

ABSTRACT

This study aims to examine the factors that influence key audit matters and their damage to audit report lag. This study includes independent variables, namely, company size, leverage, current ratio, profitability, complexity, revenue, inventory, PPE, and goodwill. This study also has two intervening variables, namely entity-level key audit matters and account-level key audit matters. Then, the dependent variable in this study is audit report lag.

The population used in this study were non-financial companies listed on the Indonesia Stock Exchange. With the purposive sampling method, 402 samples used were non-financial companies that published annual financial reports in the 2022 period. Multiple regression analysis was used in this study to test company size, leverage, current ratio, profitability, complexity, revenue, inventory, PPE, and goodwill against entity-level key audit matters and account-level key audit matters, as well as to test entity-level key audit matters and account-level key audit matters against audit report delays. The results of this study indicate that profitability, entity-level key audit matters and account-level key audit matters has a positive and significant effect on audit report lag.

Keywords: Entity-level Key Audit Matters, Account-level Key Audit Matters, audit report lag, Company Size, Leverage, Current Ratio, Complexity, Revenue, Inventory, PPE, Goodwill