

ABSTRACT

The development of a business competition which causes of crime like financial statement fraud. This is due to the business people must still reported financial information is accurate and relevant. This research aims to find empirical evidence of factors influencing Fraudulent financial reporting. The factors to be analysed in this research namely board size and firm size, either simultaneously or partially.

This research is descriptive verification that is casualities. The object of the research is manufacturing company basic industry and chemicals sector listing on Indonesian Stock Exchange period 2011-2014. The data collected by using purposive sampling technique and in results 160 samples data obtained on 4 years period. This study using logistic regression analysis techniques.

The results showed board size and firm size simultaneously do not have an effect towards the fraud detection of financial reporting. From the partial test, results showed that the variables of board size do not affect the fraud detection of financial reporting. And firm size have a negative effect on the fraud detection of financial reporting.

Keyword: board size, firm size, fraud financial reporting detection