ABSTRACT

The implementation of Auditing Standard (AS) 701 has enhanced the relevance of Key Audit Matters (KAM) disclosures as a means for auditors to communicate the most significant audit areas to users of financial statements. However, prior studies examining the determinants of KAM disclosures have produced inconsistent findings. This study aims to analyze the effects of firm size, leverage, profitability, audit firm, and audit tenure on KAM disclosures among non-financial companies listed on the Indonesia Stock Exchange during the 2022–2024 period. The study employs 963 observations selected through purposive sampling and analyzes the data using multiple linear regression. The results indicate that firm size, leverage, audit firm, and audit tenure have a significant positive effect on the number of KAM disclosures, whereas profitability has a significant negative effect on the number of KAM disclosures.

Keywords: firm size, leverage, profitability, audit firm, audit tenure, key audit matters.