

**THE EFFECT OF CORPORATE GOVERNANCE STRUCTURE, BUSINESS
COMPLEXITY AND BUSINESS RISK ON AUDIT FEE
(Empirical Study on Companies from 2013-2017 Listed in
Indonesia Stock Exchange)**

Yasyfi Fia Kholila

yasyfifia@gmail.com

Ilham Maulana Saud, S.E., M.Sc., Ak

ilhammaulanasaud@yahoo.co.id

Faculty of Economics and Business, Universitas Muhammadiyah Yogyakarta

Abstract: This study aimed to analyze the effect of corporate governance structure, business risk and business complexity on audit fee. The subject of this research was 105 companies listed in Indonesia Stock Exchange (BEI) from 2013-2017. The sampling method used in this research is purposive sampling. The data obtained from the annual reports in Indonesia Stock Exchange. The data analysis used the descriptive statistics test, classical assumption test, and test of hypotheses. The result showed that; existence of independent commissioners negatively effect on audit fee, size of board of commissioner positively effect on audit fee, size of board of commissioner meeting negatively effect on audit fee, size of audit committee negatively effect on audit fee, expertise in audit committee does not effect on audit fee, business complexity positively effect on audit fee, business risk does not effect on audit fee. Control variable (firm size) also positively effect on audit fee.

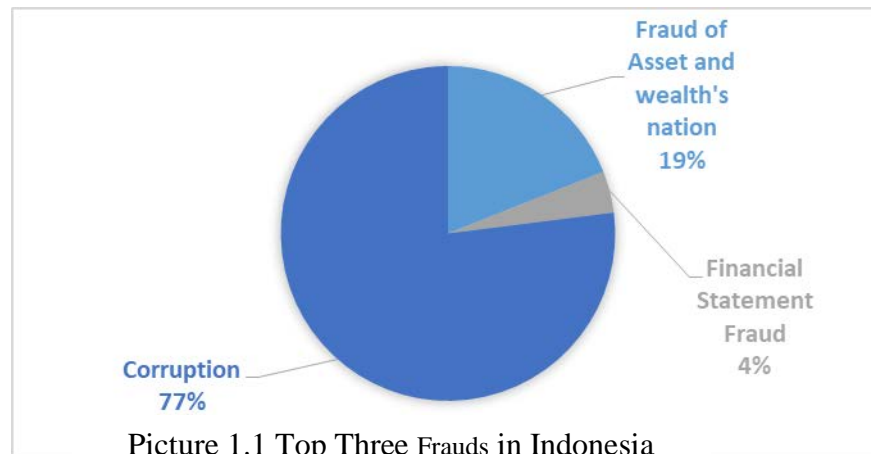
Keywords: Audit Fee, Business Risk, Business Complexity

INTRODUCTION

Based on Law Number 5 Year 2011, public accountant is a profession that has assurance service as a main service (audit service of historical financial information, review service of historical financial information) and the result will be used by public broadly as an important consideration in decision making. With this, public accountant has significant role in supporting transparency and information quality in financial aspect. This regulation also explained rights of auditor, in article 24 defined that auditor has a right to gain fee from do audit to client. In 2016, Indonesian Institute of Certified Public Accountant published the new regulation about determining of audit fee.

Although there is guideline in determining audit fee, the fact is audit fee that given by company is varied. Problem might arise when auditor paid by company to do audit, however auditor should be independent to make an opinion. Because there

are many cases about financial statement fraud. Started with Enron's case which shaking auditing's world and recently in 2017, British Telecom reported increasing their net profit GBP530 millions. Based on Association of Certified Fraud Examiner, in 2016 the top three fraud in Indonesia is financial statement fraud:



Picture 1.1 Top Three Frauds in Indonesia

Based on Siskawati et al (2017), company requires effective management to avoid such frauds, one of them by applying good corporate governance. Researches about corporate governance structure explained about independent commissioners, commissioners, audit committee, and proportion of meeting of commissioners. (Chandra, 2016; Goodwin and Kent, 2006; Yatim et al., 2006; Carcello et al., 2000; Hazmi and Sudarno, 2013).

Basis of determining audit fee in IICPA Number 2 year 2016 only using estimation hours of auditor when doing audit. This estimation is calculating in engagement phase. Thus, based on this regulation, audit fee determined by how long audit can be done. It is related to complexity of client business to be audited. Subsidiaries represent the complexity of the audit services provided which are the size of the complexity of transactions owned by clients of the Public Accounting Firm for auditing (Widiasari, 2009).

The new International Standard on Auditing introducing risk based auditing. Risk based auditing (ISA 315) that defines auditor not only focus on giving unqualified opinion on financial statement but also give going concern a year later. Based on Suryanto (2013), risk based auditing approach is done by some steps, these are engagement, gathering information, giving opinion, and making audit report. This approach produces good audit quality and reliable information as the result of audit process. Hence, auditor has a significant role to give assurance of financial statement. Siskawati et al (2017) use credit rating of company as a tool to define the risk of company. This research also defined that the higher risk of credit rating company, the higher of audit fee. Conversely, Jubb et al (1996) shows that business

risk has no significant influence on audit fee. It is because that research used Altman Z Score as a proxy.

This research is compilation research of Xu (2011); Hazmi and Sudarno (2013); Siskawati et al (2017). This research gave a new model of research and wider scope of sample which is all companies and larger range of years. Thus, researcher wants to research with title “**The Effect of Corporate Governance Structure, Business Complexity, and Business Risk on Audit Fee**” (Empirical Study on Companies listed in Indonesia Stock Exchange Year 2013-2017).

METHOD

Object of research or population of this sample is using Indonesia Stock Exchange data for the year 2013-2017. Sample of this research is all companies listed there. Data that is used in this research is secondary data from annual report that listed in Indonesia Stock Exchange in year 2013-2017. In addition, data of Credit Rating Indonesia from PT. Pefindo from 2013-2017 (www.pefindo.com). Dependent variable of this research is using audit fee, this variable is symbolized by LNFEED.

Independent variable in this research are existence of independent commissioners (BoardInd) can be seen in financial statement that is published by company with this formula: $BoardInd = \frac{Total\ Independent\ Commissioners}{Total\ Board\ of\ Commissioners} \times 100\%$.

Based on Hazmi and Sudarno (2013), size of commissioner’s board is measured by total of commissioner’s board in a company or BoardSize. The formula is: $BoardSize = Total\ of\ Commissioners\ Board$. Picture 2.1

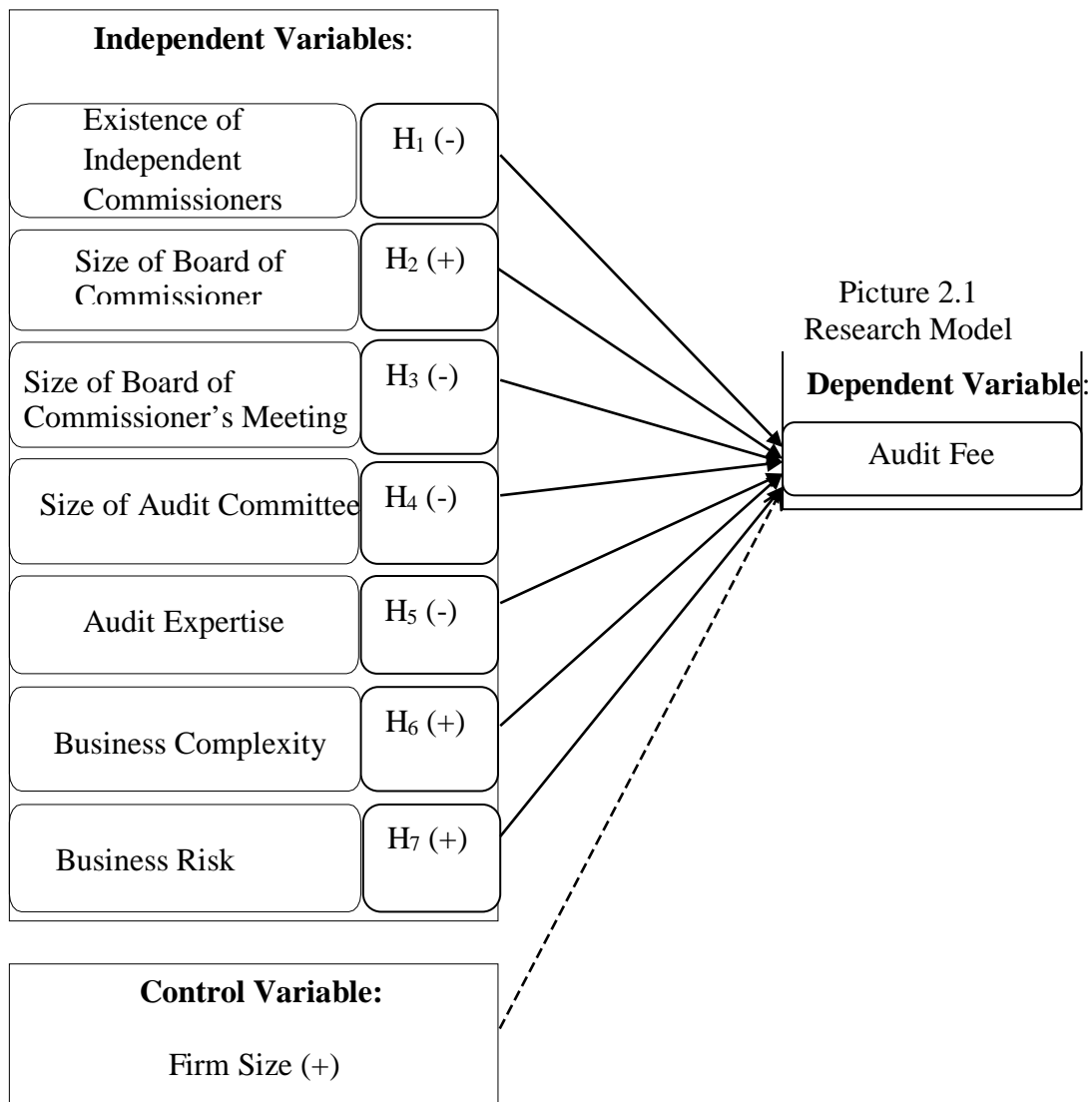
board meeting measured by $BoardMeet = \frac{Number\ of\ Commissioners\ Meeting}{Total\ of\ Commissioners\ Meeting}$. Size of audit committee in a company measured by $ACSize = Total\ Audit\ Committee's\ Member$. Audit committee expertise is measured by $ACExpert = \frac{Total\ of\ Accounting\ Expertise\ in\ Audit\ Committee\ Member}{Total\ of\ Audit\ Committee\ Member} \times 100\%$. Business complexity is measured by: $Sub =$

$Number\ of\ subsidiaries$. Business Risk can be proxied by credit rating that is available in Pefindo web (pefindo.com). it is using dummy variable (1 for rating AAA until BBB; and 0 for rating BB+ until D) (Siskawati et al, 2017). Control variables is measured by natural logarithms of the company's total assets, and symbolized by LNASSETS in equation.

Multiple regression model equation in this research is:

$$LNFEED = \alpha_0 + \alpha_1 BoardInd + \alpha_2 BoardSize + \alpha_3 BoardMeet + \alpha_4 ACSize + \alpha_5 ACExpert + \alpha_6 Sub + \alpha_7 Brisk + LNAsset + e$$

Picture 2.1
Research Model



RESULT AND ANALYSIS

Hypotheses in this research are:

- H₁: Proportion of independent commissioners negatively effect on audit fee.
- H₂: Size of board of commissioners positively effect on audit fee.
- H₃: Size of board of commissioner meeting negatively effect on audit fee.
- H₄: Audit committee size negatively effect on audit fee.
- H₅: Audit committee expertise negatively effect on audit fee.
- H₆: Business complexity positively effect on audit fee.
- H₇: Business risk positively effect on audit fee.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Audit Fee	105	18.22	24.72	21.4869	1.16183
Existence of Independent Commissioners	105	.25	.63	.3987	.07852
Size of Board of Commissioner	105	2	8	5.39	1.596
Size of Board Commissioner's meeting	105	2	35	8.43	5.969
Size of Audit Committee	105	3	6	3.48	.856
Audit Expertise	105	0	1	.37	.200
Business Complexity	105	0	117	24.00	30.558
Business Risk	105	0	1	.98	.137
Firm Size	105	24	35	30.49	1.715
Valid N (listwise)	105				

Table shows the sample of this research is 105 samples. Corporate Governance Structure's variable are divided into 5, these are existence of independent commissioners, size of board of commissioners, proportion meeting of board of commissioners, size of audit committee and audit expertise in audit committee. Existence of independent commissioner's variable has minimum value 0.25, maximum value is 0.63, mean of sample is 0.3987 and standard of deviation is 0.07852. Size of board of commissioner's variable has minimum value 2, maximum value is 8, mean of sample is 5.39, and standard of deviation is 1.596. Size of board of commissioner's meeting variable has minimum value 2, maximum value is 35, mean of sample is 8.43 and standard of deviation is 5.969. Size of Audit Committee's variable has minimum value 3, maximum value is 6, mean of sample is 3.48 and standard of deviation is 0.856. Audit expertise in audit committee's variable has minimum value 0, maximum value is 1, mean of sample is 0.37 and standard of deviation is 0.200. Business complexity's variable that is computed by number of company's subsidiaries has minimum value 0, maximum value is 117, mean of

sample is 24.00 and standard of deviation is 30.558. Business risk's variable has minimum value 0, maximum value is 1, mean of sample is 0.98 and standard of deviation is 0.137. For control variable, firm size has minimum value 24, maximum value 35, mean 30.49, and standard of deviation 1.715.

Dependent variable of this research is audit fee. Audit fee has minimum value 18.22, maximum value is 24.72, mean of sample is 21.4869 and standard of deviation is 1.16183. From this research, can be concluded that companies has average 39% of existence of independent commissioner, average of board of commissioners in companies is 5 persons, proportion of meeting of board commissioners has average 8 meetings in companies, size of audit committee in companies has average 3 persons, average audit committee who has expertise in accounting in companies is only 37%, business complexity can be seen in number of subsidiaries and average number of subsidiaries is 24, business risk is showed by credit rating and average value of this rating is 0.98.

Normality Test

Normality test is used for determining the collected data whether it is distributed normally or taken from normal population. Classical method used in this test is Kolmogorov-Smirnov (K-S) Test.

		Unstandardized Residual
N		105
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.04247079
	Absolute	.096
Most Extreme Differences	Positive	.096
	Negative	-.062
	Kolmogorov-Smirnov Z	.982
Asymp. Sig. (2-tailed)		.290

Data is normal when significance value of komogorov-smirnov is more than 0.05. From table 4.2, data has asymp. sig (2-tailed) 0.290, which is more than alpha (0.05). Thus, the data is distributed normally. Based on that test, can be concluded that data fulfill the normality assumption.

Multicollinearity Test

Test is used to test whether there is correlation between independent variable in regression model. A good regression model is when there is no multicollinearity between independent variable. Multicollinearity test is done by looking at Variance Inflation Factors (VIF) and Tolerance.

Model	Collinearity Statistics	
	Tolerance	VIF
Existence of Independent Commissioners	.841	1.190
Size of Board of Commissioner	.846	1.181
Size of Board of Commissioner's Meeting	.853	1.173
Size of Audit Committee	.722	1.385
Audit Expertise	.845	1.183
Business Complexity	.709	1.411
Business Risk	.920	1.087
Firm Size	.853	1.172

Existence of independent commissioners has tolerance 0.841 and VIF 1.190, size of board of commissioners has tolerance 0.846 and VIF 1.181, size of board of commissioner's meeting has tolerance 0.853 and VIF 1.173, size of audit committee has tolerance 0.722 and VIF 1.385, audit expertise in audit committee has tolerance 0.845 and VIF 1.183, business complexity has tolerance 0.709 and VIF 1.411, business risk has tolerance 0.920 and VIF 1.087, and firm size has tolerance 0.853 and VIF 1.172. Requirement to pass multicollinearity test are tolerance should be more than 0.1 and VIF should be less than 10. In this data, all variable have tolerance > 0.1 and VIF < 10 . From this test, can be concluded that data has no multicollinearity or there is no correlation between independent variables in this regression model.

Heteroskedastisity Test

Heteroskedastisity is used to examine whether there is variance and residual in regression model from one observation to another observation. A good regression model is when there is no heteroskedastisitas. This test is done by using Glejser Test method.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.294	.168		1.745	.084
Existence of Independent Commissioners	-.030	.017	-.185	-1.793	.076
Size of Board of Commissioner	-.008	.007	-.115	-1.118	.267
Size of Board of Commissioner's Meeting	-.008	.004	-.182	-1.774	.079
Size of Audit Committee	.029	.016	.203	1.824	.071
Audit Expertise	-.012	.017	-.069	-.670	.504
Business Complexity	.005	.006	.092	.817	.416
Business Risk	.033	.026	.126	1.276	.205
Firm Size	-.095	.049	-.199	-1.938	.056

a. Dependent Variable: ABS_RES

Data is free from heteroskedastisity when significance value is greater than 0.05. Based on table 4.4, sig value for existence of independent commissioners is 0.076, sig value for size of board commissioners is 0.267, sig value for size of board commissioners meeting is 0.079, sig value for size of audit committee is 0.071, sig value for audit expertise in audit committee is 0.504, sig value for business complexity is 0.416, and sig value for business risk is 0.205. From that result, indicate that there is no heteroskedastisity in this regression model since all of sig value are greater than 0.05.

Autocorrelation Test

Autocorrelation test is used to find out the classical autocorrelation deviation, that is the correlation between two residuals on an observation with another

observation in regression model. The used testing method is Durbin Watson Test (D-W Test).

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.609 ^a	.371	.318	.04420	1.963

There is no autocorrelation when $DU < DW < 4-DU$. Based on Durbin Watson table for 105 samples, DU is 1.8483. Then, it makes $4-DU$ is 2.1517. From table 4.6, Durbin Watson value is 1.963. This model has no autocorrelation because $1.8483 < 1.963 < 2.1517$.

Coefficient Determination Test

Determination coefficient is declared in adjusted R^2 . It functions to measure how far the model is able to elucidate the variation of independent variable. The influence of independent variable can be seen on the value of Adjusted R Square. The result of coefficient determination test is presented in Table 4.7:

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.609 ^a	.371	.318	.04420

From table 4.7, adjusted R square value is 0.318. It implies that 31.8% of dependent variable can be clarified by the independent variables and the other 68.2% is explained by other factors out of the research.

F Value Test

F Value Test examined whether all the independent variables could influence dependent variable in ANOVA Table.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.111	8	.014	7.069	.000 ^b
Residual	.188	96	.002		
Total	.298	104			

Independent variables together influence dependent variable when sig value of this test is less than 0.05. Based on table 4.8, sig value is 0.00 ($0.00 < 0.05$). Thus, it can be concluded that the independent variables are together influence dependent variable.

T-Test (Partial Regression Coefficient Test)

t –Value Test examined how big one independent variable can explain dependent variable. Testing is done by compare t-compute with t-table with significance 0.05 (5%)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.506	.276		9.068	.000
Existence of Independent Commissioners	-.061	.028	-.194	-2.202	.030
Size of Board of Commissioner	.022	.011	.175	1.990	.049
Size of Board of Commissioner Meeting	-.017	.007	-.212	-2.416	.018
Size of Audit Committee	-.053	.026	-.192	-2.020	.046
Audit Expertise	-.010	.028	-.030	-.341	.734
Business Complexity	.021	.010	.200	2.082	.040
Business Risk	-.013	.042	-.026	-.308	.759
Firm Size	.161	.081	.175	1.997	.049

1. First Hypothesis

The first hypotheses is proportion of independent commissioners negatively effect on audit fee. The result of this research shows that proportion of independent commissioners negatively effect on audit fee. It is indicate that the higher of total independent commissioner the lower the audit fee is. The first hypotheses is accepted.

Independent commissioners that is separated with management has a duty to control the performance of management, include control financial reporting . When there is control from independent commissioner, affected for good quality of financial reporting, auditor will eliminate risk estimation and it might lead to decreasing audit fee (Chandra, 2016). By existance of independent commissioners, problem that might (asymmetry information and conflict of interest) arise because of agency theory, could be eliminated.

2. Second Hypotheses

The second hypotheses of this research is size of board of commissioners positively effect on audit fee. Result of this research is size of board of commissioners positively effect on audit fee, the hypotheses is accepted. This result implies that the higher the number of board of commissioners, the higher the audit fee is. The second hypotheses is accepted.

The large amount of board of commissioners causing ineffective of internal control. With this ineffective, the quality of financial report decreasing and auditor need longer time to do audit because of that additional work (financial report) and it could leads to increasing of audit fee (Hazmi and Sudarno, 2013).

3. Third Hypotheses

The third hypotheses of this research is proportion meeting of board of commissioner meeting negatively effect on audit fee. Result of this research is proportion meeting of board of commissioner meeting negatively effect on audit fee. Thus, the third hypotheses is accepted. The higher size of board of commissioner meeting, the lower the audit fee is.

Board of commissioners separated from the management has duties to oversee management performance, including overseeing financial reporting. With the high intensity of the board of commissioner meeting, it shows that the corporate governance function in the company has been going well so this will reduce the risk assessment by the external auditor which will also affect the declining of audit fee (Chandra, 2016).

4. Fourth Hypotheses

The fourth hypotheses of this research is audit committee size negatively effect on audit fee. The result of this research is audit committee size negatively effect on audit fee. It means that the higher number of audit committee, the lower the audit fee. The fourth hypotheses is accepted.

The existance of audit committee has a role to overview the financial reporting and by audit committe the credibility of financial reporting is increasing. With good quality of financial reporting, could make auditor has lesser assessment of audit. This will lead to eliminating of audit fee because of workload that decreasing (Blue, 1999).

This result is supported by regulation Ministerial Decree BUMN Number KEP-103/MBU/2002 that is stated each company should has audit committee as an internal control to provide good quality of financial report. Besides, this result is consistent with research from Goodwin and Kent (2006) which examine companies listed in Australia Stock Exchange. The result indicate that there is negative relation between audit committee and audit fee.

5. Fifth Hypotheses

The fifth hypotheses of this research is audit committee expertise negatively effect on audit fee. The result shows that the expertise of audit committee does not affected audit fee. Thus the fifth hypotheses is rejected.

It might be happened because all problem that arises in financial report can not be covered by expertise of audit committee. Measurement used in this research is expertise of audit committee with qualification of accounting background. However, in the fieldwork, problems that arises not only stated in textbook, it tooks experiences by dealing with problems out of textbook. It can be a suggestion for future research to use other measurement.

This result is consistent with Abbot et al (2003) and Yusuf (2017). Yusuf (2017) stated that manufacturing companies listed in Malaysia which the expertise of audit committee does not affected on audit fee.

6. Sixth Hypotheses

The sixth hypotheses of this research is business complexity positively effect on audit fee. The result of this research is business complexity positively effect on audit fee. It is indicate that the higher business complexity of company, the higher audit fee is. The sixth hypotheses is accepted.

Number of subsidiaries represents complexity of audit assessment, that is indicate the measurement of complexity transaction of company (Widiasari, 2009). When there is subsidiaries, client oblige to make consolidated financial satetement and it is adding complexity for auditor to audit the client. Besides, auditor needs longer time to do audit. Thus, it will increasing audit fee.

7. Seventh Hypotheses

The seventh hypotheses of this research is business risk positively effect on audit fee. The result of this research is business risk does not affected on audit fee. This seventh hypotheses is rejected.

In investing, a company certainly needs a source of capital. In order to get the source of capital can be obtained from their own capital or borrow funds from outside parties. The main purpose of debt companies is to increase the company's operational activities which will lead to increased corporate profits. The company's high debt reflects the company's large risk due to the possibility of the company not being able

to pay its debts (Chandra, 2016)

The measurement of company risk in this study uses a credit rating. It is possible that the credit rating in this measurement does not reflect the actual risk. Jubb (1996) states that it is difficult to measure risk objectively because there is no single proxy to adequately assess risk. Therefore, just using the credit rating as a determinant of the size of the external audit fee is not enough. Therefore, the next research can consider other measurements such as the company's leverage or using other source of credit rating. The results of this study are consistent with research conducted by Fachriyah (2011).

8. Control Variable

The results showed that the size of the company had a positive effect on the audit fee, meaning that auditors who audit larger companies will receive an audit fee that is greater than the size of the smaller company. This is because the size of the company can affect the length of the audit process. Large companies make auditors need more time and resources to examine the operations of client companies, related transactions in the client's company. Besides, large company sizes can also make more substantive checks (Fachriyah, 2011). This result is consistent with research that is undertaken by Siskawati (2017).

CONCLUSION AND SUGGESTION

This research is investigating the effect of corporate governance structure, business complexity, and business risk towards audit fee. The sample used is all companies on 2013-2017. Independent variable in this research is existence of independent commissioners that is measured with percentage of independent commissioners; size of board of commissioners that is measured with total number of board of commissioners; size of board of commissioners meeting that is measured with total meeting of board of commissioners; audit committee that is measured with total number of audit committee; audit expertise in audit committee that is measured with percentage of audit committee who has accounting background; business complexity that is measured with number of subsidiaries; and business risk that is measured with credit rating of companies listed in Pefindo. The dependent variable is audit fee that is measured by amount of audit fee (Ln fee). The control variable is firm size that is measured by total assets (Ln Asset).

The implication of this research is as a suggestion for the government when make new regulation about auditing. Result shows that business risk is not influence

the audit fee. It is contradictory with the regulation of new International Standard of Auditing that is Risk Based Auditing. It is as a new insight for government that Indonesian company is not fully adopted the International Standard of Auditing. Results of this study are Existence of independent commissioners negatively effect on audit fee, size of board of commissioners positively effect on audit fee, proportion meeting of board of commissioner meeting negatively effect on audit fee, audit committee size negatively effect on audit fee, audit committee expertise does not affect on audit fee, business complexity positively effect on audit fee, business risk does not affect on audit fee.

There are several suggestions that can be given for the researcher in the future: Add research variable, such as ownership structure and internal audit as independent variables, use other measurement of business risk variable, it can use leverage as a proxy of business risk variable, make comparison with other countries which has same regulation about determination of audit fee, and add up the research period.

REFERENCES

- Abbott, L. J., Parker, S., Peters, G. F., & Raghunandan, K. (2003). The association between audit committee characteristics and audit fees. *Auditing: A Journal of Practice & Theory*, 22(2), 17-32.
- Agoes, S. (2012). *Auditing: Petunjuk praktis pemeriksaan akuntan oleh akuntan publik*. Jakarta: Salemba Empat.
- Arens, A. A., Best, P., Shailer, G., & Fiedler, B. (2013). *Auditing, Assurance Services and Ethics in Australia*. Pearson Higher Education AU.
- Blue Ribbon Committee (1999), Report and recommendations on improving the effectiveness of corporate audit committees. *The New York Stock Exchange and the National Association of Securities Dealers Journal*, New York.
- Boediono, G. S. (2005). Kualitas laba: Studi pengaruh mekanisme corporate governance dan dampak manajemen laba dengan menggunakan analisis jalur. *Simposium Nasional Akuntansi VIII*, 9, 175-194.
- Boo, E. F., & Sharma, D. (2008). The association between corporate governance and audit fees of bank holding companies. *Corporate Governance: The international journal of business in society*, 8(1), 28-45.
- Cameran, M. (2005). Audit fees and the large auditor premium in the Italian market. *International Journal of Auditing*, 9(2), 129-146.
- Carcello, J. V., Hermanson, D. R., Neal, T. L., & Riley Jr, R. A. (2002). Board characteristics and audit fees. *Contemporary accounting research*, 19(3), 365-384.

Chandra, M. O. (2016). Pengaruh good corporate governance, karakteristik perusahaan dan ukuran Kap terhadap fee audit eksternal. *Jurnal Akuntansi Bisnis*, 13(26), 174-194.

Connelly, B. L., Certo, S. T., Ireland, R. D., & Reutzel, C. R. (2011). Signaling theory: A review and assessment. *Journal of management*, 37(1), 39-67.

Fachriyah, N. (2011). Faktor-faktor yang mempengaruhi penentuan fee audit oleh kantor akuntan publik di Malang (Doctoral dissertation, Universitas Brawijaya).

Ghozali, Imam. (2011). *Aplikasi Analisis Multivariate Dengan Program SPSS*. Semarang: Badan Penerbit Universitas Diponegoro.

Goodwin-Stewart, J., & Kent, P. (2006). Relation between external audit fees, audit committee characteristics and internal audit. *Accounting & Finance*, 46(3), 387-404.

Halim, Yonathan (2005), Peranan metode lowballing cost oleh kantor akuntan publik di surabaya. Skripsi, Universitas Kristen Petra Surabaya

Hay, D., Knechel, W. R., & Ling, H. (2008). Evidence on the impact of internal control and corporate governance on audit fees. *International Journal of Auditing*, 12(1), 9-24.

Hazmi, M.A. & Sudarno (2013), "Pengaruh struktur governance dan internal audit terhadap fee audit eksternal pada perusahaan - perusahaan manufaktur yang listing di BEI", *Diponegoro Journal of Accounting*, Vol. 2 No. 2, hal. 1.

Ikatan Akuntansi Indonesia (2009), *Pernyataan Standar Akuntansi Keuangan (PSAK)*, Penerbit Salemba Empat, Jakarta.

Institut Akuntan Publik Indonesia (2016). Surat Keputusan Ketua Umum IAPI No. 2 Tahun 2016 tentang Kebijakan Penentuan Fee, Jakarta.

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of financial economics*, 3(4), 305-360.

Jubb, C. A., Houghton, K. A., & Butterworth, S. (1996). Audit fee determinants: the plural nature of risk. *Managerial Auditing Journal*, 11(3), 25-40.

Kane, Gregory D., & Velury, Uma (2004), The role of institutional ownership in the market for auditing services : an empirical investigation, *Journal of Business Research*, Vol. 57 No. 9, September, hal. 976-983.

Kayu, Nariya (2012), Teori Agensi, <http://bit.ly/2amMYps>, Accessed on 01 March 2018 on 00.41 WIB.

Kisgen, D. J. (2006). Credit ratings and capital structure. *The Journal of Finance*, 61(3), 1035-1072.

Nazaruddin, I., & A. T. Basuki (2015). Analisis Statistik Dengan SPSS. Yogyakarta: Danisa Media.

Nugrahani, N. R., & Sabeni, A. (2013). *Faktor-Faktor yang mempengaruhi penetapan fee audit eksternal pada perusahaan yang terdaftar di BEI* (Doctoral dissertation, Fakultas Ekonomika dan Bisnis).

Norden, L., & Weber, M. (2004). Informational efficiency of credit default swap and stock markets: The impact of credit rating announcements. *Journal of Banking & Finance*, 28(11), 2813-2843.

Rizqiasih, P. D., & Prabowo, T. J. W. (2010). Pengaruh Struktur Governance Terhadap Fee Audit Eksternal (Doctoral dissertation, Universitas Diponegoro).

Rusmanto, T., & Waworuntu, S. R. (2015). Factors influencing audit fee in Indonesian Publicly Listed Companies applying GCG. *Procedia-Social and Behavioral Sciences*, 172, 63-67.

Sari, H. C., & Raharja, S. (2011). Analisis Faktor-Faktor yang Berpengaruh Terhadap Jangka Waktu Penyelesaian Audit (Kajian Empiris Pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Tahun 2008-2009) (Doctoral dissertation, Universitas Diponegoro).

Simunic, D. (1984), Auditing, consulting and auditor independence, *Journal of Accounting Research*, Vol. 22, hal. 679-702.

Suharli, M., & Nurlaelah, N. (2008). Konsentrasi Auditor dan Penetapan Fee Audit: Investigasi Pada BUMN. *Jurnal Akuntansi dan Auditing Indonesia*, 12(2).

Suryanto, Rudy, Audit Berbasis Resiko - Sesuai Dengan International Standards of Auditing, <http://bit.ly/2aBaELa/>, Accessed on 30 Februari 2018 on 12.00 WIB.

Siskawati, S. A. D., Suryanto, R. & Sofyani, H. (2017). Pengaruh Struktur Corporate Governance Dan Risiko Perusahaan Terhadap Fee Audit. *JRAK (Jurnal Riset Akuntansi Dan Komputerisasi Akuntansi)*, 9(1), 102-127.

Syakhroza, A. (2003). Teori Corporate Governance. Manajemen Usahawan Indonesia.

Widiasari, Esti., dan Prabowo, T. J. Wahyu (2009), Pengaruh pengendalian internal perusahaan dan struktur corporate governance terhadap fee audit, *Jurnal Akuntansi dan Investasi*, Vol. 9 No. 2, hal. 125-137.

Xu, Y. (2011). The Determinants of Audit Fees: An Empirical Study of China s listed companies.

Yatim, Puan., Kent, Pamela and Peter, Clarkson (2006), Governance structures, ethnicity, and audit fees of malaysian listed firms. *Bond University Journal*, Australia.