

ABSTRACT

This study aims to analyze the effect of firm size, complexity, and financial risks to the Audit Fees in the Banking companies listed in Indonesia Stock Exchange. The factors examined in this study is the size of the company (client size), the risk of the company (client risk), complexity, capital risk, liquidity risk and credit risk, as independent variables and the return on assets as a control variable, while the audit fee as the dependent variable.

Population banks listed in the Indonesia Stock Exchange (BEI) in the period 2009-2012 as many as 150 companies, while the study samples were 80 banks listed in the Indonesia Stock Exchange (BEI). The data used in this study are secondary data and the selection of the sample using purposive sampling method. Analysis model were using multiple linear regression analysis. This study was using the F-test to determine the effect of the simultaneous Effect of Company Size, Complexity, Corporate Risk Liquidity Risk, Capital Risk, Credit Risk and the audit fee. This study also used the t-test to test the partial correlation of each independent variable on the audit fee.

Based on the results of the analysis showed that the variables firm size, firm risk, Capital risk, and ROA which have a significant influence on audit fees while the variable complexity, liquidity risk, credit risk has no significant effect on audit fees.

Keywords: audit fee, the size of the company (client size), complexity (complexity), the risk of the company (client risk), risk capital (capital risk), liquidity risk (liquidity risk) and credit risk (credit risk).