

**THE EFFECT OF COMPANY RISK, COMPANY SIZE, AND PUBLIC
ACCOUNTING FIRM STATUS ON AUDIT FEES IN LQ45 COMPANIES
LISTED ON THE IDX IN 2019-2023**

Jeni Cantika Bell^{1*}
Jimmy Agung Artana²
Ni Putu Eka Parastika³

Triatma Mulya University, Indonesia^{1,2,3}

*Corresponding author: belljeni28@gmail.com

ABSTRACT

In recent years, the public accounting profession in Indonesia has faced serious challenges concerning the low audit fees received by Public Accounting Firms (PAF). The compensation for audit services is considered disproportionate to the responsibilities and complexity of the auditor's work, which may impact audit quality and the sustainability of the profession. In this context, this study aims to examine the factors that influence audit fees among companies listed in the LQ45 index on the Indonesia Stock Exchange during the 2019–2023 period. Three variables are analysed: company risk, company size, and the status of the public accounting firm. This research employs a quantitative approach using secondary data from annual financial reports and applies multiple linear regression analysis. The results reveal that all three variables—company risk, company size, and PAF status—significantly affect audit fees. Each variable is found to have a positive and significant influence on audit fees. These findings reinforce the view that company characteristics and auditor reputation are important determinants in setting external audit fees. This research contributes valuable insights for stakeholders, including corporate management and auditors, in understanding relevant factors for determining audit fees in a fair and professional manner.

Keywords: Audit Fee, Company Risk, Company Size, PAF Status, LQ45

I. INTRODUCTION

The public accountant profession has a vital role in ensuring the credibility of the financial information presented by business entities. External auditors are expected to be able to provide objective confidence in the fairness of the financial statements prepared by management, so as to increase stakeholder confidence. However, in recent years, Public Accounting Firms (KAP) in Indonesia have faced serious challenges, especially with regard to the low audit fees received. According to the Indonesian Institute of Public Accountants (IAPI), the average income of public accountants in Indonesia is only slightly above the national per capita income, which shows the inequality between the level of compensation and the burden of responsibility borne by auditors (IAPI, 2016).

Low audit fees are feared to have a negative impact on audit quality, because it can reduce the ability of auditors to allocate adequate resources in the implementation of audits. This condition is also an obstacle to professional regeneration, considering the unattractive incentives for young auditors to survive and develop in the world of public accounting professions (Ministry of Finance of the Republic of Indonesia, 2020). This phenomenon creates urgency for academics

and practitioners to examine more deeply the factors that affect the determination of audit fees in a fair and professional manner.

Given the limited empirical studies in Indonesia that specifically highlight the influence of company and auditor characteristics on audit fees, especially in large companies such as those that are members of the LQ45 index. This index represents companies with high market capitalization and liquidity on the Indonesia Stock Exchange, making it an ideal object for analyzing the dynamics of audit fees in the context of large companies.

Some of the variables that are suspected to affect the amount of audit fees are the company's risk, company size, and the status of the Public Accounting Firm. High-risk companies require auditors to conduct more extensive procedures to assess the fairness of financial statements, potentially increasing audit fees (Hay et al., 2006). Meanwhile, the size of a company is often associated with the complexity of financial statements, the number of transactions, and the organizational structure, which also demands greater audit work (Simunic, 1980). On the other hand, the status of the KAP—especially whether the auditor is from the big four KAPs—also has an effect, as high-reputable KAPs tend to charge a higher fee to guarantee the quality and credibility of the audit (DeAngelo, 1981).

This study aims to empirically examine the influence of company risk, company size, and the status of public accounting firms on audit fees in LQ45 companies listed on the Indonesia Stock Exchange for the 2019–2023 period. The formulation of the problem that wants to be answered in this study is: do these three variables partially have a significant influence on the amount of audit fees received by KAP?

The benefits of this research are divided into two. From the theoretical side, this research is expected to enrich the academic literature related to the determinants of audit fees in the context of the Indonesian capital market, as well as become a reference for further research. From a practical perspective, this research is expected to provide insight for company management in determining a reasonable and professional audit budget, as well as being a basis for consideration for KAP in determining audit service pricing strategies.

II. LITERATURE REVIEW

Agency Theory.

This theory explains the relationship between the principal (the owner of the company) and the agent (management) who has a potential conflict of interest due to differences in objectives and asymmetrical information (Jensen & Meckling, 1976). In this context, the auditor acts as an independent party who is trusted to assess the fairness of the financial statements prepared by the management. To carry out their functions optimally, auditors need adequate resources, which is reflected in the amount of audit fees.

Fee Audit

Audit fee is the financial compensation received by the auditor for the financial statement audit services he conducts. According to Simunic (1980), audit fees are determined by the demand and supply of audit services, and are influenced by the complexity, audit risk, client size, and auditor reputation. Auditors who examine large companies or high-risk companies tend to set higher fees because they require more time and effort.

Corporate Risk

Company risk is the level of uncertainty faced by the company in operations as well as financially. Companies that have high leverage or large revenue variability require more comprehensive audits, which ultimately increase audit fees (Hay et al., 2006).

Company Size

Firm size is also an important determinant in determining audit fees. Large companies typically have complex organizational structures, high transaction volumes, and broader audit needs. Therefore, auditors will charge higher fees to adjust to a larger workload (Simunic, 1980).

Status of Public Accounting Firm

The status of a Public Accounting Firm (KAP) is related to the reputation and quality of auditors. KAP that falls into the Big Four category (PwC, Deloitte, EY, and KPMG) is known to have high quality standards and a global network, so they tend to set higher fees than non-Big Four KAP (DeAngelo, 1981)

Previous research conducted by Siregar (2022) examined banking companies in Indonesia and found that company complexity and risk had a significant positive influence on audit fees, while profitability had no significant effect. This study emphasizes the importance of risk as a major determining factor. Furthermore, Apriyanti and Sutandi (2017) examined banking companies in the period 2012–2016. The results show that the size of the company and the audit committee have a significant effect on external audit fees, but profitability does not. This research reinforces the view that the size of the company has a direct impact on the amount of audit fees. Next, research by Yulianti, Agustin, and Taqwa (2019) examined non-financial companies on the IDX and found that company size, audit complexity, and KAP size had a significant effect on audit fees. However, the company's risk, although it has a positive effect, is not significant. This suggests that the relationship between risk and audit fees can be contextual.

Corporate risk refers to the possible financial losses or instability that an entity faces as a result of funding structures, market uncertainties, or managerial policies. In the context of auditing, the higher the company's risk, the higher the audit risk that must be borne by the auditor. Auditors will adjust the level of testing, time, and resources, resulting in increased audit fees (Hay et al., 2006).

Siregar's research (2022) shows that company risk has a positive effect on audit fees. The higher the debt ratio (as a proxy for risk), the higher the fees charged. Therefore, this relationship underlies the following hypothesis:

H1: Company risk has a positive effect on audit fees.

The size of a company reflects the magnitude of the operational scale and complexity of business activities. Larger companies generally have a larger volume of transactions, subsidiaries, and scattered branches, making the audit process more complicated and requiring additional effort. Auditors usually adjust Fee audits based on total assets or company revenue as a measure indicator (Simunic, 1980). Research by Apriyanti and Sutandi (2017) and Yulianti et al. (2019) found that company size has a significant positive effect on audit fees. Therefore, a hypothesis is formulated:

H2: The size of the company has a positive effect on audit fees.

The status of a Public Accounting Firm, especially whether it is included in the Big Four or non-Big Four, is an indicator of the reputation and quality of audit services. KAPs classified as Big Four generally have higher standards of audit procedures, access to advanced technology, and stronger market confidence. As a result, companies that use the services of the Big Four KAP are usually charged higher audit fees (DeAngelo, 1981). Panjaitan and Haryono (2021) confirmed that auditor status has a significant influence on the amount of audit fees. On this basis, the hypothesis proposed is:

H3: Public Accounting Firm Status Has a Positive Effect on Audit Fees

III. RESEARCH METHODS

This study uses a quantitative approach with the aim of examining the influence of company risk, company size, and the status of Public Accounting Firms on audit fees. This approach was chosen because it allows testing relationships between variables based on statistically analyzable numerical data

Data and Data Sources

The type of data used in this study is secondary data, which is data obtained indirectly from previously published sources. The data source comes from the annual financial reports and independent audit reports of companies included in the LQ45 index and listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period. The documents were obtained from the official website of the IDX (www.idx.co.id) and the official website of each company. The reason for choosing the LQ45 company is because the companies in this index have a high level of liquidity and market capitalization, and represent large companies that are relevant in the analysis of audit fees.

Research Variables

This study uses one dependent variable (bound) and three independent variables (independent) which are described as follows:

1. Audit Fee (Y)

Audit fees are a dependent variable in this study, namely the amount of fees paid by the company to external auditors. In this study, audit fees were measured using the natural logarithm of professional fees (ln Fee) to overcome the spread of data that is too wide.

2. Corporate Risk (X1)

Company risk is measured using the Debt to Equity Ratio (DER), which is a comparison between total liabilities and total equity. This ratio reflects the level of dependence of companies on external funding. The higher the DER, the higher the company's financial risk.

3. Company Size (X2)

The size of a company is measured based on total assets at the end of the year. In data processing, the total value of assets is expressed in natural logarithms (ln Total Assets) to maintain the proportionality of the measurement scale.

4. Status of Public Accounting Firm (X3)

KAP status is a dummy variable that shows whether a company uses KAP services that are classified as Big Four or not. The Big Four KAP is given a score of 1, while the non-Big Four are given a score of 0.

Data Collection Techniques

The data collection technique used is documentation, which is by tracing and recording information from publicly available documents. The researcher accesses the company's annual reports and independent audit reports from the Indonesia Stock Exchange website and the company's official website. The data collected includes information about audit fees, total assets, DER ratios, and the name of the KAP used. From these results, 29 companies were obtained with a total of 145 observations (29 companies x 5 years).

Data Analysis Techniques

Data analysis was conducted using multiple linear regression analysis to determine the simultaneous and partial influence of company risk, company size, and KAP status on audit fees. Before regression, the data was first tested with a classical assumption test, which consisted of:

- Normality tests to ensure the distribution of residual data is normal;
- Multicollinearity test to ensure there is no high correlation between independent variables (judging from Tolerance and VIF values);
- Heteroscedasticity test to see if there is a residual variance variance;
- An autocorrelation test to test if there is a correlation between residuals (using the Durbin-Watson test).

The multiple linear regression model used in this study is formulated as follows:

$$FA_{ti} = \beta_0 + \beta_1 \cdot X1 + \beta_2 \cdot X2 + \beta_3 \cdot X3 + \epsilon_i \dots\dots\dots (1)$$

Description:

FA: Fee Audit

X1 : Company Risk

X2 : Company Size

X3 : Status of Public Accounting Firm

β_0 : Constant

β : Royalty coefficient

ϵ_i : Error Term i

IV. RESULTS AND DISCUSSION

Analysis Results

Descriptive statistics are used to describe the data characteristics of the research variables. In this study, the variables used consisted of corporate risk (DER), company size (Total Assets), Public Accounting Firm (KAP) status, and audit fees. The results of descriptive statistical data processing are shown in Table 1 below:

Table 1.
Descriptive Statistics of Research Variables

Variable	N	Minimum	Maximum	Average	Standard Deviation
Corporate Risk	145	13	1608	215,46	286,15
Company Size	145	2.550	3.532	3.223,30	142,12
Status KAP	145	0	1	0,92	0,28
Fee Audit	145	2.064	2.551	2.259,54	107,40

Source: Data processed, (2025)

Descriptive statistics aim to provide an overview of the characteristics of the data used in this study. The variables analyzed included company risk (X1), company

size (X2), Public Accounting Firm status (X3), and audit fee (Y). Based on the results of data processing on 145 observations, the average risk value of the company was 215.46 with a standard deviation of 286.15, indicating that there is a fairly high variation in financial risk between companies. The size of the company measured by total assets has an average value of 3,223.30 (in units of billion rupiah) with a standard deviation of 142.12, which indicates that the sample consists of large-scale and relatively homogeneous companies. The status of KAP shows that the majority of companies use the services of auditors from the Big Four KAP, reflected in the average value of 0.92 and the standard deviation of 0.28. The audit fee has an average of 2,259.54 million rupiah with a standard deviation of 107.40, which shows a relatively even distribution of audit costs among the company's sample.

Before multiple linear regression analysis was carried out, a classical assumption test was carried out to ensure that the regression model met the BLUE (Best Linear Unbiased Estimator) requirements. The results of the normality test using the Kolmogorov-Smirnov method showed a significance value of 0.094 which was greater than 0.05, so it can be concluded that the residual data is normally distributed. The multicollinearity test showed that all independent variables had a Tolerance value above 0.10 and a Variance Inflation Factor (VIF) value below 10, so it can be concluded that there was no multicollinearity between variables. Furthermore, the results of the heteroscedasticity test with the Glejser method showed that all variables had a significance value above 0.05, so that heteroscedasticity did not occur. Meanwhile, the results of the autocorrelation test using the Durbin-Watson (DW) test showed a DW value of 1.987 which was between the upper limit ($du = 1.771$) and $4 - du$ (2.229), so no autocorrelation was found. Thus, the regression model has fulfilled all classical assumptions and is feasible for use in hypothesis testing.

The results of multiple linear regression analysis in this study are presented in Table 2 below.

Table 2.
Multiple Linear Regression Analysis Results
Coefficient

Models	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	669,081	180,484		3,707	0,000
Corporate Risk	2,121	0,018	0,344	4,725	0,000
Company Size	0,458	0,057	0,606	8,101	0,000
Status KAP	152,828	24,783	0,393	6,167	0,000

a. Dependent Variable: Fee Audit

Source: Data processed (2025)

Based on the results of the analysis in Table 2, the following regression equations are obtained:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$Y = 669.08I + 2.121X_1 + 0.458X_2 + 152.828X_3 + e$$

Table 2 also explains the hypothesis results in this study which are stated as follows:

- 1) The company's risk has a t-calculated value of 4.725 with a Sig. value of 0.000 < 0.05, then it can be concluded that the company's risk has a positive and

significant effect on the audit fee thus H1 which states that the company's risk has an effect on the audit fee is accepted.

- 2) The size of the company has a t-count value of 8.101 with a Sig. value of 0.000 < 0.05, so it can be concluded that the size of the company has a positive and significant effect on audit fees. Thus, H2 which states that the size of the company affects the audit fee is accepted.
- 3) The KAP status has a t-count value of 6.167 with a Sig. value of 0.000 < 0.05, so it can be concluded that the KAP status has a positive and significant effect on audit fees. Thus, H3 which states that the status of KAP has a positive and significant effect on audit fees is accepted.

The results of the determination coefficient test obtained an adjusted r square value of 0.414. This shows that 41.4% of the variability of audit fees can be explained by the company's risk variables, company size, and KAP status, the remaining 58.6% can be explained by other factors outside the model that are not included in this study such as profitability, auditor experience, quality of financial statements and regulatory factors.

Discussion

The Effect of Company Risk on Audit Fees in LQ45 Companies Listed on the IDX in 2019-2023

Based on the results of the hypothesis test (t-test), it was found that company risk had a positive and significant effect on audit fees in LQ45 companies listed on the IDX in 2019-2023. This is indicated by a t-count value of 4.725 with a Sig. value of 0.000, which is smaller than 0.05. A regression coefficient of 2.121 indicates that every one-unit increase in Corporate Risk will increase the audit fee by 2.121. Thus, the higher the level of risk that a company has, the higher the audit costs charged by auditors. This shows that the auditor considers the level of risk as the main factor in determining the amount of audit fees.

This finding can be explained through agency theory, which states that the relationship between managers and shareholders often leads to conflicts of interest due to information asymmetry. In the context of audits, companies with higher risks tend to face greater potential misstatements of financial statements, so auditors need to conduct more complex and extensive audit procedures. To compensate for the additional time and effort required in dealing with higher risks, auditors will charge a larger audit fee. Therefore, auditors tend to raise audit fees for companies with higher levels of risk to reduce the potential for audit failures and maintain the credibility of financial statements.

The results of this study are in line with research conducted by Siregar (2022) and Yulianti and colleagues (2018), which stated that company risk has a positive effect on audit fees. The study explains that companies with higher levels of risk, both in financial, operational, and regulatory aspects, require stricter audit oversight, which ultimately increases the cost of audits to be paid. Thus, the results of this study reinforce previous empirical evidence and support the theory that auditors take into account the company's risks in determining the amount of audit fees.

The Effect of Company Size on Audit Fees in LQ45 Companies Listed on the IDX in 2019-2023

Based on the results of the hypothesis test (t-test), the company size variable has a t-calculated value of 8.101 with a Sig. value of 0.000. Because the value of

Sig. (0.000) < 0.05, it can be concluded that the size of the company has a positive and significant effect on audit fees. These results indicate that the larger the size of a company, the higher the audit costs incurred by the company.

This result can be explained through the perspective of agency theory, which states that in the relationship between the owner and the management of the company, there is a potential conflict of interest that can increase the risk of asymmetric information. Companies with larger sizes tend to have complex organizational structures and broader business activities, thus increasing the need for more in-depth and comprehensive audits. Therefore, auditors need more time, effort, and resources in the audit process and ultimately increase the audit fees charged to the company. In addition, large companies also tend to use credible KAP services to increase the credibility of the company's financial statements, which ultimately contributes to high audit fees.

This finding is in line with the results of previous research conducted by Yulianti (2018) and Apriyanti and Sutandi (2017), which stated that company size has a positive and significant effect on audit fees. Both studies found that companies with larger assets have a higher level of operational complexity, requiring more detailed and thorough audits. This contributes to the increased audit costs that must be borne by the company. Thus, the results of this study strengthen the existing empirical evidence, that the size of the company is one of the main factors that determine the amount of audit fees paid by the company.

The Effect of Public Accounting Firm Status on Audit Fees in LQ45 Companies Listed on the IDX in 2019-2023

Based on the results of the hypothesis test (t-test), the status variable of the Public Accounting Firm (KAP) has a t-calculation value of 6.167 with a Sig. value of 0.000. Because the value of Sig. (0.000) < 0.05, it can be concluded that the status of the KAP has a positive and significant effect on the audit fee. Companies audited by KAP with KAP affiliate status of big four tend to have higher audit fees compared to companies audited by KAP with other statuses. These results show that the selection of KAP affects the amount of audit costs that must be incurred by the Company

Based on the perspective of agency theory, companies need credible auditors to increase shareholder confidence in financial statements. Public Accounting Firms with a high reputation, such as the big four KAPs, generally have stricter audit standards and a more comprehensive methodology compared to non-big four KAPs. This causes companies that use KAP services with higher status to pay more expensive audit fees. In addition, large companies with higher audit risks are also more likely to choose KAP with a global reputation to maintain the transparency and quality of their financial statements, thereby increasing the audit fees that must be incurred.

The findings in this study are in line with the results of research conducted by Panjaitan and Haryono (2021), which stated that KAP Status has a positive influence on audit fees. The results of the study found that companies that use the services of the big four KAP tend to pay higher audit fees than companies that use the services of non-big four KAP. However, the results of this study are different from the findings of Rachmawati and Sinaga (2018), who stated that KAP status has no effect on audit fees. These differences can be caused by differences in sample characteristics, research periods, or other factors such as the audit policies

implemented by each company. Thus, the results of this study provide empirical evidence that the selection of KAP with a certain status is a factor that affects the amount of audit fees paid by companies.

V. CONCLUSIONS AND RECOMMENDATION

The results of this study show that company risk, company size, and Public Accounting Firm (KAP) status have a positive and significant effect on audit fees for companies that are members of the LQ45 index on the Indonesia Stock Exchange for the 2019–2023 period. The higher the financial risk that a company has, the greater the audit fee paid, because auditors need more complex and in-depth audit procedures to minimize audit risks. In addition, the size of the company also affects audit fees significantly, where companies with large total assets and complex operational activities require more extensive audits. This causes auditors to adjust workloads for higher compensation. On the other hand, companies that use the services of KAP affiliated with the Big Four are proven to pay higher audit fees compared to companies audited by non-Big Four KAPs. This shows that the reputation and higher audit standards of the Big Four KAP also influence the determination of audit costs. Thus, the characteristics of the company and auditors are an important factor in the formation of reasonable and professional audit fees.

Based on the conclusions obtained, investors are advised to consider the company's risk factors, company size, and the status of the Public Accounting Firm (KAP) in the investment decision-making process. Companies that pay higher audit fees, especially because they use Big Four KAP or have a large business scale, can reflect compliance with the principles of transparency and accountability of financial statements. This can be an additional indicator for investors in assessing the quality of corporate governance. In addition, researchers are further advised to expand the scope of the research by considering other variables such as operational complexity, ownership structure, profitability level, or the effect of tenure audits on audit fees. Research can span longer periods of time and across industry sectors to obtain more general and representative results. A qualitative approach can also be considered to understand more deeply the auditor's considerations in determining audit fees based on professional experience.

REFERENCES

- Anggraita, V., Fitriany, F., Sinaga, R., & Kiantara, R. F. (2024). Evaluating Audit Market Competition and Pricing in Indonesia. *Chemistry*, 12(1), 68-80.
- Apriyanti, A., & Sutandi, S. (2017). The Influence of the Audit Committee, Company Size, and Profitability on External Audit Fees in Banking Companies Listed on the Indonesia Stock Exchange in 2012-2016. *Accounting*, 9(1), 1-9. <https://doi.org/10.31253/aktek.v9i1.234>
- Asmara, C. G. (2019). Many KAP is sanctioned, there are problems with accounting standards. Accessed from <https://www.cnbcindonesia.com/market/20190812102534-17-91271/banyak-kap-kena-sanksi-ada-masalah-standar-akuntansi>
- Indonesia Stock Exchange. (2019). Retrieved from https://www.idx.co.id/StaticData/NewsAndAnnouncement/ANNOUNCEMENTSTOCK/From_EREP/201903/6b2d1df1a4_1399994ba4.pdf

- Chandra, M. (2016). The Influence of Good Corporate Governance, Company Characteristics and KAP Size on External Audit Fees.
- Creswell, J. W. (2014). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (4th Edition). SAGE Publications.
- Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (5th Edition). Sage Publications.
- Dermawan, S. (2009). *Financial Management* (3rd Edition). Jakarta: Mitra Wacana Media.
- European Commission. (2003). Commission Recommendation of 6 May 2003 Concerning the Definition of Micro, Small and Medium-sized Enterprises. Accessed from <https://eur-lex.europa.eu/eli/reco/2003/361/oj>
- Fatmawati, S. (2022). The Effect of Company Profitability, Company Size and Public Accounting Firm Size on Audit Fees (Empirical Study on Manufacturing Companies in the Food and Beverages Sub-Sector on the Indonesia Stock Exchange in 2018-2020). Thesis, Indonesian College of Economics.
- Fawcett, T., & Provost, F. (2013). *Data Science for Business*. CA: O'Reilly Media.
- Ghasemi, A., & Zahediasl, S. (2012). Normality Tests for Statistical Analysis: A Guide for Non-statisticians. *International Journal of Endocrinology and Metabolism*, 10(2), 486-489. <https://doi.org/10.5812/ijem.3505>
- Ghozali, I. (2018). *Multivariate Analysis Applications with IBM SPSS 25 Program* (9th Edition). Semarang: Publishing Agency of Diponegoro University.
- Gujarati, D. N., & Porter, D. C. (2009). *Basic Econometrics* (5th Edition). McGraw-Hill/Irwin.
- Halim. (2014). *Public Sector Accounting: Regional Financial Accounting* (Fourth Edition). Jakarta: Salemba Four.
- Harahap, D. Y., et al. (2018). Audit Fee: Evidence from Indonesia After Adopting International Standards on Auditing (ISAs). *Review of Integrative Business and Economics Research*, 7, 170-182.
- Hay, D. C., Knechel, W. R., & Wong, N. (2006). Audit Fees: A Meta-analysis of the Effect of Supply and Demand Attributes. *Contemporary Accounting Research*, 23(1), 141-191. <https://doi.org/10.1506/4XR4-KT5V-E8CN-91GX>
- Indonesian Institute of Public Accountants (IAPI). (2016). Management Regulation Number 2 of 2016 concerning the Determination of Remuneration for Financial Statement Audit Services. Jakarta: IAPI.
- ISO. (2019). Retrieved from <https://www.iso.org/news/ref2263.html>
- 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.
- Public Accounting Firm. (2019). Retrieved from <https://pppk.kemenkeu.go.id/in/post/kantor-akuntan-publik>
- Ministry of Finance. (2020). Gen Z Who Likes to Travel Suitable to Become Public Accountants. Retrieved from <https://pppk.kemenkeu.go.id/IN/post/gen-z-yang-suka-jalan-jalan-cocok-jadi-akuntan-publik>
- Martini. (2024). Determinants of External Audit Fees of Property and Real Estate Companies Listed on the IDX for the 2018-2022 Period. *Journal of Trends*

- Economics and Accounting Research, 4(3), March 2024.
<https://doi.org/10.47065/jtear.v4i3.1189>
- Montgomery, D. C. (2019). *Design and Analysis of Experiments* (10th Edition). Wiley.
- Mundiroh, M., & Khikmah, S. N. (2021). The Role of Company Complexity, Internal Audit, Audit Risk, and the Size of the Board of Commissioners on External Audit Fees. *Borobudur Accounting Review*.
- Panjaitan, V., & Haryanto, L. (2021). Determinants of External Audit Costs in Non-Financial Companies Listed on the Indonesia Stock Exchange. *Journal of Accounting and Management of Esa Unggul (JAME)*, 9(1), 8-21.
- Paramitha, M. D., & Setyadi, E. J. (2022). The Influence of the Board of Commissioners, Independent Commissioners, Audit Committee, and Company Complexity on Audit Fees. *Ratio: A Review of Contemporary Indonesian Accounting*.
- ProSCG. (2013). Public Accountants Asked to Increase Audit Fees. Accessed from <https://www.proscg.com/main/news/259/Akuntan-Publik-Diminta-Untuk-Menisk-Fee-Audit>
- Saphirra, N. A. (2023). The Effect of Market Concentration of Audit Services and Market Power of KAP on Audit Fees (Study on Non-Financial Companies Listed on the Indonesia Stock Exchange with IDX-IC Industry Classification for the 2017-2020 Period). Thesis, STIE Indonesia Banking School.
- Simunic, D. A. (1980). The Pricing of Audit Services: Theory and Evidence. *Journal of Accounting Research*, 18(1), 161-190. <https://doi.org/10.2307/2490397>
- Sinaga, E., & Rachmawati, S. (2018). The Amount of Audit Fees in Companies Listed on the Indonesia Stock Exchange. *Media Research Accounting, Auditing & Information*, 18(1), 19-34. <https://doi.org/10.25105/mraai.v18i1.2577>
- Sugiyono. (2019). *Qualitative Quantitative Research and R&D Methods* (2nd Edition). Bandung: Alfabeta.
- U.S. Small Business Administration. (2019). Retrieved from <https://www.sba.gov/federal-contracting/contracting-guide/size-standards>
- World Bank. (2019). Retrieved from <https://www.worldbank.org/en/topic/smefinance>
- Yulianti, N., Agustin, H., & Taqwa, S. (2019). The Effect of Company Size, Audit Complexity, Company Risk, and KAP Size on Audit Fees (Empirical Study on Non-Financial Companies Listed on the IDX in 2014-2017). *Journal of Accounting Exploration*, 1(1), Series B, 217-235.