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ANALYSIS THE INFLUENCE OF CORPORATE GOVERNANCE, AUDITORS' AND FIRMS' CHARACTERISTICS AGAINST AUDIT REPORT LAG IN INDONESIA

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ABSTRACT

This study aimed to discuss whether corporate governance, auditor characteristics, and company characteristics have significant effect on the delay of the audit report. Delay in the audit report refers to the difference between the financial year-end date and the date stated on the independent auditor's report. The measurement of corporate governance was represented by the independent variables of the board of directors, the size of the board of directors, the size of the audit committee, audit committee meetings, and the expertise of the audit committee. Variables representing measurements of auditor characteristics are the type of auditor and audit opinion. Variables of company performance, complexity, company size, profitability, and solvency are used as representatives to measure the factors of the company's characteristics on the delay of the audit report.

Purposive sampling data collection techniques were applied in the process of obtaining research sample data from annual reports of listed companies listed on the Indonesia Stock Exchange in 2014-2018. Companies met the criteria of 649 companies were equivalent to 1,894 observational data. Observation data were processed with SPSS version 22 and e-views version 10, then analyzed using the panel regression analysis method.

This review ends with the result that the delay of the audit report is significantly positively influenced by the auditor type variable, company complexity, and solvency. The audit opinion variable, company performance, and profitability have significant negative effect, while the rests that did not affect the dependent variable were the independence of the board of directors, the board size, audit committee size, audit committee meeting, audit committee expertise, and company size.

Keywords: *corporate governance, auditor characteristics, company characteristics, delay in audit reports*