

ABSTRACT

Attya. 2013, *THESIS*. Title: “*The Analysis of Factors that Influence the Determination of Auditor’s Fees in the Automotive, Cement, and Metal Industry Listed on Indonesia Stock Exchange in 2009-2011*”

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Keywords : *client size, CPA size, total of subsidiaries companies, profitability, and auditor’s fees.*

The amount of audit’s fee determined by the Certified Public Accounting (CPA) is one of the interesting objects for a research. In the last two decades, the research on audit’s service market has grown significantly abroad. On however, the research related to auditor’s fee is less published in Indonesia because of less information about auditor’s fees. It is important conduct research to many demands for audit service and rapid development in required of the capital market needs. This research aims to examine the effects of client size, CPA size, total of subsidiaries companies, and profitability on the auditor’s fee.

*This research uses the secondary data from the manufacture company’s financial report on the automotive, cement, and metal industry which are consistently registered in Indonesia Stock Exchange from 2009 to 2011. The data is obtained through purposive sampling which gains 23 companies as the samples with double linear regression analysis. The data analysis uses classic assumption test, determination coefficient (R^2), *F* test, and *t* test using SPSS 16.0 software.*

The simultaneous test shows that client size, KAP size, total of subsidiaries companies and profitability significantly influence the auditor’s fee. On the other hand, the partial test shows that the client size and total of subsidiaries companies also influence the auditor’s fee. It means that the bigger the number of client size and subsidiaries because of the longer time needed, the bigger the amount of auditor’s fee issued by the company will be. Based on this test, KAP size and profitability do not influence the auditor’s fee. It indicates that any profit or loss experienced by the company and the companies use either BIG 4 or non BIG 4 service will not influence the auditor’s fee issued by every company.