

ABSTRACT

This research aims to examine the effect of the number of Multiple Large Shareholders (MLS) and audit committee activity on audit fee. This research is based on research conducted by Ismail (2012) in the UK with modifications on the research population.

The population in this research were all non-financial companies listed on the Indonesia Stock Exchange (IDX). The sample used in this research were taken by using purposive sampling method to obtain 89 observation data. This research used secondary data derived from the company's annual report for the period 2012-2013. Independent t-test and multiple linier regression were used as analysis tools.

The result shows that the number of MLS and audit committee activity have no significant effects on audit fee. However, this research finds a negative effect of MLS share percentage on audit fee. The implications of this research is in Indonesia, the shareholders who have high percentage of share have an opinion heard more than the number of Multiple Large Shareholders.

Keywords: Audit Fee, The Number of Multiple Large Shareholders, Multiple Large Shareholders Share Percentage, Audit Committee Activity