

ABSTRACT

Audit fees are given to public accountants for the provision of audit services on company's financial report. Until now, the pricing of audit fees is determined by the bargaining power between the client and the auditor, because there's still no rules that set how much the amount of audit fees should be paid to public accountants for the services they had provided. There are several factors that could influence the amount of audit fees including independent commissioners, internal audit, and earning management.

The aim of this study is to examine the effect of independent commissioners, internal audit, and earning management to audit fees, both in simultaneous and partial way. This research was conducted on 40 manufacturing companies that listed in Indonesian Stock Exchange within 2012 – 2015 which had chosen by purposive sampling method. The observation period is four years by using software SPSS 22.0 as multiple regression analysis method.

The result of this study shows that simultaneously the variables independent commissioners, internal audit, and earning management have significant influence to audit fees. Partially, the variables independent commissioners, and internal audit have significant effect to audit fees. Whereas, the variable earning management has no significant effect to audit fees.

Keywords: *independent commissioners; internal audit; earning management; and audit fees*