

**THE EFFECT OF AUDIT QUALITY, AUDIT COMMITTEE,
INSTITUTIONAL OWNERSHIP, AND FINANCIAL DISTRESS ON THE
INTEGRITY OF FINANCIAL STATEMENTS**

**(In State-owned enterprises of Indonesia listed on the Indonesia Stock
Exchange in 2017-2019)**

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ABSTRACT

The purpose of this study was to empirically find the effect of audit quality, audit committee, institutional ownership, and financial distress on the integrity of financial statements in state-owned companies listed on the IDX in 2017-2019. The population in this study are State-owned enterprises of Indonesia listed on the Indonesia Stock Exchange (IDX) in 2017 - 2019. The data collection method used the Purposive Sampling technique. Thus, it was obtained with 25 companies. This research was conducted in 2017 – 2019 with 75 samples. The analytical method used descriptive statistical test, classical assumption test, normality test, multicollinearity test, heteroscedasticity test, autocorrelation test, multiple linear test, and hypothesis testing with SPSS ver.20 software. The result of the study showed that institutional ownership and financial distress had an effect on the integrity of financial statements in 2017 – 2019. Meanwhile, audit quality and audit committees did not have a significant influence on the integrity of financial statements in 2017 - 2019.

**Keywords: Audit Quality, Audit Committee, Institutional Ownership,
Financial Distress, Financial Report Integrity**

