

ABSTRACT

The quality of financial statements is financial information that can make it easier for users or readers to understand the condition of a company as material for decision making. Financial reports that have good quality certainly reflect information related to the actual condition of the company honestly and reliably.

In general, a healthy company will get an unqualified audit opinion, obtaining a WTP opinion indicates that the company meets the completeness of the presentation and follows the applicable accounting standards and principles, and there is no uncertainty related to business continuity.

This study aims to determine the effect of the audit committee, institutional ownership, and audit fees on the quality of financial reports in the consumer goods sector listed on the Indonesia Stock Exchange in 2017-2019.

The population in this study are consumer goods sector companies listed on the Indonesia Stock Exchange in 2017-2019. The sample selection technique used was purposive sampling and 31 companies were obtained with the research period 2017 – 2019. The method of analysis in this study was logistic regression analysis and used SPSS version 23 software.

Based on the simultaneous test on variables of audit committee, institutional ownership and audit fees simultaneously affect the quality of financial statements. The results of the partial test on the variables of the audit committee, institutional ownership, audit fees have a positive effect on the quality of the report. Suggestions from researchers to goods sector companies listed on the IDX are expected to maintain the quality of their financial reports.

Keywords: *Audit Committee, Audit Fee, Institutional Ownership , Quality of Financial Statements*