

ABSTRACT

This study was conducted to determine the effect of variables from the fraud pentagon theory proposed by Crowe Howarth in 2011 in detecting fraudulent financial reporting. The dependent variable in this study is fraudulent financial reporting proxied by the F-Score Models. While the independent variables used in this study are all elements of the fraud pentagon proxied by financial stability, external pressure, ineffective supervision, auditor turnover, director turnover, and political connections.

The population in this study were all mining sector companies in Indonesia and listed on the Indonesia Stock Exchange (IDX) for the period 2020 - 2023. The sample was drawn using a purposive sampling method which resulted in 22 companies that met the research criteria. So that the total sample used was 88 samples. The data analysis technique used quantitative data analysis methods with the help of IBM SPSS Statistics and the data analysis methods used were descriptive statistics and logistic regression analysis.

The results of this study indicate that the pressure variables proxied by financial stability and external pressure have a significant effect on fraudulent financial reporting. While the variables of opportunity, rationalization, competence and arrogance are not proven to have a significant effect on financial reporting fraud.

Keywords: *Fraudulent Financial Reporting, Pentagon Fraud Theory, F-Score Model*