

## **ABSTRACT**

*This study aimed to examine the effect of earnings management as measured by discretionary accrual models modified Jones (1991) on the audit lag and the effects that weaken the influence of auditor specialization on earnings management to manufacturing companies listed in Indonesia Stock Exchange (IDX) in the period 2011- 2013. This study is a replica and modification of research Khalatbari, et al. (2013) conducted companies in Iran on Tehran Stock Exchange and has the objective to test the empirical evidence on the relationship of audit delay with earnings quality as measured by total accruals.*

*The data used in this research is secondary data and selection of samples using random sampling method with the selection criteria based on population studies of all companies listed on the Stock Exchange 2011- 2013 period to get the total sample of 295 with the observation period for 3 years. Tool the analysis is regression analysis, this study uses regression analysis to examine the effect of earnings management on audit lag, and to test the interaction variable earnings management and specialization KAP as a moderating variable. Statistical programs in research using SPSS 17.*

*These results indicate the existence of a positive effect of earnings management as measured by discretionary accruals as a measure to audit lag. However, auditor specialization not weaken the influence of earnings management on audit lag and leverage and ROA as control variables do not affect the audit lag.*

*Keywords: Earnings management, discretionary accruals, audit lag, auditor specialization*