

## **ABSTRACT**

*The purpose of this study is to examine the effect of corporate governance, reputation of KAP, firm size, and leverage on the integrity of financial statements. The dependent variable in this study is the integrity of financial statements as measured by using conservatism. The independent variables in this study are independent commissioners, audit committees, institutional ownership, management ownership, KAP reputation, firm size, and leverage.*

*This research is based on agency theory. Researchers conduct research on manufacturing companies listed on the Stock Exchange during the year 2014-2016. This research method using multiple linear analysis. The statistical results of this study indicate that the audit committee, management ownership, and firm size have a positive and significant impact on the integrity of the financial statements. While independent commissioners, institutional ownership, KAP reputation, and leverage have no effect on the integrity of financial statements.*

*Keywords: the integrity of financial statements, independent commissioners, audit committees, institutional ownership, management ownership, firm size, KAP reputation and leverage.*