ABSTRACT

This study aims to analyze the effect of profitability, public accounting firm (KAP) reputation, and company size on audit report lag in property and real estate sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2022–2025. Audit report lag is defined as the time span from the company's fiscal year-end date to the date of issuance of the independent auditor's report. Delayed submission of audited financial statements reduces the relevance of accounting information and increases information asymmetry between management and external parties.

This study employs a quantitative approach using secondary data from annual financial reports. The sample was selected through purposive sampling, resulting in 40 companies observed over four years (2022–2025), or 160 firm-year observations, and analyzed using panel data regression with a fixed effect model. The dependent variable is audit report lag, measured by the number of days between the fiscal year-end and the auditor's report date. Independent variables include profitability proxied by Return on Assets (ROA), KAP reputation measured by a dummy variable based on Big Four and non-Big Four affiliation, and company size proxied by the natural logarithm of total assets. The study is grounded in Signalling Theory and Agency Theory.

The results show that profitability has a significant positive effect on audit report lag, KAP reputation has a significant positive effect on audit report lag, and company size has a significant negative effect on audit report lag. Simultaneously, all three independent variables significantly affect audit report lag. These findings provide empirical contributions on the determinants of audit report lag in Indonesia's property and real estate sector, and may serve as a reference for auditors in improving audit timeliness and for investors in making informed investment decisions.

Keywords: Audit Report Lag, Profitability, Return on Assets, KAP Reputation, Big Four, Company Size, Property and Real Estate.