ABSTRACT

This study aimed to examine the effect of firm size, profitability, and the proportion of women in the audit committee on audit report lag. either directly or indirectly through audit fee on companies listed in the Indonesia Stock Exchange. audit report lag is one of ways to look at the timeliness of financial reporting which it is one of the qualitative characteristics of the relevant financial reporting.

The data that used in this research is secondary data, that the financial statements and annual reports of 33 companies listed on the Indonesia Stock Exchange in 2010-2015. To prove the hypothesis, regression testing was used to see the direct effect, and the path analysis with Sobel test to see the indirect effect. However, before hypothesis test, this research had done classical assumption test and the result is that the regression model meet the classic assumption test.

Simultaneous testing concluded that all independent variables together influence the dependent variable. Partial test results show that profitabilty, the proportion of women in the audit committee, and audit fee directly affect audit report lag. While based on the path analysis and Sobel test showed that only firm size have the indirect effect on audit report lag, through the audit fee.

Keywords: audit report lag, company size, profitability, the proportion of women on its audit, the audit fee as an intervening variable.