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ANALYSIS THE EFFECT OF CORPORATE GOVERNANCE AND FIRM CHARACTERISTICS ON AUDIT DELAY

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ABSTRACT

The results of the accounting process are to provide information on the company's performance, financial position, and company's cash flow. The longer time the auditor completes the auditing process indicates that the decreased quality of financial information due to delay in publishing financial statements and causingdrop in investor confidence in stock market. Inherently, it is important to know the potential variables that may have an impact on audit delay to preserve the quality of financial information published. This study aimed to provide empirical evidence on the influence of corporate governance and firm characteristics on audit delay from the perspective of companies that are listed on the Indonesia Stock Exchange (IDX). The variables employed to measure firm characteristics in this study were company size, complexity, and board size. Subsequently, ownership concentration and public ownership, as well as audit committee size and audit firm size, were the variables employed to measure corporate governance.

Firms listed on IDX which submitted financial reports to The Financial Services Authority in the period amid2014 to 2018 formed the population of this research study. A total of 468 companies were selected as research samples. The effect of the various independent variables on the dependent variable was tested by multiple linear regression analysis.

The results of this study revealed that the company's complexity and audit firm size have significant negative on audit delay, while public ownership have significant influence on audit delay. Company size, board size, ownership concentration, and audit committee size have insignificant effect on audit delay.

Keywords*: audit delay, corporate governance, firm characteristics.*

Fani. Analisis Pengaruh Tata Kelola Perusahaan dan Karakteristik Perusahaan Terhadap Keterlambatan Laporan Audit.
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