

ABSTRACT

This study aims to examine the effect of audit risk on delays in audit reports whether the variable is an antecedent variable from audit report lag and its impact on market response during the covid-19 pandemic from companies listed on the Indonesian Stock Exchange in 2018-2021, by including the covid-19 pandemic, sales growth, firm size and big 4 as the control variable. The population used in this research is consumer goods sub-sector manufacturing companies listed on the Indonesia Stock Exchange in 2018-2021. Purposive sampling was used in selecting the research sample and producing 130 research samples for 4 consecutive years (2018-2021). This study uses multiple linear regression analysis for hypothesis testing. The results of this study indicate that not all audit risk attributes such as inherent risk, control risk, and detection risk have a significant effect on late audit reports, as well as their impact on market response.

Keywords: inherent risk, control risk, control risk, late audit report, market response.