

## **ABSTRACT**

*Financial statement fraud happens when company management intentionally provides wrong information to people who use financial statements. This tricks these people into believing something that is not true. This problem is highlighted by cases involving PT Waskita Karya and PT Wijaya Karya, which were investigated by the BPKP because of manipulated financial reports. Specifically, they reported negative cash flows for a long time, but still showed profits.*

*This study aims to find out how a whistleblowing system, the financial knowledge of the audit committee, the pay of directors, and their political connections affect companies cheating in their financial reports. These companies are in the infrastructure sector and are listed on the Indonesia Stock Exchange between 2021 and 2023. Cheating in financial reports means company management changes the information in these reports to make things look better than they really are. A whistleblowing system is a way for people to report bad things happening in a company. The audit committee should have members who know a lot about finance. Directors get paid salaries and bonuses. And political connections mean that the directors or commissioners know important people in the government.*

*The population of this study consists of infrastructure companies listed on the Indonesia Stock Exchange (IDX) during the period 2021-2023. A sample of 34 companies was selected for analysis. Secondary data was collected from the companies' annual reports. Logistic regression analysis was employed using IBM SPSS 26 software to examine the relationship between the variables.*

*The results of this study show that, through a simultaneous test, a whistleblowing system, financial expertise of the audit committee, director remuneration, and political connections have a simultaneous influence on financial statement fraud. However, in partial tests, whistleblowing systems, financial expertise of the audit committee, and director remuneration do not have a partial influence. Meanwhile, political connections have a positive influence on financial statement fraud.*

*This research contributes to the body of knowledge by providing additional references on research methodology, research topics, and journals used in this study. Suggestions for future researchers include adding the use of financial ratios or employing different measurements for the same variables as in this study, such as measuring financial statement fraud using the F-Score.*

**Keywords** : Audit Committee Financial Expertise, Directors Remuneration Financial Report Fraud, Political Connections, Whistleblowing System