

ABSTRACT

Timeliness is an important qualitative attribute of financial statement, which requires the information to be made available to the users as rapidly as possible. The increase in the reporting lag reduces the information content and the relevancy of the documents. There are a variety of factors that causes the delay in releasing the financial statement or audit delay, including the closing process of the financial statement itself and the audit process that requires a relatively long time. In this research, eight hypotheses relating audit delay to company size, industry classification, profit or loss announcement, extraordinary items, audit opinion, audit firm, multinational connection and the debt proportion are being tested. We use those eight variables because they represent the economy condition in developed countries especially in Indonesia.

The sample comprises 182 companies listed in Indonesia Stock Exchange for the period 2007-2009. Eight hypotheses were tested by Multiple Regression Analysis and already fulfilled all of the Classical Assumption Testing. The results for the sample of 546 listed companies showed that although company size, industry classification, profit or loss announcement, extraordinary items, audit opinion, audit firm, multinational connection and the debt proportion simultaneously affect audit delay, as partially audit delay was only significantly related to audit opinion and multinational connection. While the company size, industry classification, profit or loss announcement, extraordinary items, audit firm and the debt proportion are not significant enough to affect audit delay individually

Keywords : audit delay, company size, industry classification, profit or loss announcement, extraordinary items, audit opinion, audit firm, multinational connection, debt proportion