

ABSTRACT

This study aims to reveal the relationship between the company's internal and external factors on audit fees. The dependent variable used in this study is audit fees. The independent variables included in the company's internal factors are foreign capital ownership, institutional capital ownership, and leverage. The independent variables included in the company's external factors are the change of public accountants and the qualifications of public accountants.

The study population consists of all financial sector companies listed on the Indonesia Stock Exchange from 2017 to 2019. The study sample was selected through the purposive sampling method, with a total sample of 172 company data. Hypothesis testing using multiple regression analysis with panel data types.

This study evidence that the variables of foreign capital ownership, leverage, and qualifications of public accountants significantly affect audit fees. Meanwhile, the variable of institutional capital ownership and change of public accountants has no effect on audit fees.

Keywords: audit fee, foreign capital ownership, institutional capital ownership, leverage, change of public accountants, qualifications of public accountants