

Effect of Non-Audit Services and Public Accounting Firm Size Replacement Against Public Accounting Firm

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ABSTRACT

The purpose of this study was to determine factors affecting auditor independence against the replacement of KAP. Companies that are used as samples in this study were 14 manufacturing companies and 14 service companies listed on the Jakarta Stock Exchange.

The research method used in this research is survey method by using a questionnaire as tool to obtain data. Variables used in this study is the provision of non audit services (X1), the size of the KAP (X2) and the replacement of KAP (Y).

The result showed that the variables of non audit services and the size of the KAP have a positive influence on the replacement of KAP. The influence value exerted by the two independent variables on the dependent variable is equal to 71,1%. Variable provision of non audit services has effect replacement of KAP for 0.168 and the size of KAP has effect replacement of KAP for 0.272.

Key words: factors affecting, independence, survey method, 30 companies