

ABSTRACT

This study aims to examine the effect of profitability, solvency, industry specialist auditor, and auditor switching on audit report lag of manufacturing companies. The dependent variable in this study is audit report lag, while the independent variables in this study are profitability, solvency, industry specialist auditor, and audit firm rotation.

The population of this study are manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2012 until 2016. The total sample of this study amounted to 99 companies. This study uses multiple linear regression analysis method for hypothesis testing.

The result show that solvency have a positive significant effect on audit report lag, while industry specialist auditor have a negative significant effect on audit report lag. However, profitability and auditor switching have no significant effect on audit report lag.

Keywords: audit report lag, profitability, solvency, industry specialist auditor, auditor switching