

ABSTRACT

The purpose of this research is to empirically test examine the relationship between internal audit, reputation of public accounting firms, auditor industry specialization, and COVID-19 on audit report lag in manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2017, 2018, 2019, 2020, 2021, and 2022. The dependent variable used in this study is audit report lag. The independent variables are internal audit, reputation of public accounting firms, auditor industry specialization, and COVID-19. The control variables used in the study are size, current ratio, leverage, and ROA.

This study uses secondary data with a purposive sampling method to select the financial statements of manufacturing companies for the years 2017-2022 which are listed on the Indonesia Stock Exchange. The companies used 107 companies as a sample of this research. The analysis method used is Ordinary Least Square (multiple regression analysis). The classical assumption test is carried out first before doing the multiple regression test.

This study find that the internal audit does not have a significant effect on audit report lag, it means that internal audit cannot reduce audit report lag. The independent variable of the reputation of the public accounting firm has a negative effect on audit report lag, it means that a reputation of the public accounting firm can shorten or decrease the audit report lag. Auditor specialization industry has a positive effect on audit report lag, it means that auditors who have industry specializations need more time to complete the audit report lag. The independent variable COVID-19 has a positive effect on audit report lag, means that COVID-19 causes the audit report lag to be longer.

Keywords: Audit report lag, reputation of public accounting firm, auditor industry specialization, COVID-19, size, current ratio, leverage, ROA.