Abstrak

This study aimed to examine the effect of tenur and reputation of public accounting firms to audit quality. Enron case involving the Arthur Anderson public accounting firm causes changes in auditing practices such as the restrictions of audit tenure. There are inconsistencies in the results of previous studies led to interesting to study this issue again by adding variable audit committee as a moderating variable.

Audit quality measured by current accruals, tenure measured by calculating the year in which a public accounting firm has made engagement with the auditee. The reputation of Public accounting firm is measured by reference to the public accounting firm that is affiliated with the Big 4 and non-big 4. The audit committee is measured by the number of audit committee. This study using a manufacturing company that registered in 2011-2013 by using purposive sampling method and obtained 261 observations. Hypothesis testing using moderated regression analysis. The result of this study show that tenur and reputation of public accounting firms have positive effect on audit quality and audit committees are not able to moderate tenur and reputation of public accounting firms to audit quality.

Keywords: audit quality, tenure, the reputation of public accounting firms, audit committees