

ABSTRACT

This study aims to empirically examine the effect of audit opinions and auditor switching on Audit Report Lag (ARL). Additionally, it analyzes the role of operational complexity as a moderating variable that influences the strength of the relationship between audit opinions and auditor switching with ARL. The theory used in this study is agency theory, which explains the interaction between management and auditors in the context of timely disclosure of accounting information.

The sampling method employed is purposive sampling, with a total sample of 210 non-cyclical manufacturing companies listed on the Indonesia Stock Exchange during the 2021-2023 period. The collected data were analyzed using Multiple Regression Analysis with the aid of IBM SPSS 25 to identify the relationships among the variables studied.

The results indicate that the audit opinion variable has a negative effect on audit report lag (ARL), while auditor switching has a positive effect. In this study, operational complexity was found to strengthen the influence of auditor switching on ARL. However, operational complexity does not moderate the relationship between audit opinion and ARL. The coefficient of determination test shows that the model explains 24.2% of the variation in ARL, indicating that these three variables explain ARL to a limited extent.

Keywords: audit report lag, audit opinion, auditor switching, operational complexity, agency theory