

## ABSTRACT

*Fraudulent financial reporting is a presentation of misstatement or the concealment of facts carried out intentionally against an account in financial statements to deceive users of financial statements. As a result, financial information is irrelevant and misleading. The Association of Certified Fraud Examiners (ACFE) stated that fraudulent financial reporting provide the biggest loss in the world.*

*The purpose of this study is to analyze the effect of pressure (financial stability and external pressure), opportunity (nature of industry and effective monitoring), rationalization (change of auditor and total accrual), competence (change of director and the proportion of independent commissioners), and arrogance (a frequent number of CEO's picture and director duality) both simultaneously and partially on fraudulent financial reporting with F-Score method on companies listed in LQ 45 index the Indonesia Stock Exchange period of 2014-2018.*

*The sampling technique used is purposive sampling and obtain 17 companies listed in LQ 45 index the Indonesia Stock Exchange during 2014-2018 or in other words, there were 85 samples. The data analysis technique used is descriptive statistics and logistic regression analysis using SPSS 25 software.*

*The results showed that financial stability, external pressure, nature of the industry, effective monitoring, change of auditors, total accruals, change of directors, proportion of the independent commissioners, frequent number of CEO's picture and director duality simultaneously affected the fraudulent financial reporting. Partially financial stability and director duality have a positive effect, external pressure and total accruals have a negative effect, and the nature of the industry, effective monitoring, change of auditors, change of director, the proportion of independent commissioners, and a frequent number of CEO's picture do not affect fraudulent financial reporting.*

**Keywords:** *fraud pentagon, fraudulent financial reporting, F-score*