

## TABLE OF CONTENTS

APPROVAL OF THESIS.....	ii
THESIS EXAMINATION APPROVAL .....	iii
STATEMENT OF THESIS ORIGINALITY .....	iv
MOTTO AND DEDICATION .....	v
ABSTRACT .....	vi
ABSTRAK .....	vii
ACKNOWLEDGEMENT .....	viii
TABLE OF CONTENTS .....	xi
LIST OF TABLES.....	xiv
LIST OF FIGURES.....	xv
LIST OF APPENDIXS .....	xvi
CHAPTER 1 .....	1
INTRODUCTION .....	1
1.1 Background of the Problem.....	1
1.2 Problem Statement .....	12
1.3 Objectives and Benefits.....	13
1.3.1 Objective.....	13
1.3.2 Benefits .....	13
1.4 Thesis Outline.....	15
CHAPTER 2 .....	16
LITERATURE REVIEW .....	16
2.1 Underlying Theories.....	16
2.1.1 Agency Theory.....	16

2.1.2 Key Audit Matter .....	20
2.1.3 Audit Fee.....	25
2.14 Audit Firm Reputation .....	28
2.1.5 Financial Reporting Quality (FRQ) .....	31
2.2 Prior Researches .....	34
2.3 Theoretical Framework .....	39
2.4 Hypotheses .....	39
2.4.1 Key Audit Matter with Financial Reporting Quality (FRQ).....	40
2.4.2 Audit Fee with Financial Reporting Quality (FRQ) .....	42
2.4.3 Audit Firm Reputation with Financial Reporting Quality (FRQ).....	43
CHAPTER 3 .....	45
RESEARCH METHODS .....	45
3.1 Operational Variable Definition and Measurement.....	45
3.1.1 Dependent Variable.....	45
3.1.2 Independent Variables .....	47
3.1.3 Control Variable.....	49
3.2 Population and Sample .....	51
3.3 Types and Sources of Data .....	53
3.4 Method of Collecting Data .....	53
3.5 Methods of Analysis .....	53
3.5.1 Descriptive Statistic .....	53
3.5.2 Classic Assumption Test .....	54
3.5.3 Regression Analysis .....	56
3.5.4 Statistical Hypothesis Testing .....	57

CHAPTER 4 .....	59
DATA ANALYSIS AND DISCUSSION .....	59
4.1 Description of Research Object.....	59
4.2 Data Analysis.....	60
4.2.1 Descriptive Statistic .....	60
4.2.2. Classic Assumption Test .....	64
4.2.3 Statistical Hypothesis Testing .....	67
4.3 Result Interpretation .....	71
4.3.1 The Impact of Key Audit Matters on Financial Reporting Quality .....	71
4.3.2 The Impact of Audit Fees on Financial Reporting Quality .....	74
4.3.3 The Impact of Audit Firm Reputation on Financial Reporting Quality	75
CHAPTER 5 .....	78
CONCLUSION .....	78
5.1 Conclusion.....	78
5.2 Limitations.....	79
5.3 Suggestions.....	79
REFERENCES.....	81
APPENDIX .....	86