

## SUMMARY

# THE INFLUENCE OF FINANCIAL STATEMENT AND QUALITY OF AUDITOR AS AGAINST AUDITOR'S OPINION IN PUBLIC COMPANIES FOR AUDIT PERIOD YEAR 1 AUGUST 2010-31 JANUARY 2012 (STUDY OF LISTED COMPANIES UNDER LQ 45 OF BURSA EFEK INDONESIA (BEI))

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**Subject** : Quality Financial statement, Quality of Auditor, Quality of auditor's Opinion

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**Keyword** : Quality Financial statement; Quality of Auditor; Quality of auditor's Opinion

### **Description :**

This study is aimed to determine effect of Influence of Quality Financial statement and Quality of Auditor as against Quality of auditor's Opinion.

Auditors Opinion in this study is expected to reflect the true financial condition of a company that actually is without any profit manipulation practices that may mislead users of report on profit. Audit is expected to limit the practice of earnings management and help maintain and enhance public confidence in the statements of such report. But the effectiveness of auditor and the ability to detect earnings management depends on the quality of the Big Four Auditors with Non Big Four ,and the quality of financial reporting can be based on existing Income Smoothing by Companies assessed by Index Eckel.

Method of data analysis used is a statistical method that uses first, Binary .Hypothesis that is used in Logistic Regression to determine the effect of auditor quality and quality of financial reporting simultaneously on both subjective audits.

Hypothesis used to determine the quality of financial statement influence over opinion audit/profit. Last, hypothesis used will be to determine the effect of quality of auditors on audit opinion in giving report of profit.

From this research, conclusion is that there are several Companies that are tagged in LQ 45 1 August 2010- 1 January 2012 to take action against flattening profit.

Result of first test using alternative hypothesis acceptance means, shows that quality of the auditor and quality of financial reporting simultaneously are significant to alternative opinions of audit on profit analysis.

Result shows that both first and second binary, using test alternative hypothesis reveals that both receives quality of financial reporting significantly and affected subjective audit.

Third test of alternative hypothesis shows that a rejection means that the quality of the auditor does not have a significant effect on audit Opinion on profit report.

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