِنْ اللَّهِ نُورٌ وَكِتَابٌ مُبِينٌ ١٥ يَهْدِي بِهِ اللَّهُ مَنِ اتَّبَعَ رِضْوَانَهُ سُبُلَ السَّلَامِ وَيُخْرِجُهُم مِنَ الظُّلُمَاتِ إِلَى  
النُّورِ بِإِذْنِهِ وَيَهْدِيهِمْ إِلَى صِرَاطٍ مُسْتَقِيمٍ ١٦ لَقَدْ كَفَرَ الَّذِينَ قَالُوا إِنَّ اللَّهَ هُوَ الْمَسِيحُ ابْنُ مَرْيَمَ قُلْ  
فَمَنْ يَمْلِكُ مِنَ اللَّهِ شَيْئًا إِنْ أَرَادَ أَنْ يُهْلِكَ الْمَسِيحُ ابْنُ مَرْيَمَ وَأُمَّهُ وَمَنْ فِي الْأَرْضِ جَمِيعًا وَلِلَّهِ  
مُلْكُ السَّمَوَاتِ وَالْأَرْضِ وَمَا بَيْنَهُمَا يَخْلُقُ مَا يَشَاءُ وَاللَّهُ عَلَى كُلِّ شَيْءٍ قَدِيرٌ ١٧

Translation :

15. O People of the Book, indeed Our Messenger has come to you, explaining to you much of the contents of the Book that you have hidden, and many (also) he has left. Verily there has come to you a light from Allah, and an enlightening Book.

16. With this book, Allah guides those who follow His pleasure to the way of salvation, and (with this book) Allah brings them out of darkness to a bright light by His permission, and guides them to the way. straight one.

17. Verily, those who say, "Surely Allah is the Messiah, son of Mary." Say: "Then who can hinder the will of Allah, if He wants to destroy the Messiah, son of Mary, and his mother and all the people on earth?" To Allah belongs the kingdom of the heavens and the earth and what is between them; He creates what He wills. And Allah has power over all things.

In this verse it refers to those who follow His pleasure to the path of salvation, and Allah Almighty brings them out of complete darkness to a bright light by His permission, and guides them to the straight path. Basically the Qur'an applies universally because in the verses of the Qur'an all aspects that occur, even related to accounting or "accounting" are discussed. which in Arabic has the equivalent of "al-muhasabah".

The importance of financial statements at the end of accounting to serve as objective accountability by the modern business world. In Surah Al Baqarah verse 282 also strengthens the position of accounting as a responsibility. In this verse it is explained that when transacting or doing muamalah, it is obligatory to be recorded and absolute as an urgency of a very high value which can be evidence of authentic documentation not only for reports but also as litigation before the law as forensic investigations when disputes occur and using witnesses (in transactions). material) is very necessary because the disputing parties can deny from the report. Then, in Islam it is also explained to use the main recorded profit for the sake of zakat.

Some acts of fraud that are contrary to Islamic law, namely:

1. Tadlois/Taghrir or fraud.

Tadlois/Taghrir is a language term (Arabic) which is a mashdar of the word dallasa–yudallisu–tadliisan which means something is not clear, cover up, and deception. Tadlois is an attempt by certain parties to hide information when transacting to the detriment of certain parties. Tadlois//Taghrir in accounting for example embezzlement and write-off of assets or documents on financial statements.

2. Breach of Promise (Khiyanah/ Ghulul)

Breach of promise can be defined as an untrue statement, lack of truth or accuracy, and the practice of deceit about goods and services in a material misstatement to the detriment of all parties. As mentioned in the Qur'an, "O you who believe! Indeed, many of the priests and monks, who in falsehood eat people's wealth and hinder (them) from the path of Allah. And there are those who buy gold and silver and do not spend them in the way of Allah. Announce to them the most severe punishment" (Al-Taubah 9:34). In

this verse, Allah warns those who eat people in a wrong way with severe punishment. People who falsify the truth in financial statements, for example, will mislead information to users of financial statements.

3. Bribery (al-riswah)

A bribe is an offer or promise in any form given to a person to influence him or to persuade him to do something that is against the law in circumstances that benefit the giver. In Islam, one of them is based on the Hadith of the Prophet Muhammad narrated by ibn Umar, namely "The Messenger of Allah curses those who give bribes and take bribes." The practice of bribery is highly condemned in Islam because it tends to encourage dishonest practices. Giving gifts from clients to auditors to cover up actual events that occur in misstatements of financial statements should not be accepted because they can be part of a bribe as Caliph Umar said to all his governors "Beware of gifts because they are part of bribery. "

4. Gharar

Is a fraud that is more focused on transaction uncertainty. Transactions like this have a big risk because they are closer to things that are prohibited because they are detrimental to the parties to the transaction and contain divisions. In Hadith HR. Muslim "Ibn Umar (Allah will be pleased with them) reported Allah's Messenger (may peace be upon him) saying: Do not buy fruits (on the trees) until their good condition becomes clear. In the hadith transmitted on the authority of Shu'ba it is stated that Ibn Umar RA (Allah will be pleased with them) was asked implied about the condition of the fruit. He said: When (danger) blight is there again. In the use of accrual accounting methods tend to have an element of gharar (obscurity), because where this recording system every transaction that occurs is recorded based on the concept of actual recognition, in other words, accrual basis recognizes transactions at the time of the transaction. According to Zainul in(Oktaviana, 2010), the application of the basic accrual method in revenue recognition will cause banks, insurance or sharia-based businesses to violate Islamic law. In fact, it can be concluded that the application of the basic accrual method is a loop hole for corruption. Critics of the accrual method consider that the system is not suitable in sharia, because it provides many doors to allow loop hole deviations that lead to corruption.(Rosmanidar & Prayogo, 2016).

To prevent accounting fraud, it starts from spirituality and religiosity. By practicing Islamic values, it has the potential to reduce corruption and waste, prevent fraud and deviant behavior(Khir et al., 2016). This is because a Muslim armed with his spiritual values will refrain from things that are forbidden by Him(Mahdavikhou & Khotanlou, 2012).

### **Faith**

The essence of spirituality in Islam is monotheism(Othman, 2011). The strength of a strong faith can guarantee the goodness of one's life because faith is a determinant of action, influences facts and is the main goal of all scientific activities and worship or muamalah.(Alim, 2011). As a servant, faith can be the basis for always being careful in your activities because you feel you are always under their supervision, every action is carefully recorded without missing anything that will be your responsibility in the hereafter.(Antonio, 2001).

True and solid beliefs affect self-confidence and the tendency to do good, prevent fraud, and try to reduce errors due to accidents(Ali, 2012). Religious background and beliefs can affect a person's ethics(Yesil et al., 2012). Faith cannot be seen or touched with the five senses, but its effect is real. Strong faith is reflected in a noble personality and commendable deeds because of inner behavior without manifesting itself in real actions that show lies(Ali, 2012).



The quality of the rituals of faith and worship has a direct influence on the quality of service, because reliability deviates from the values of piety and obedience. When there is disciplinary action, transgression or betrayal, the result is a decrease in the perfection of one's belief.

One of the most important terms in religion is belief. The strong steadfastness of faith can guarantee the goodness of one's life. Since belief is a determinant of action, belief influences action. Faith is the main goal of all knowledge and all activities (worship or muamalah)(Alim, 2011). Religious background and beliefs can affect a person's ethics(Yesil et al., 2012). Faith cannot be seen or touched with the five senses, but its effect is real. Strong faith is reflected in a noble personality and commendable deeds. Faith is not just an attitude of belief, but requires external action, which must be manifested in action, otherwise the person is a liar(Ali, 2012).

As humans, our faith changes, it can increase and decrease anytime and anywhere, *yaziidu wa yanqushu*. Perseverance in maintaining a pure heart that is supported by a religious environment can determine its purity. Our job is to always try to protect them. When our faith is strong, our job is to nurture it, increase it, and spread it. When our faith weakens, our job is to maintain and repair it so that faith can be raised. True faith can be a strong fortress against evil and abominable deeds.

In the context of deception, the fortitude of strong faith can ensure that we avoid it. No matter how much pressure, motivation and opportunity or possibility we have to commit fraud, no matter how big our ability to manipulate the possibilities of fraud, no matter how good the rationalization we handle, but if it is supported by a strong attitude of faith, then it is guaranteed and can be done. rest assured, fraud In shaa Allah will not happen.

Conversely, no matter how small the pressure, motivation, opportunity, manipulation and rationalization ability to commit fraud, but if supported by tenuous and weak beliefs, the possibility of fraud will be very high. Because pressure and motivation will always be there, it all depends on how we react to it. Opportunities for fraud can be created. It can be aimed at streamlining. Even though his manipulation ability is very low, the potential for deception can appear at any time with weak faith.

With this concept, the religious groups that cover the concept of deception used are flexible, can grow and shrink, become thicker and stronger or thinner and weaker. This is in accordance with the character of one's belief, that *yaziidu*, increased or *yanqushu*, can decrease. The more faith increases, the *kufur* will also decrease and vice versa, the faith will decrease as a sign of increasing disbelief in a servant. Faith is like a stronghold for human character, the stronger it can curb temptations and opportunities of deception of all sizes. But when faith is weak of heart, the slightest opportunity can be the cause of deception.

And vice versa, no matter how small the pressure, motivation, opportunity, ability to manipulate and rationalize in committing fraud, but if it is supported by a thin and weak faith value, then the opportunity for fraud to occur will be very large. Because pressure and motivation will always be there, it's just a matter of how we react to it. Opportunities to commit fraud can be created. Rationalization can be sought. Although the ability to manipulate is very low, if our faith is thin, the potential for fraud can occur at any time.

So with this concept, the circle of faith that surrounds the concept of fraud used is flexible, can grow and shrink, get thicker and stronger or thinner and weaker. This is in accordance with the character of one's faith which can *yaziidu*, increase or *yanqushu*, decrease. When faith increases, at the same time *kufur* decreases, and vice versa, decreases in faith as a sign of increasing *kufur* of a servant(Mujib, 2018). Faith is like a bulwark for human character, if it is stronger, it will be able to stem the temptations and opportunities of fraud of any size. But if the faith in the heart is thin, even the slightest opportunity can be the cause of fraud.

## Morals

Morals or manners become a necessity that cannot be negotiated, even considered far more important than knowledge. Morals are related to good, bad, right and wrong actions that are sourced from the Qur'an and the hadith of the Prophet Muhammad. inherent in a person, united in behavior and actions (Habibah, 2015). As the concept of Imam Al-Ghazali, morality is a trait embedded in the soul that will arise spontaneously and naturally without being planned or thought out beforehand.

The number of financial scandals has opened the world's eyes to the importance of ethics (Mahdavikhou & Khotanlou, 2012). An environment filled with ethical people has greater expectations for growth. A Muslim is bound by faith and morals in every activity (Mujib et al., 2021). In general, there is a fundamental difference between morality and ethics. Morals use the parameters of religion, namely the Qur'an and Sunnah, so that the truth is absolute and absolute, while ethics uses the parameters of reason whose truth is relative, relative, and temporary. In Islam, morality and ethics are not significantly different, because the ethics of a Muslim is a manifestation of his morals, the mind of a Muslim should not conflict with the guidelines of the Qur'an and hadith.

## Trust

The value of trust is very much considered in many opportunities and institutional evaluation forums. The quality of a person's performance is very dependent on his ability to carry out the assigned tasks. In pesantren, personnel who are assigned to a certain post and function are called *umana'* which comes from the word *amanah*, namely people who are responsible for their respective duties. A person is called trustworthy if he has the integrity to carry out his duties and is responsible for his actions (Othman, 2011).

*Amanah* is a form of Islamic spiritual intelligence (Rahman & Shah, 2015); (Othman, 2011) which requires fairness in leading, interacting and carrying out tasks (Khairi, 2013). With the nature of trust, a Muslim is believed to be able to give his best performance, because the trust is accountable not only to humans and organizations, but also to Allah swt. (Dewi, 2019). Therefore, it is very important to give the trust to the right people in the right places, people who are truly experts (Surah An-Nisa': 58).

Prophet Muhammad SAW. said, "*Laa iimaana liman laa amaanata lahu, wa laa diina liman laa 'ahda lahu.*" Which means, "There is no faith for those who do not have the character of trust, and there is no religion for those who cannot keep their promises." (HR. Ahmad). *Amanah* in the sense of being trustworthy in carrying out the tasks and trust given, does not betray when given the trust. Trustworthy people will not commit fraud, violations, abuse, theft, corruption, and other forms of fraud.

## CONCLUSION AND RECOMMENDATION

Islam has a guideline revealed by Allah SWT, namely the Qur'an as its holy book, which contains the values of truth, faith, law, ethics, morals and so on. Islam has set values, concepts in regulating ethics and regulations so that this life runs according to rules and harmony. Economic activities in Islam are not only oriented to worldly and contemporary interests, but also to *ukhrawi* benefits. Spirituality is the greatest meaning and purpose in a person's life which is considered capable of providing a more positive reciprocal relationship between the organization and its members, and allows everyone to work together and achieve the same goals, therefore to avoid fraud Islam threatens and warns in its arguments. retaliation for cheating. Imprisonment will not be enough to eradicate fraud, especially corruption, but starting from oneself, the ethical attitude to be honest and avoid fraud is started. And always feel and believe that Allah is always watching over us at any time.

Religiosity with the principles of faith, morals and trust is the main capital for preventing fraud. Further research should be carried out with field research on Islamic methods in fraud prevention as an effort to increase the repertoire of accounting studies, especially forensic accounting.

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