

ABSTRACT

This study aims to test empirically whether the integrity of the auditees affects the auditor's belief by the mediation of Risk Assessment and Validity of Audit Evidence. Since the integrity of the auditee has an important role in maintaining and improving public assurance, the profession of auditor is getting more respect in conducting the profession.

This research is carried out on public sector auditors, who take shelter at the State Audit Board (Badan Pemeriksa Keuangan) mainly in Central Java Representative and Yogyakarta Special Region Representative. The methodology is using Random sampling method degrees proportional that is choosing sample by grouping the population based on certain criteria or subpopulation suits to the research need (active auditor), by proposing questionnaires to active and registered auditor. The auditor participation as much as 123 people (72.78%) of 169 auditors. Statistical analysis uses Structural Equation Modeling (SEM) with AMOS Program 16.0

The results of the analysis confirm that (1) Integrity of auditees negatively affects the audit risk assessment; (2) Integrity of auditees positively affects the degrees of audit evidence validity; (3) Audit risk assessment positively affects audit evidence validity. (4) Integrity of auditees is not positively affects the auditor's belief; (5) The audit evidence validity positively affects the auditor's belief. However, at the controlled variable of auditor professional skepticism, auditor experience, as well as review procedures and audit quality control that are expected to strengthen the results of the analysis, empirically insignificant affects the auditor's belief.

Key words: *Integrity of auditees, Audit Evidence Validity, Audit Risk Assessment, Auditor's Belief.*