

Abstract

Financial statement fraud is an act that is carried out intentionally by presenting financial statements that are not in accordance with the principles of financial accounting standards so that they can influence decisions made by interested parties. This study aims to analyze and test the effect of pentagon fraud on LQ45 companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period. The population in this study is public sector companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period. The sampling technique used non-probability sampling and purposive sampling and obtained 125 data samples using the logistic regression data analysis method with IBM SPSS 26. These results show that pentagon fraud consisting of pressure, opportunity, capability, arrogance, rationalization simultaneously affects the fraud of financial statements. Meanwhile, pressure, opportunity, capability, arrogance, rationalization partially have a positive effect on financial statement fraud.

Keywords : Pentagon Fraud, Financial Statement Fraud