

## **ABSTRACT**

*Companies that have become public are required to file financial reports on an annual basis. This is a form of accountability to stakeholders, as well as a guide to decision making. The company requires a third party, typically the auditor, to carry out an audit process that attempts to analyze the financial statement to provide confidence in the accuracy of the information. Financial statements must be provided accurately and without major misrepresentation. However, in reality there are still audit processes that do not mess with the requirements, so that the audit quality decreases, and the information is not reliable.*

*This occurs because of a conflict of interest, lack of competence, and lack of auditor experience. This study aims to determine the effect of abnormal audit fees, political connections, and audit firm size in consumer non-cyclical industry listed on the Indonesia Stock Exchange for the 2016-2020 period. This study uses quantitative methods using IBM SPSS 26 software to test the research hypothesis. The sample used was 100 samples using purposive sampling of consumer non-cyclical industry listed on the Indonesia Stock Exchange in 2016-2020. The research was analyzed using descriptive statistics and logistic regression.*

*The results showed that abnormal audit fees, political connections, and audit firm size had a simultaneous effect on audit quality. Partially, abnormal audit fees have no impact on audit quality, political connections have positive impact on audit quality, but these results are not in accordance with the hypothesis of the study, which states that political connections have negative effect on audit quality. The audit firm size positively effects the quality of the audit. While abnormal audit fees have no impact on audit quality, abnormal audit fees represent an updated variable in this study.*

*The contribution of this study, namely the political connections and audit firm size, are positive effect of audit quality in consumer non-cyclical companies. Recommendations for further research to add research variables include workload, an international affiliation of public accounting firms, and others, because the value of a nagelkerke R square is only 26.4%. The suggestion of this research is that the public accounting firm maintains that the number of partners is not in accordance with their workload to maintain an excessive workload that can affect audit quality. Companies that have political connections must maintain the use of specialist auditor services to maintain audit quality.*

**Keywords:** *abnormal audit fee, audit quality, audit firm size, and political connection.*