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AUDITING | RESEARCH ARTICLE

Size Board of Commissioners, Independent Commissioners and Audit Committee on Audit Report Lag

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Abstract: This study examines whether the size of the board of commissioners, independent commissioners, and audit committees affects audit report lag in manufacturing companies listed on the IDX. The sampling process uses the purposive sampling method; this method is used so that the samples taken are under the criteria—sources of data in the study obtained from companies in the form of secondary data. And the data processing method used is multiple regression analysis, with the help of SPSS for Windows software. The results of this study indicate that partially the variable size of the board of commissioners has a positive and significant effect on audit report lag. In contrast, the variables of independent commissioners and audit committees have a negative and significant impact on audit report lag. The results of this study can also be used as input and a reference for companies in observing the implementation of the preparation of quality company financial reports to reduce audit report lag.

Keywords: Board of commissioners, independent commissioners, audit committee, and audit report lag

JEL Classification Code: H83, Q56,

1. INTRODUCTION

Submitting published financial reports promptly is one of the obstacles to producing financial reports containing pertinent information. If the financial statements are not presented on time, they will lose informational value because they will not be accessible when users of financial statements require them for decision-making. Therefore, a good financial report must satisfy the following criteria: relevance, clarity and readability, verifiability, objectivity, timeliness, and comparability. With a board of commissioners and independent commissioners, this audit committee is expected to prevent fraud in the prepared financial statements, which can lead to a delay in audit report delivery (Laily, 2019).

The timeliness of financial reporting is crucial for maintaining adequate financial statement records. As a predictor of decision making, information users need relevant financial information and new information. The existence of timeliness implies that financial statements should be presented at regular intervals to explain changes in the company that may influence users' ability to make predictions and take appropriate action (Kurniasih & Ruzikna, 2017). In auditing, the number of days between the end of the fiscal year and the release of the audit report is known as audit report lag.

The longer the audit report is delayed, the longer it will take the auditor to complete the audit. The market's reaction to earnings announcements will ultimately depend on the audit lag.

According to Naimi et al. (2010), the length of audit report lag affects investors' decision-making because delays in providing information can erode investor confidence in the capital market. The audit report lag is the most important determinant of earnings announcement timeliness. The publication of financial reports describes the company's signals, which may be good or bad news depending on the market's reaction. One of the parties interested in obtaining timely financial information is investors (Apadore & Noor, 2013). Increasing investor confidence in investment decisions is the implication (Ningsih & Widhiyani, 2015).

During the completion of the financial statement audit, the auditor creates and collects a schedule for recording the results of tests of controls and substantive tests performed and proposes adjusting entries to the client if there is a discrepancy between the client's journal or working papers transaction documents. Before preparing the auditor's report, all financial statement audit work is reviewed to determine if the work's completion affects the audited company's financial statements. If upon completion of the audit, the company's financial statements are affected, an adjusting entry must be made. If the audit work does not affect the company's financial statements after the audit, it is not necessary to make an adjusting journal. However, the auditor must include footnotes in the client's financial statements or comments on the company's financial statements in the auditor's report (Rupilu, 2011).

Delays in submitting financial statements can be problematic for businesses and result in unfavorable reactions from capital market participants, particularly investors. Financial statements that have been audited contain a report on the company's financial position, the company's results of operations, and changes in the company's financial position, which is intended for internal and external parties. Therefore, audited financial statements have significant benefits in measuring and evaluating company performance for decision-makers (Dewangga & Laksito, 2015). Investors can use financial statements to evaluate the company's prospects before deciding whether to invest in the company. Creditors use financial statements to evaluate a company's ability to repay loans before deciding whether to extend credit (Wariyanti, 2017). Members of the board of commissioners are appointed and dismissed with the approval of the General Meeting of Shareholders (GMS), which are then reported to the minister of law and human rights to be included in the mandatory list of companies in the change of board of commissioners. The length of a company's audit report will increase proportionally to the size of its board of directors and vice versa.

Additionally, the number of independent commissioners influences the audit report delay. Supervising the number of independent commissioners reduces information concealment and management fraud, thereby reducing the scope and duration of audit work. Independent commissioners have no vested interest in company management, so their presence in a company can safeguard all shareholder interests. It can be managed effectively if a board of commissioners is independent, active, and open-minded. If the audit report lag decreases as the number of independent commissioners increases, then the relationship holds. The number of audit committees influences audit report lag; the committee is tasked with monitoring the planning and implementation and evaluating the audit results to assess the feasibility and capability of internal control, as well as supervising the process of preparing financial statements. The audit report lag is shorter the more audit committees there are. This study provides empirical evidence of the connection between audit committee characteristics and audit lag (Dao & Pham, 2014). In addition to the Audit Committee, it is examined if the Proportion of Independent Audit Committee Members influences Audit Lag. The number of audit committees influences audit report lag; the committee is tasked with monitoring the planning and implementation and evaluating the audit results to assess the feasibility and capability of internal control, as well as supervising the process of preparing financial statements. The audit report lag is shorter the more audit committees there are. This study provides empirical evidence of the connection between audit committee characteristics and audit lag. It also investigated whether the Proportion of Independent Audit Committee Members influences Audit Lag (Sunarsih et al., 2021).

Sunarsih et al. (2021). An independent audit committee can contribute to the quality of financial reporting by objectively reviewing financial information. PT. Immortal Davos. Tbk, PT. Dayaindo

Resources International. Tbk, and PT. Buana Listya Tama Tbk received a level III written warning and an additional fine of Rp. 150,000,000.00 from the Indonesia Stock Exchange (IDX) in 2012 for the audit report delay that occurred in a company or institution. PT. Tanker Rate Diamonds. Tbk subsequently received a level II written warning and an additional fine of Rp 50,000,000.00. Therefore, these four corporations have not submitted financial reports to the public by the deadline. These issues demonstrate a lack of compliance and discipline with the company's existing rules.

Putri and Raharja have researched corporate governance's impact on audit report lag (2013). The study results indicate that the audit committee's independence and competence are detrimental to ARL, whereas the size of the Board of Commissioners is beneficial. The results of Pratama et al. (2015) 's study on the Effect of Time Budget Pressure, Risk of Audit Errors, and Audit Engagement Period on Quality indicate that time budget pressure, risk of audit errors, and audit engagement period influence audit quality.

This study replicates the findings of Naimi et al. (2010) regarding the auditing report lag practice in Malaysia. In addition to analyzing the relationship between audit committee size and audit lag, the authors utilize independent variables such as Audit Committee Independence, Audit Committee Meeting, Audit Committee Financial Expertise, Board size, Board Independence, and CEO Duality, as well as control variables such as Audit Firm Quality, Busy Period, Client Complexity, Client Business Risk, and Client Size. It is anticipated that the Independent Audit Committee will be able to reduce the Audit Lag. The research was conducted in Indonesia; however, Naimi et al. (2010) conducted their research in Malaysia. In addition, the independent variable "CEO Duality" was not utilized by the researcher. Malaysia and Indonesia use different systems, which is the disparity. In Malaysia, company supervisors are known as boards, while company administrators are known as key executives. In this system, the positions of directors who serve on the management control committee and other directors are identical. In Indonesia's two-tiered system, the Board of Commissioners is responsible for company oversight and the Directors for company management. Board composition in a two-tier system consists of the Board of Directors (Board of Directors) and the Board of Commissioners (Board of Commissioners). The Board of Directors and the Board of Commissioners play important roles in the corporate governance structure because the Board of Directors, as the executive party, is responsible for managing the company, and the Board of Commissioners is responsible for monitoring the performance of the Board of Directors and the policies it makes.

2. Literature Review

2.1 Audit Report Lag

According to Sultana et al., (2015), audit report lag is the number of days between the audit financial report's date and the audit report's date. According to Januar & Trisnawati, (2010) the length of time for completion of the audit can affect the accuracy of the information to be published so that it has an impact on the market reaction to delays in information and affects the level of uncertainty in decisions based on the published information. So it can be concluded that the audit report lag is the interval of the number of days from the end of the closing year to the date stated in the auditor's report. The length of the audit process carried out by the auditor can impact audit report lag in the submission of financial reports to the public. This kind of thing can make public management take a firm stance in carrying out their work in their agency. This delay can adversely affect market reactions and create uncertainty in economic decision-making.

2.2 Size of the Board of Commissioners

Members of the General Meeting of Shareholders (GMS) appoint and dismiss the board of commissioners members, who are then reported to the Minister of Law and Human Rights for inclusion in the company's mandatory list of board of commissioners changes. Members of the GMS with authority to propose the board of commissioners are responsible for proposing the board's members. The Board of Commissioners advises the Board of Directors on management policies and

the general direction of the company's management regarding its operations. Therefore, the greater the number of commissioners on the board, the more effective the oversight will be in enhancing the company's performance, thereby enhancing the quality of financial reports to reduce audit report lag.

2.3 Independent Board of Commissioners

The definition of an independent commissioner, according to BAPEPAM is a member of the board of commissioners who comes from outside the issuer or public company and fulfills certain requirements. According to Faisal, (2015), one of the main roles of independent commissioners is as a control function. Directly, the existence of independent commissioners is important because, in practice, transactions often contain conflicts of interest that ignore the interests of public shareholders (minority shareholders) and other stakeholders, especially in companies in Indonesia that use public funds in financing their business. Based on good corporate governance guidelines, the composition or number of independent commissioners is not determined by a certain number; however, the number or composition of independent commissioners must be able to ensure that the supervisory mechanism runs effectively and by the laws and regulations. The criteria set are that one of the independent commissioners must have an accounting or financial background. According to Widarjo & Payamta, (2019), due to its impartiality, the independent board of commissioners is believed to be able to protect the interests of all shareholders. Studies show that including independent directors or outside the board of directors increases the quality of disclosure (Handayani, 2016).

2.4 Size of the Audit Committee

In accordance with Bapepam regulation no. IX.I.5, an IX.I.5 audit committee is a board of commissioners committee responsible for assisting the board in carrying out its duties and responsibilities. The number of audit committee members for issuers and public companies is also governed by Bapepam Regulation No. IX.I.5, which states that issuers and public companies must form an audit committee with at least three members, one of whom is an independent company commissioner who serves as the audit committee's chairman. According to Sunarsih et al., (2021), a larger audit committee is more likely to identify and resolve problems in the financial reporting process.

2.5 Hypothesis

Several previous studies on time pressure, audit fees, and auditor motivation on audit quality have Faisal, (2015) states that the size of the board of commissioners is one component of corporate governance that can affect the company's audit report lag. The Board of Commissioners supervises management policies and the general course of management regarding the company and the company's business and provides advice to the Board of Directors. Therefore, the larger the number of the board of commissioners, the better the supervision will be so that it can improve the company's performance which in turn will improve the quality of financial reports to reduce audit report lag.

H₁: The size of the Board of Commissioners has a negative effect on audit report lag.

The size of the independent board of commissioners is one component of corporate governance that can affect the Company's audit report lag. According to Faisal, (2015), Independent non-executive directors with the right skills, who do not have business relationships and other relationships that can interfere with the implementation of independent assessments or the ability to act in the best interests of shareholders are considered better in monitoring management than if the director is from within Company. Widarjo & Payamta, (2019) provide research results that the greater the proportion of independent commissioners, the more effective managerial monitoring will be. Handayani (2016) also found that the independent board of commissioners significantly affects audit report lag.

H₂: The Independent Board of Commissioners has a negative effect on the company's audit report lag.

The size of the audit committee is one aspect of corporate governance that can influence the audit report lag of a company. According to Bapepam regulation No. IX.I.5, an IX.I.5 audit committee is a committee formed by and accountable to the board of commissioners to assist the board in carrying out its duties and responsibilities (Wijaya, 2012). In accordance with Bapepam Regulation No. IX.I.5, issuers and public companies must form at least a three-person audit committee. According to Sunarsih et al., (2021), the audit committee is expected to help resolve conflicts with management and enhance audit quality overall. The audit committee is now regarded as a key player in efforts to implement governance reforms and restore public trust in financial reporting. As a result of the new measures and responsibilities, the relationship between management, the audit committee, and external auditors will also be altered. According to Widarjo and Payamta (2019), the larger the audit committee, the higher the quality of supervision and the likelihood that problems in the financial reporting process will be identified and resolved.

H₃: The size of the Audit Committee has a negative effect on the company's audit report lag.

3. Research Method and Materials

In this study, the authors used quantitative research. This study aims to determine the factors that influence the information disclosure level in the annual report. The population in this study is manufacturing companies listed on the Indonesia Stock Exchange. The sampling process uses a purposive sampling method; this method is used so that the samples taken are by the criteria. Data sources in the study were obtained from companies in the form of secondary data. Secondary data is collected from company documents in the form of company financial statements such as balance sheets, income statements, equity reports, cash flow statements, and notes to financial statements. Moreover, the data processing method used is multiple regression analysis, with the help of SPSS for Windows software.

Based on the specified sample selection criteria, this study obtained a sample of 63 observational data derived from the results of the multiplication between the research periods, namely for 3 years from 2017-2019. The following table is a sample of companies in the study.

Table 1: Sample Calculation

No	Criteria	Number of Companies
1	Listed on the Indonesia Stock Exchange (IDX)	178
2	Companies that are not registered in the consumer goods sector	(126)
3	Companies that have not been listed at least 2016	(14)
4	Financial statement data is not available consecutively for the reporting	(6)
5	The company suffered a loss for the 2017-2019 reporting year	(9)
	Total Sampel	21

Table 2: Variables / Item Measurement

Variable	Item / Construct	Major Reference
Board of Commissioners Size	<ul style="list-style-type: none"> Number of commissioners, independent commissioners and independent commissioners in a company 	(Meilinda Triwahyuningtias, 2012); (Trisnawati, 2014)
board of Commissioners Independent	<ul style="list-style-type: none"> Total board membership from outside the company to the total number of board members, at least 30% or equivalent to minority share ownership 	(Handayani, 2016)
Audit Committee	<ul style="list-style-type: none"> The number of audit committee members decreases in cash flow, so this can be used as an indicator that Creative Accounting practices occur 	(Sunarsih et al., 2021)
Audit Report Lag	<ul style="list-style-type: none"> Audit report date-company closing date 	(Firnanti, 2016)

4. Results and Discussion

4.1 Description of Respondent Characteristics

Table 3: List of Sample Companies

No	Code	Company Name
1	ADES	PT. Akasha Wira Internasional Tbk
2	ALDO	PT. Alkindo Naratama Tbk
3	BUDI	PT. Budi Starch & Sweetener Tbk
4	CEKA	PT. Wilmar Cahaya Tbk
5	DLTA	PT. Delta Jakarta Tbk
6	DVLA	PT. Darya-Valialaboratoria Tbk
7	GGRM	PT. Gudang Garam Tbk
8	HMSP	PT. Hanjaya Sampoerna Tbk
9	ICBP	PT. Indofood Tbk
10	IDNF	PT. Indofood Tbk
11	INTP	PT. Indocement Tunggul Tbk
12	KAEF	PT. Kimia Farma Tbk
13	LION	PT. Lion Tbk
14	MBTO	PT. Martino Berto Tbk
15	MERK	PT. Merck Tbk
16	MRAT	PT. Mustika Ratu
17	MYOR	PT. Mayora Indah Tbk
18	ROTI	PT. Nippon Indosari Corpindo Tbk
19	SKLT	PT. Sekar Laut Tbk
20	STTP	PT. Siantar Top Tbk
21	ULTJ	PT. Ultrajaya Milk Industry & Trading Company Tbk

Table 3: Descriptive statistical Test Result

	N	Minimum	Maximum	Mean	Std. Deviation
Audit Quality	50	34.00	47.00	39.9800	2.31667
Time Pressure	50	28.00	38.00	32.3800	2.00906
Audit Fees	50	5.00	15.00	10.8800	2.35294
Auditor Motivation	50	34.00	48.00	39.9600	2.58694
Valid N (listwise)	50				

Table 4: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Board of Commissioners	63	3.00	8.00	5.6032	1.64159
Independent Commissioner	63	2.00	5.00	2.9365	.94822
Audit Committee	63	3.00	6.00	3.6984	.85449
Audit Report Lag	63	45.00	87.00	74.9524	10.56993
Valid N (Listwise)	63				

The minimum value for the board of commissioners is 3 and the maximum value is 8 and the average value is 5.6032. The standard deviation of the board of commissioners is 1.64159. The minimum value for independent commissioners is 2 and the maximum value is 2,9365. The standard deviation of the independent commissioner is 0.94822. The minimum score for the audit committee is 3 and the maximum score is 6 and the average score is 3.6984. The audit committee standard deviation is 0.85449. The minimum audit report lag value is 45 and the maximum Audit report lag value is 87. The average value is 74.9524. Standard deviation of audit report lag is 0.03972.

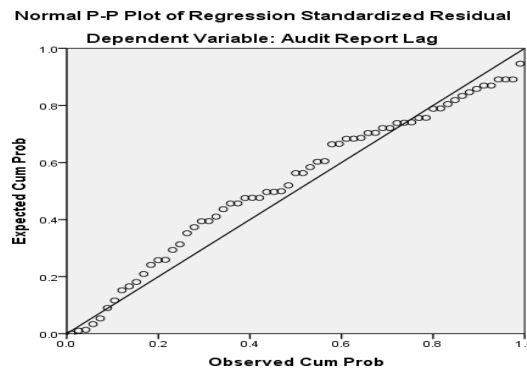


Figure 2: Normality Test Result

According to Figure 2, the dots are dispersed around the diagonal line, and the direction of the dispersion corresponds to the direction of the diagonal line. This demonstrates the viability of the regression model, as the normality assumption is satisfied.

If the VIF value does not exceed 10 and the tolerance value does not fall below 0.1, then the model is free of multicollinearity (Sugiyono, 2010).

Table 5: Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Board of Commissioners	.350	2.855
	Independent Commissioner	.356	2.812
	Audit Committee	.919	1.089

Based on table 5 above, it can be seen that the variables of the board of commissioners, independent commissioners, and audit committees have tolerance values above 0.1 and VIF less than 10. This means that in the regression equation model, there is no symptom of multicollinearity, so the data can be used in this study.

Tabel 6: Autocorrelation Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.512a	.262	.225	9.30726	1.585

Source: primary data processed, 2015

From table 6 above, it turns out that the Durbin-Watson coefficient is 1.585. which is where the DW value is between $-2 < DW < +2$ ($-2 < 1.585 < 2$). Thus, it can be concluded that in the regression between the independent variables of the board of commissioners, independent commissioners and audit committee on audit report lag there is no autocorrelation.

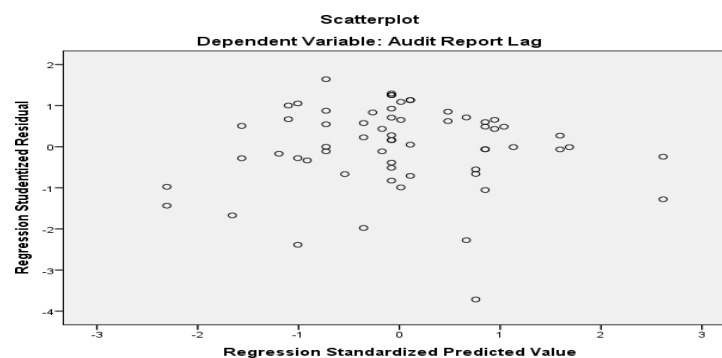


Figure 3: Heteroscedasticity Test Results

Based on Figure 3, the scatterplot graph shows that the data is spread on the Y-axis and does not form a clear pattern in the data distribution. This shows that there is no heteroscedasticity in the regression model, so the regression model is feasible to use to predict audit report lag with the influencing variables, namely commissioners, independent commissioners, and audit committees.

Table 7: Regression Equation Model Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	76.025	5.926		12.829	.000
Board of Commissioners 1	5.029	1.217	.781	4.133	.000
Independent Commissioner	-5.534	2.090	-.496	-2.648	.010
Audit Committee	-3.515	1.443	-.284	-2.435	.018

Based on table 7 above, the regression equation formed in this regression test is:

$$Y = 76.025 + 5.029 X1 - 5.534 X2 - 3.515 X3 + e$$

The independent commissioners and audit committee) is zero (0), the value of the dependent variable (audit report lag) is 76,025 units. The board of commissioner’s regression coefficient (b1) is 5.029 and is positive. This means that the value of the Y variable will increase by 5.029, the X1 variable will increase by one unit, and the other independent variables will have a fixed value. The positive coefficient indicates a unidirectional relationship between the board of commissioner’s variable (X1) and the audit report lag variable (Y). The higher/the many boards of commissioners owned by the company; the audit report lag will increase. The Independent commissioner regression coefficient (b2) is -5.534 and is negative. This means that the value of the Y variable will decrease by 5.534, the X2 variable will increase by one unit, and the other independent variables will have a fixed value. The coefficient with a negative sign indicates an opposite relationship between the independent commissioner variable (X2) and the audit report lag variable (Y). The higher/the many independent commissioners owned by the company; the audit report lag will decrease. The regression coefficient of the audit committee (b3) is -3.515 and is negative. This means that the value of the Y variable will decrease by 3.515, the value of the X3 variable has increased by one unit, and the other independent variables have a fixed value. The negative coefficient indicates an opposite relationship between the audit committee variable (X3) and the audit report lag variable (Y). The higher/the many audit committees owned by the company; the audit report lag will decrease.

Table 8: R2 Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.512 ^a	.262	.225	9.30726	1.585

From table 8 above, there is an R number of 0.512, indicating that the relationship between audit report lag and the three independent variables is quite strong because it has a strong enough definition with numbers between 0.41 - 0.6. While the R square value of 0.262 or 26.2% shows that the variable audit report lag can be explained by the variables of commissioners, independent commissioners, and audit committees of 26.2%, the remaining 73.8% can be explained by other variables not found in the study this.

Table 9. Simultaneous Test Results (Test F)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1815.974	3	605.325	6.988	.000 ^b
Residual	5110.883	59	86.625		
Total	6926.857	62			

Table 9 above shows that the significance level is less than 0.05, so it can be said that the commissioner, independent commissioner, and audit committee simultaneously (together) affect audit report lag, with a probability of 0.000. Because the probability is much smaller than the significant value of 0.05, the regression model can be used to predict audit report lag.

Table 10: Partial Test Results (T test)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	76.025	5.926		12.829	.000
Board of Commissioners	5.029	1.217	.781	4.133	.000
Independent Commissioner	-5.534	2.090	-.496	-2.648	.010
Audit Committee	-3.515	1.443	-.284	-2.435	.018

Table 10 shows that the board of commissioners has a significant level of 0.000, which is less than 0.05. The t value of +4.133 indicates that the effect given is negative on the dependent variable. This means that H1 is rejected so that it can be said that the board of commissioners has a positive and significant effect on audit report lag. independent commissioner has a significant level of 0.010, which is less than 0.05. The t value of -2,648 indicates that the effect given is positive on the dependent variable. This means that H2 is accepted so that it can be said that the independent commissioner has a negative and significant effect on audit report lag. audit committee has a significant level of 0.018, which is less than 0.05. The t-value of -2.435 indicates the effect given is positive on the dependent variable. This means that H3 is accepted so that it can be said that the audit committee has a negative and significant effect on audit report lag.

4.2 Discussion

The Influence of the Board of Commissioners on Audit Report Lag

The results of the hypothesis test suggest that the Board of Commissioners has a positive and statistically significant effect on audit report lag. This means that the longer the audit report lag, the larger the board of commissioners owned by the company, and vice versa; the smaller the board of commissioners, the faster the audit report lag. The larger the board of commissioners, the easier it will be to supervise and regulate management actions. This will compel management to engage in earnings management, in which management seeks a bonus if the company achieves high profits. So that the financial statements produced by management are not PSAK, the auditor (KAP) takes longer to provide audit opinions. This study utilizes agency theory. There is a distinction between the agent and the principal in agency theory. This can lead to potential conflicts that can compromise the accuracy of reported earnings. As an agent with a specific objective, such as to receive a bonus, management tends to compile financial statements with high profit figures, also known as earnings management. So that the financial statements produced by management are not PSAK, the auditor (KAP) takes longer to provide audit opinions. This study is consistent with Putri and Raharja (2013); Trisnawati (2014) asserts that the Board of Commissioners hinders audit report lag.

The Influence of Independent Commissioners on Audit Report Lag

Independent commissioners have a positive and significant impact on audit report lag, according to the results of the hypothesis testing. Depending on the size of the independent commissioner, the company's audit report will be delayed. Independent non-executive directors with the appropriate skills have no business, and other relationships that could interfere with the implementation of independent judgments or the ability to act in the best interests of shareholders are viewed as better at monitoring management than if the directors are from within the company, so that the financial statements made by management are by PSAK, the auditor (KAP) in providing audit opinions more quickly. This study utilizes agency theory. There is a distinction between the agent and the principal in agency theory. This can lead to potential conflicts that can compromise the accuracy of reported earnings. As an agent with a specific objective, such as to receive a bonus, management tends to

compile financial statements with high profit figures, also known as earnings management. This independent board of commissioners will ensure that the company applies accounting principles that result in high-quality financial data, thereby expediting the auditor's conclusion. This study concurs with Handayani (2016) and Triwahyuningtias (2012), who discovered that the independent board of commissioners has a significant impact on the audit report lag.

The Effect of the Audit Committee on the Audit Report Lag

The results of the hypothesis test indicate that the audit committee variable has a significant and positive effect on the audit report lag. This means that the larger a company's audit committee, the shorter its audit report lag, and vice versa; the smaller the audit committee, the longer the audit report lag. With an audit committee, a company's financial reporting process will be adequately monitored. This audit committee will ensure that accounting principles are adhered to in order to generate accurate financial data. The more audit committees a company has, the more efficiently it performs its responsibilities. Therefore, the number of audit committees owned by a company will encourage the use of generally accepted accounting principles in the company's financial reporting process and influence the audit reporting conducted by auditors. This study utilizes agency theory. There is a distinction between the agent and the principal in agency theory. This can lead to potential conflicts that can compromise the accuracy of reported earnings. As an agent with a specific objective, such as to receive a bonus, management tends to compile financial statements with high profit figures, also known as earnings management. This audit committee will ensure that the company applies accounting principles that produce high-quality financial data, allowing the auditor to quickly produce audit reports. This study is consistent with Wijaya (2012) and Widarjo and Payamta's (2019) findings that the size of the audit committee has a positive impact on audit report lag.

5. Conclusion

The collected and processed data indicate that the size of the Board of Commissioners has a Positive and Significant Effect on Audit Report Lag; the larger the board of commissioners owned by the company, the longer the company's audit report (audit report lag), and vice versa. The audit report lags more quickly for a company with a smaller board of commissioners. While the Independent Commissioner and the Audit Committee have a negative and significant impact on the audit report lag, the greater the size of the company's independent commissioners and audit committees, the shorter the audit report lag. The longer a company's audit report is delayed, the greater its risk. Based on research on the analysis of the influence of the size of the board of commissioners, independent commissioners, and audit committees on audit report lag, the researchers propose several recommendations that are anticipated to be used by the Company to provide information disclosure about its financial statements so that investors can easily access the necessary information and so as not to cause losses to investors and the company itself. Then, if investors wish to invest, they should try to obtain information as soon as possible so that investment decisions are not based on asymmetric information.

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