

ABSTRACT

This study aimed to analyze the factors that affect the demand for audit services on the cooperative. Those factors are the number of members, the size of the cooperative, the amount of liabilities, and the ratio of liquidity.

The population used in this study is the provincial primary cooperative in Central Java Province registered in the Cooperative Department and UMKM Central Java which has Unit Saving and Loan (USP), made the financial report closing book 2016, and carry out Annual Members Meeting. The study sample was 108 cooperatives that determined using convenience sampling method. Data analysis technique that used in this research is logistic regression analysis.

The results showed the number of members, the size of cooperatives, and the amount of liabilities have positive effect on the demand for audit services on the cooperative. The higher the number of members of the cooperative, the higher the cooperative will request the audit services. The higher the size of the cooperative, the higher the cooperative will request the audit services. And the higher the number of obligations in the cooperative, the higher the cooperative is to request the audit services. The liquidity ratio variable in this study does not affect the demand of audit services.

Key words: Cooperative, Request of Audit Service, External Audit, Number of Members, Size, Amount of Liability, Liquidity Ratio.