ABSTRACT

The limitation in client auditing scope cause the auditing report less materiel. In attempt to do so, the research is conducted to find out how the materiality scale affects the reporting standard. The study is aimed to find out the materiality of the public accounting office in Bandung district, to find out the standard application financial report in Bandung district, and to find out the effect of materiality toward the standard application financial report in Bandung district.

The study use descriptive analysis as the method with quantitative case study approach. The measurement scale that is used in the research is ordinal scale that calculated using MSI. To gain the data, some instrument are used in the research such as questioner and likert scale that is used to gain the score. To make sure that the data are valid and reliable, the validity and the reliability of the instrument are checked.

As the result, it revealed that the materiality of the public accounting office in Bandung district is good enough. It is proven by 80 percent of the participant`s answer shows that the materiality of the public accounting office in Bandung district is good enough. The standard application financial report in Bandung district, is also good enough shown by 81 percent of the participant answer that standard application financial in Bandung district and it is proven that materiality affects the standard application financial report in Bandung district proven that the coefficient correlation is 0.872. This number shows strong cause effect relationship.

As the suggestion, it is suggested that the auditor should not disregard the small presence of materiality.

Key words : Audi, Materiality, the Standard Application Financial Report