The Role of Audit Committee to Decrease Audit Report Lag

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ABSTRACT

This study aims to investigate the role of the audit committee as a moderator in reducing audit report lag, with independent variables being audit complexity, board size, and board meetings' impact on audit report lag. The sample comprises 96 infrastructure sector companies listed on the Indonesia Stock Exchange for the years 2022-2023.The findings reveal that the audit complexity (ACX) variable does not significantly positively influence audit report lag, while the board size (BOS) variable does not significantly negatively affect audit report lag. However, the board meetings (BOM) variable shows a significant negative impact on audit report lag. Furthermore, the audit committee (ACOM) strengthens the influence of audit complexity (ACX) on audit report lag and also enhances the influence of board size (BOS) on audit report lag. However, the audit committee (ACOM) does not strengthen the influence of board meetings (BOM) on audit report lag. In summary, this study sheds light on the moderating role of the audit committee in reducing audit report lag, highlighting the varying effects of audit complexity, board size, and board meetings on audit report timeliness within the IDX infrastructure sector.

INTRODUCTION

Business competition stems from the drive to achieve the best results, particularly through the quality and accuracy of financial reports. Delays in such reporting can affect corporate decision-making. Accurate and timely financial reports are crucial for public companies. These reports are essential for understanding a company's financial position over a specific period, ensuring the company's sustainability through the information provided in the financial statements (Gustiana & Rini, 2022). According to Financial Services Authority Regulation Number 14/POJK.04/2022 on the Periodic Submission of Financial Reports for Public Companies, it is stated that "Issuers or Public Companies whose registration statements have become effective are required to submit Periodic Financial Reports to the Financial Services Authority and announce the Financial Reports to the public." However, in September 2022, there were issuers who had not submitted their financial reports. The Director of Corporate Valuation at the

Indonesia Stock Exchange (IDX), I Gede Nyoman Yetna, explained that sanctions for issuers who are late in submitting financial reports are actually imposed gradually. The gradual sanctions by the stock exchange include issuing warning letters. Furthermore, Nyoman Yetna mentioned that among the 32 issuers fined, some companies were experiencing various conditions, including cash flow difficulties and legal issues. (Binekasri, 2023).

Financial reports serve as a tool for communicating a company's financial information, which stakeholders can use to make decisions and assess the company's performance. The importance of auditing creates a trade-off between accuracy and timeliness. Audits must be conducted carefully and meticulously, involving thorough planning and sufficient evidence gathering. On the other hand, audits must be performed as quickly as possible so that the presented information does not lose its relevance and usefulness in decision making (Fadhlan & Romaisyah, 2020). Accounting information must have four primary qualitative characteristics to provide more useful information for decision-making (Kieso, Weygandt, 2011). The four characteristics are comparability, verifiability, timeliness, and understandability. The longer the delay in the audit report, the less relevant the information in the financial statements becomes. This is because one of the factors that can enhance the relevance of a company's financial statements is timeliness (Yuhelni, 2023).

LITERATURE REVIEW

Agency Theory

Agency theory, popularized by Jensen & Meckling (1976), explains the relationship between shareholders or principals and managers or their appointed representatives. In practice, conflicts often arise between principals and agents within this theory. These conflicts emerge due to information discrepancies or information asymmetry. The root of the problem is data imbalance, where the board has greater access to financial positions and leadership elements than the owners (Elizabeth et al., 2022).

Compliance Theory

The Compliance Theory of Tyler posits that people are more likely to comply with rules and authorities when they perceive them as legitimate, fair, procedurally just, trustworthy, and aligned with social norms (Hamilton, 1991). Encompasses two fundamental perspectives: the instrumental perspective and the normative perspective (Azhari & Nuryatno, 2019). In the context of financial reporting, the instrumental perspective suggests that companies are incentivized to submit their financial statements in accordance with applicable regulations to receive benefits. In contrast, the normative perspective indicates that companies submit their financial statements according to the regulations because it is considered a necessity and because regulatory authorities dictate the behavior to report their finances within the stipulated.

Audit Report Lag

Audit Report Lag is the time span required for auditors to complete the audit tasks for financial statements, which can be calculated from the company's book closing date to the issuance of the report (Gustiana & Rini, 2022). The increasing number of transactions to be audited and inadequate internal controls contribute to the escalation of audit report lag. A longer audit report lag increases the likelihood of companies being late in submitting financial statements to the Financial Services Authority and other users.

Audit Complexity

Company complexity refers to the level of operational complexity of a company related to the number and location of its operating units (branches). The operational complexity of a company is one of the characteristics that can pose challenges in auditing and accounting (Tri

Atmojo, 2017). Company complexity is the complexity of the processes occurring within a company caused by having multiple segments or subsidiaries operating, or in other words, the complexity of company operations (Abdillah et al., 2019).

Board Characteristic

The implementation of good governance can minimize disputes among stakeholders. One way is by having a competent board of directors. Article 1 number 5 of Law Number 40 of 2007 concerning Limited Liability Companies defines the board of directors in a Limited Liability Company as the company's organ authorized and fully responsible for managing the company for the company's interests, in line with the company's purposes and objectives, and representing the company, both in and out of court according to the company's articles of association. The company's business is managed under the supervision of the board of directors. The board of directors also has direct responsibility for certain important matters, including relations with external auditors and executive compensation.

(Ezat, 2016) investigated the determinants of audit report timeliness in Nigeria. Specifically, this study examined the relationship between firm size, profitability, complexity, audit firm type, and audit report timeliness. A cross-sectional research design was used, and data were collected from the annual reports of manufacturing companies listed in Nigeria for the years 2010-2012. The data were analyzed using Ordinary Least Squares (OLS) regression techniques. The results of the study showed a significant relationship between board size, independence, and audit report lag. However, the findings revealed an insignificant relationship between audit firm type and audit report timeliness. The study also found that the time lag determined by the regulatory body was too long, leading companies to delay their financial reporting (Ishaku, 2021).

Audit CommitteeKomite Audit

The audit committee is a part of the organization's board of directors tasked with monitoring the organization's financial reports, disclosures, and authenticating their accuracy. They are typically independent external directors whose primary responsibility is to provide an objective and unbiased view regarding the company's accounting practices and principles. They are external directors to ensure the neutrality of the audit process and eliminate any ideas or perceptions of conflicts of interest during the audit procedure. An effective audit committee reflects characteristics of being unbiased, timely, focused, and proactive in their responsibilities, rather than reactive (Afenya et al., 2022).

Consptual Framework

Figure 1 Consptual Framework
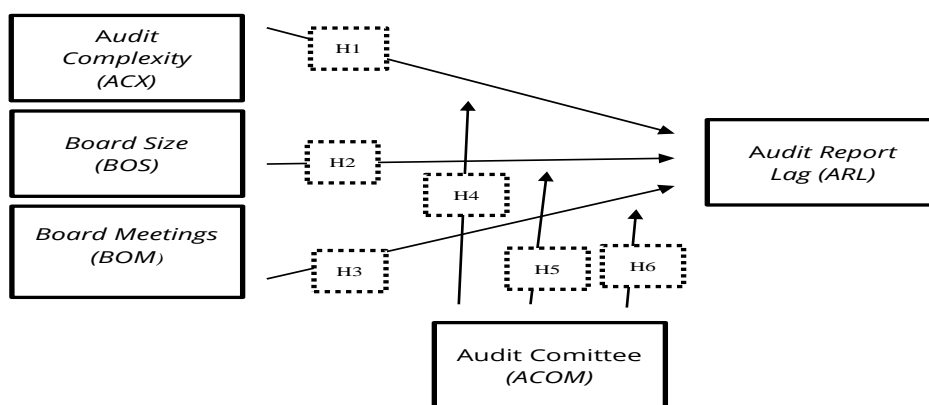
The Influence Of Audit Complexity On Audit Report Lag

Audit complexity is the length of time influenced by the agreed audit planning at the beginning and required by auditors to complete the audit report. Public Accounting Firms (PAFs) require longer audit times due to the numerous accounts to be verified, complex transactions, and if the company has subsidiaries. The more audit sources from subsidiaries or branches, the longer it will take in the audit examination, thus prolonging the audit process. This will increase audit costs and agency issues as shareholders and other stakeholders have to wait longer to obtain the necessary information for decision-making. Research conducted by Fadhlan & Romaisyah (2020) shows that Audit Complexity has a positive influence on Audit Report Lag.

- H1: Audit complexity has a positive influence on audit report lag.

The Influence Of Board Size On Audit Report Lag

The larger board of directors with collective expertise will be more capable of carrying out its duties and also reduce management control. A board of directors with at least eight members can be efficient and serve as an effective board performance. Research conducted by (Ishaku & Abdulkarim, 2021) shows that the size of the board of directors significantly influences audit delay.

- H2: Board size has a positive influence on audit report lag

The Influence Of Board Meetings On Audit Report Lag

The number of board meetings is closely related to management oversight by the board of directors (principal) over management (agent). The more frequent board meetings are held, the greater the likelihood that they can monitor and address issues that arise during the audit process more quickly and effectively. More frequent meetings enable the board of directors to provide better guidance, ensure that management and external auditors work synergistically, and facilitate better communication regarding developments and obstacles in the audit process. As a result, increasing the frequency of board meetings can help reduce audit report lag, allowing audit reports to be completed more quickly and accurate and timely financial information provided to stakeholders. (Ishaku & Abdulkarim, 2021) proved that board meetings have a positive impact on audit report lag.

- H3: Board meetings has a positive influence on audit report lag

The Influence Of The Audit Committee In The Relationship Between Audit Complexity And Audit Report Lag

Agency theory highlights the potential conflict of interest between management and shareholders, and the audit committee acts as a supervisory mechanism to reduce this conflict. By enhancing oversight and ensuring auditors have the necessary resources, the audit committee can help identify and address obstacles that arise during audits. Effective communication and coordination between management and external auditors facilitated by the audit committee can also expedite audit completion, even in high complexity situations.

- H4: The audit committee strengthens the influence of audit complexity on audit report lag.

The Influence Of Audit Committee In The Relationship Between Board Size And Audit Report Lag

A larger board of directors can slow down decision-making processes, potentially prolonging audit report lag. However, an effective audit committee can mitigate this negative impact by enhancing oversight and coordination in the audit process, ensuring that audit tasks are completed on time. Additionally, the audit committee can strengthen oversight mechanisms by improving communication between the board of directors and external auditors. They can help address delays that may arise from a large board size by facilitating more efficient information flow and resolving issues more quickly. Thus, the audit committee can reduce audit

report lag caused by a large board size, ensure accurate and timely financial reporting for shareholders, and reduce agency costs arising from information uncertainty.
- H5: The audit committee strengthens the influence of board size on audit report lag.

The Influence Of Audit Committee In The Relationship Between Board Meetings And Audit Report Lag

A high frequency of board meetings has the potential to increase oversight and monitoring of the audit process. The audit committee can ensure that the outcomes of each board meeting are directed towards expediting audit completion, identifying and addressing issues more quickly, and ensuring that auditors receive necessary information in a timely manner.

In addition, the audit committee can facilitate more effective communication between the board of directors and external auditors. By coordinating more frequent meetings, they can ensure that the audit process runs smoothly and on schedule, even with a high frequency of board meetings. This can reduce audit report lag, increase transparency, and reduce agency costs by ensuring that financial reports are completed and published on time. Thus, the active role of the audit committee is crucial in minimizing the negative impact of high board meeting frequency on audit report lag.
- H6: The audit committee strengthens the influence of board meetings on audit report lag.

METHODS

This research aims to investigate the impact of audit complexity and board characteristics proxied by board size and board meetings on audit report lag, with the audit committee as a moderator. This type of research is correlational, aiming to determine if there is a relationship between variables. The independent variables in this study are audit complexity, board size, and board meetings, the dependent variable is audit report lag, and the moderating variable is the audit committee. This research uses Eviews 12, and the sample used consists of infrastructure companies listed on the Indonesia Stock Exchange (IDX), using data from the years 2022-2023.

Audit Report Lag

(Apriyana & Rahmawati, 2017) defines audit delay as the expected time for auditors to complete their audit tasks on financial statements, which can be calculated from the company's fiscal year-end to the publication of the report. Public companies listed on the Indonesia Stock Exchange are required to submit financial statements along with their audit results in the form of an independent auditor's report published within a maximum of 90 days from the fiscal year-end, which is December 31st. Financial Services Authority Regulation No. 13/POJK.03/2017. In this research, audit delay is measured from December 31st (fiscal year-end) to the date of publication of the financial statements. The longer it takes to publish the report reflects issues the company may have in the financial statement audit process. This measurement is consistent with Gustiana & Rini's (2022) approach.

> Audit report lag = Date of audit report - Date of financial statements *(Gustiana & Rini, 2022)*

Audit Complexity

Audit complexity, using total assets as a measure, refers to the level of intricacy involved in auditing a company's financial transactions, particularly in relation to the total assets of the company. This measure helps assess the extent of scrutiny and time required by auditors to examine the financial activities of the company, with higher total assets often indicating a more complex audit process.

> Audit Complexity = Ln (Total Aset)
> (Fadhlan & Romaisyah, 2020)

Board Characteristic

Increasing the number of directors in a company can lead to coordination challenges, resulting in inconsistent decision-making communication (Arora & Sharma, 2016). Therefore, the board size should be appropriate and aligned with the company's size and needs. According to POJK No. 33/POJK.04/2014, the board of directors of a public company must have at least 2 members, with a maximum term of 5 years.Board meetings are crucial for effective investment decision-making as they help the board keep track of the company's progress. As per Article 16 of POJK No. 16 of 2017, directors are required to hold board meetings at least once every 2 months to decide on strategic policies. Additionally, under POJK No. 55/POJK.03/2016 for Commercial Banks, board meetings discuss performance achievements, internal audit findings, and action plans.

> Board Size = the number of directors on the board
> Board Meetings = the number of board meetings held
> (Ishaku & Abdulkarim. 2020)

Audit Committee

The size of the audit committee refers to the total number of individuals forming the committee. According to Abu et al. (2018), the individuals forming the committee are usually selected from outside the company to ensure impartial and fair assessment of the company's practices. Literature suggests that the audit committee should be diverse enough to represent a balance of perspectives and experiences but small enough to function efficiently. According to (Xie et al., 2003), the audit committee should have a minimum of 3 members, excluding invitees and co-opted individuals. The quorum for each meeting should be stated and determined in the committee's charter or guidelines. The Audit Committee holds regular meetings at least once every 3 months, as per the Indonesian Capital Market Supervisory Agency and Financial Institutions No.: KEP-643/BL/2012.

> Audit Committee = the number of meetings conducted by
> the audit committee during the fiscal year
> (Lajmi & Yab, 2021)

Sample

The determination of the population sample for this study is companies listed on the Indonesia Stock Exchange. The sample in this research is selected using purposive sampling technique, which limits the selection of samples based on predefined criteria, as determined by the researcher (Sekaran and Bougie, 2017). The data used in this study are secondary data, which are data that have been researched and collected by other parties related to the research issue. The required data include financial reports and annual reports of companies for the years 2022-2023, obtained from the official website of the Indonesia Stock Exchange (www.idx.co.id) and the official websites of selected companies. There are criteria used in the sampling of this research, and the criteria used to determine the sample are:

Table 1 Sample

No	Criteria	
1	Infrastructure sector companies listed on the Indonesia Stock Exchange in 2024	69
2	Infrastructure sector companies that published Financial Reports and Annual Reports for the fiscal year 2022	52
3	Infrastructure sector companies that published Financial Reports and Annual Reports for the fiscal year 2023	44
	Total Sample	**96**

Regression Equation

ARL= α + β1 ACX + β2 BOS + β3 BOM + β1ACX*ACM + β2BOS*ACOM + β3BOM*ACOM + e

RESULTS

Statistic Descriptive

Descriptive statistics is a method of analyzing data by describing or summarizing the collected data. Descriptive statistics are used to summarize, describe, and organize data to make it easier to read and use. Descriptive statistics do not aim to draw conclusions that apply to the general population or make generalizations.

Table 1. Statistic Descriptive

Variable	N	Minimum	Maximum	Mean	Standard Deviation
Audit Report Lag	96	40.0000	179.0000	82.4062	17.2135
Audit Complexity	96	7.8097	14.4579	12.4650	1.1725
Board Size	96	2.0000	11.0000	4.4583	1.8633
Board Meetings	96	4.0000	97.0000	22.2604	17.8928
Audit Committee	96	1.0000	54.0000	9.1562	9.3542

The variable ARL (audit report lag) has an average of 82.40625, a maximum value of 179, a minimum value of 40, and a standard deviation of 17.21357. The lowest ARL is found in XL Axiata Tbk. in 2023 with an ARL value of 40, while the highest ARL is in Bakrie Telecom Tbk. in 2022 with an ARL value of 82.40625. Considering the average ARL is <90 days, it falls within the ideal category. Ideally, the independent audit report should be completed no later than 90 days after the financial statement closing date. On average, the ARL in the researched companies still meets the target for reporting audit financial statements to the public or investors.

The variable ACX (audit complexity) has an average of 12.46509, a maximum value of 14.45795, and a minimum value of 7.809767. The standard deviation of ACX, which is 1.172562, indicates that the data deviation is smaller than its average value, suggesting that the data in the ACX variable tends to be homogeneous. The highest ACX value is in PT. Telkom Indonesia Tbk. (TLKM) with a value of 14.45795 in 2023.

The variable Board Size (BOS) with a sample size of 96 has a minimum value of 2.0000, a maximum value of 11.000, which is in Waskita Karya Tbk. (WSKT) in 2022. The average Board Size obtained is 4.458333. The standard deviation of Board Size, which is 1.863312, indicates that the data deviation is smaller than its average value, suggesting that the data in the Board Size variable tends to be homogeneous. With a minimum value of 2.0000 Board Size or the number of board members in infrastructure companies listed on the Indonesia Stock Exchange in 2022-2023, it complies with the regulation set by the Financial Services Authority.

The variable Board Meetings (BOM) with a sample size of 96 has a minimum value of 4.0000, a maximum value of 97.0000, which is in PP Presisi Tbk (PPRE) in 2022. The average Board Meetings obtained is 22.26042. The standard deviation of Board Meetings, which is 17.89281, indicates that the data deviation is smaller than its average value, suggesting that the data in the Board Meetings variable tends to be homogeneous. With a minimum value of 4.0000

Board Meetings or the number of board meetings in infrastructure companies listed on the Indonesia Stock Exchange in 2022-2023, as stated in Article 16 of POJK No. 16 of 2017, where the board of directors is required to hold board meetings at least once every 2 months, except for PT. Visi Telekomunikasi Infrastruktur Tbk. (GOLD), which did not hold board meetings at least 6 times in one year.

The variable ACOM (audit committee) has an average of 9.156250, a maximum value of 54.0000, and a minimum value of 1.0000. The standard deviation of ACOM, which is 9.354231, indicates that the data deviation is smaller than its average value, suggesting that the data in the ACOM variable tends to be homogeneous.

Panel Data Regression Model Selection Test

Based on the results of the three panel data regression estimation models, namely Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM), the most appropriate model will be selected to estimate the desired regression equation using Chow test, Hausman test, and Lagrange Multiplier (LM) test as follows

Chow Test
Table 2 Chow Test

	Statistic	d.f.	Prob.
Cross-section F	5.915302	(52,36)	0.0000
Cross-section Chi-square	216.570884	52	0.00

The Chow test results indicate that the probability value of Cross Section F is $0.0000 < 0.05$, meaning it is rejected. Therefore, the most appropriate model to use in estimating the regression equation is the Fixed Effect Model (FEM).

Table 3 Hasil Uji Hausman

	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	4.344192	7	0.7394

The results of the Hausman test show that the probability value of Cross Section Random is $0.7394 > 0.05$, meaning H0 is accepted. Therefore, the most appropriate model for estimating the regression equation is the Random Effect Model (REM).

LM Test
Table 4 Hasil Uji LM

	Cross-section	Test Hypothesis Time	Both
Breush-Pagan	4.540495	0.621158	5.161653
	(0.0331)	(0.4306)	(0.0231)

From the Lagrange Multiplier test results, the probability value of the cross section Breusch-Pagan is $0.0331 < 0.05$, indicating that H0 is rejected. Therefore, the most appropriate model to use in estimating the regression equation is the Random Effect Model (REM).
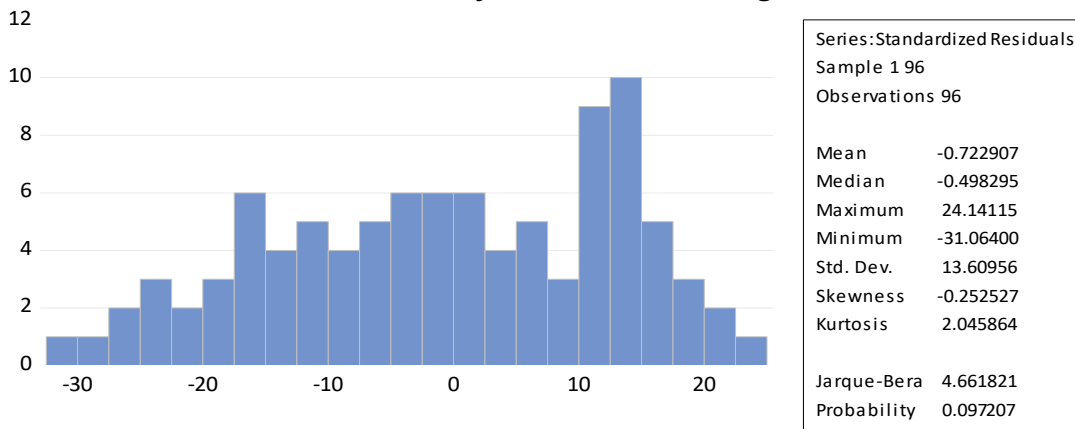
Normality Test

Normality Test Result
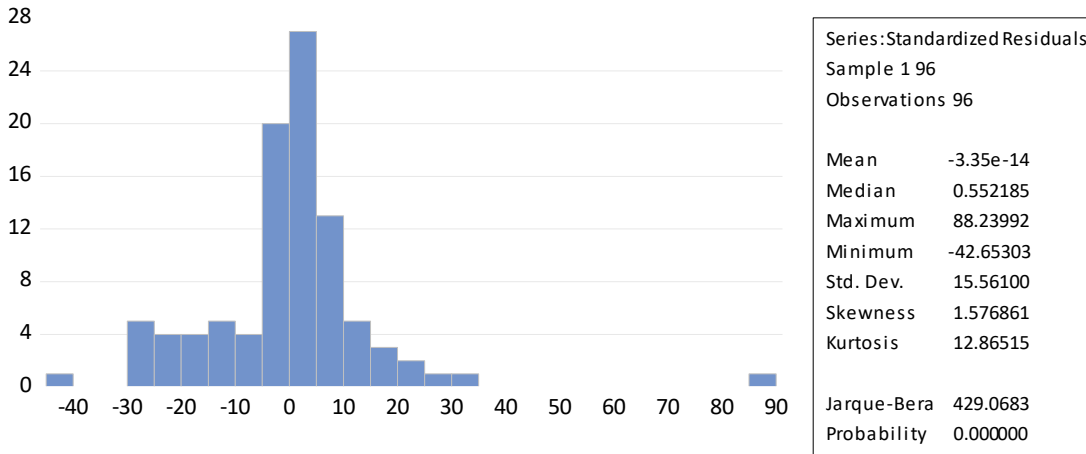
The Jarque-Bera test statistic is 429.0683 with a probability value of 0.00000. Hence, it can be concluded that the model in this study does not follow a normal distribution, as the probability value of 0.00000 is smaller than 0.05.

Normality Test Result GLS Weight Method

The Jarque-Bera test statistic is 429.0683 with a probability value of 0.00000. Hence, it can be concluded that the model in this study does not follow a normal distribution, as the probability value of 0.00000 is smaller than 0.05.

Heteroscedasticity Test
Table 5 Heteroscedasticy Test GLS Weight Method

Variable	Prob.
C	0.8453
ACX	0.9957
BOS	0.6814
BOM	0.6089
ACOM	0.7053
ACX*ACOM	0.7384
BOS*ACOM	0.8871
BOM*ACOM	0.7587

The probability value of each independent variable is greater than 0.05. Therefore, it can be concluded that there is no heteroscedasticity in this model.

Multicollinearity Test
Table 6 VIF Test Before Moderation

Variable	Coefficient Variance	Uncentered VIF	Centered VIF	Identification
C	13.98512	1972.192	NA	
ACX	0.119032	2331.705	1.310043	No multicollinearity
BOS	0.025830	63.58388	1.256583	No multicollinearity
BOM	0.000394	10.16709	1.022559	No multicollinearity
ACOM	0.005674	15.84005	1.073426	No multicollinearity

Based on the Centered VIF for each independent variable, it is known that the Centered VIF values for all independent variables are still below 10. Therefore, the null hypothesis of multicollinearity test is accepted, which means there is no multicollinearity issue in the examined independent variables.

Table 7 VIF Test After Moderation

Variable	Coefficient Variance	Uncentered VIF	Centered VIF	Identification
C	54.46178	4803.028	NA	
ACX	0.505964	6574.513	14.55353	There is Multicollinearity
BOS	0.089856	146.2663	9.184125	No multicollinearity
BOM	0.000849	179.4926	85.34629	There is Multicollinearity
ACOM	1.815348	11953.48	5191.945	There is Multicollinearity
ACX*ACOM	0.016303	16214.87	7220.876	There is Multicollinearity
BOS*ACOM	0.001920	208.9815	96.25605	There is Multicollinearity
BOM*ACOM	3.24E-05	269.9149	136.8825	There is Multicollinearity

The Centered VIF values for some independent variables have VIF values exceeding 10, namely ACX (VIF=14.55353), BOM (VIF=85.34629), ACOM (VIF=5191.945), ACXACOM (VIF=7220.876), BOSACOM (VIF=96.25605), and BOM*ACOM (VIF=136.8825). Therefore, it can be concluded that in the moderation regression equation, multicollinearity issues cannot be avoided.

Linear Regression Analysis Panel Data Random Effect Mode

The Linear Panel Data Regression Analysis using the Random Effect Model (REM) was chosen based on the estimation methods between Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM), as well as the model selection with Chow test, Hausman test, and Lagrange Multiplier test. The estimated model obtained from the Random Effect Model (REM) is as follows:

ARL = 67,38806 + 1,911755 ACX – 0,421946 BOS – 0,247310 BOM + 12,27349 ACOM – 1,090714 ACX*ACOM + 0,248043 BOS*ACOM + 0,017674 BOM*ACOM

The results of the linear panel data regression equation above indicate that the audit report lag, represented by ARL, has a constant value of 67.38806. This means that if the other independent variables remain constant, the audit report lag measured by ARL is 67.38806.

The regression coefficient for ACX is 1.911755, indicating that every increase of 1 unit in ACX will increase the audit report lag by 1.911755, assuming the conditions of the other independent variables remain constant. As ACX increases, the audit report lag will also increase, and vice versa.The regression coefficient for BOS is -0.421946, meaning that every increase of 1 unit in BOS will decrease the audit report lag by 0.421946, assuming the conditions of the other independent variables remain constant. As BOS increases, the audit report lag will decrease, and vice versa.

The regression coefficient for BOM is -0.247310, indicating that every increase of 1 unit in BOM will decrease the audit report lag by 0.247310, assuming the conditions of the other independent variables remain constant. As BOM increases, the audit report lag will decrease, and vice versa.The regression coefficient for ACOM is 12.27349, meaning that every increase of 1 unit in ACOM will increase the audit report lag by 12.27349, assuming the conditions of the other independent variables remain constant. As ACOM increases, the audit report lag will also increase, and vice versa.

The regression coefficient for ACX*ACOM is -1.090714, indicating that every increase of 1 unit in ACX*ACOM will decrease the audit report lag by -1.090714, assuming the conditions of the other independent variables remain constant. As ACX*ACOM increases, the audit report lag will decrease, and vice versa.The regression coefficient for BOS*ACOM is 0.248043, meaning that every increase of 1 unit in BOS*ACOM will increase the audit report lag by 0.248043, assuming the conditions of the other independent variables remain constant. As BOS*ACOM increases, the audit report lag will increase, and vice versa. The regression coefficient for BOM*ACOM is 0.017674, indicating that every increase of 1 unit in BOM*ACOM will increase the audit report lag by 0.017674, assuming the conditions of the other independent variables remain constant. As BOM*ACOM increases, the audit report lag will increase, and vice versa.

Hypothesis Test
t Test
Table 8 Random Effect Model Test GLS Weight Method Result

Variable	Sign	Coefficient	Prob. (2-tailed)	Prob. (1-tailed)	Results
C	+	67.38806	0.1262		
ACX	+	1.911755	0.6198	0.3099	H1 Not Accepted
BOS	+	-0.421946	0.8070	0.4035	H2 Not Accepted
BOM	+	-0.247310	0.0737	0.0368	H3 Accepted
ACOM	+	12.27349	0.0135	0.0067	
ACX*ACOM	+	-1.090714	0.0115	0.0057	H4 Accepted
BOS*ACOM	+	0.248043	0.0068	0.0034	H5 Accepted
BOM*ACOM	+	0.017674	0.2703	0.1351	H6 Not Accepted

Variable ACX has a probability value of 0.309 (0.6198 / 2), which is greater than the significance value of 0.05 (0.399 > 0.05). Therefore, H0 is accepted, and Ha is rejected. With this result, it can be concluded that partially, the ACX variable does not have a significant positive effect on audit report lag.Variable BOS has a probability value of 0.403 (0.8070 / 2), which is greater than the significance value of 0.05 (0.403 > 0.05). Therefore, H0 is accepted, and Ha is rejected. Consequently, it can be concluded that partially, the BOS variable does not have a significant negative effect on audit report lag.

Variable BOM has a probability value of 0.036 (0.0737 / 2), which is smaller than the significance value of 0.05 (0.036 < 0.05). Therefore, H0 is rejected, and Ha is accepted. With this result, it can be concluded that partially, the BOM variable has a significant negative effect on audit report lag.The variable ACX*ACOM has a probability value of 0.036 (0.0737 / 2), which is

smaller than the significance value of 0.05 (0.036 < 0.05). Therefore, H0 is rejected, and Ha is accepted. Hence, the audit committee's moderation strengthens the influence of audit complexity on audit report lag. It can be concluded that the hypothesis is accepted because the significance value is less than 0.05, indicating that the audit committee strengthens the influence of ACX on audit report lag.The variable BOS*ACOM has a probability value of 0.0034 (0.0068 / 2), which is smaller than the significance value of 0.05 (0.0034 < 0.05). Therefore, H0 is rejected, and Ha is accepted. Thus, the audit committee's moderation strengthens the influence of board size on audit report lag. The hypothesis is accepted because the significance value is less than 0.05, indicating that the audit committee strengthens the influence of board size on audit report lag.

The variable BOM*ACOM has a probability value of 0.1351 (0.2703 / 2), which is greater than the significance value of 0.05 (0.1351 > 0.05). Therefore, H0 is accepted, and Ha is rejected. Thus, the audit committee's moderation does not strengthen the influence of board meetings on audit report lag. The hypothesis is rejected because the significance value is greater than 0.05, indicating that the audit committee does not strengthen the influence of board meetings on audit report lag.

Coefficient Of Determination R2
Table 9 R2 GLS Weight Method

R-squared	0.131695
Adjusted R-squared	0.062625

The result obtained from the coefficient of determination test with an adjusted R-squared value of 0.062625 means that 6.26% of the audit report lag variable can be influenced by ACX, BOS, BOM, ACOM, ACXACOM, BOSACOM, and BOM*ACOM. The remaining 93.74% can be influenced by other factors not included in this study.

DISCUSSION

The research by Fadhlan & Romaisyah (2020) shows that audit complexity has a significant positive impact on audit report lag, with a regression coefficient of 0.186. On the contrary, the author's research indicates that the ACX variable has a probability value of 0.309, which is greater than the significance value of 0.05. Thus, the null hypothesis (H0) is accepted, and the alternative hypothesis (Ha) is rejected, indicating that audit complexity does not have a significant positive impact on audit report lag. Therefore, the author's findings are not in line with the research by Fadhlan & Romaisyah (2020), which may be due to differences in samples, methods, or research contexts.

The research by Ishaku & Abdulkarim (2021) indicates that board size has a significant negative impact on audit report lag. However, the author's research shows that the BOS variable has a probability value of 0.403, which is greater than the significance value of 0.05. Thus, the null hypothesis (H0) is accepted, and the alternative hypothesis (Ha) is rejected. With these results, it can be concluded that partially, the BOS variable does not have a significant negative impact on audit report lag. Therefore, the author's research does not align with the findings of Ishaku & Abdulkarim (2021), which may be due to differences in samples, methods, or research contexts.The study by Ishaku & Abdulkarim (2021) indicates that board meetings, measured by the number of meetings, have a positive and significant relationship with audit report lag, meaning that more meetings lead to greater delays in audit reports, with a 1% increase in board meetings resulting in a 3.018% increase in audit report lag. However, the author's research shows that the BOM variable has a probability value of 0.036, which is smaller than the significance value of 0.05. Thus, the null hypothesis (H0) is rejected, and the alternative hypothesis (Ha) is accepted. This means that partially, the BOM variable has a significant

negative impact on audit report lag. Therefore, the author's research does not align with the findings of Ishaku & Abdulkarim (2021), which may be due to differences in samples, methods, or research contexts.NACD (2000) recommends that audit committees meet for at least four and a half days per year. This frequency is crucial for their effectiveness and is often used to measure their diligence. The BRC suggests that effective audit committees require significant time investment from their directors to fulfill their responsibilities properly. The author's research findings indicate that the audit committee strengthens the impact of audit complexity on audit report lag, as evidenced by a probability value of 0.036, which is less than the significance level of 0.05.

Previous research, as reported by Ghazali (2012), found a negative association between the number of audit committee meetings and ARL. Furthermore, the author's results indicate that the hypothesis is accepted, with a significance value of less than 0.05 (0.0034 < 0.05), highlighting the role of audit committee meetings in strengthening the influence of board size on audit report lag. This underscores the importance of these meetings in reflecting the diligence of committee members in fulfilling their duties, such as monitoring financial reporting and ensuring timely audit reports.The findings of the author's research indicate that the moderation of the audit committee (ACOM) on the variable board meetings (BOM) does not strengthen its influence on audit report lag, with a probability value of 0.1351 larger than the significance level of 0.05, thus accepting the null hypothesis (H0) and rejecting the alternative hypothesis (Ha). Conversely, a study conducted by Omer et al. (2020) found that corporate social responsibility (CSR), board size and meetings, and audit quality are positively associated with corporate performance. They also reported an inverse relationship between audit report lag and corporate performance.

CONCLUSION

Report delays in the IDX infrastructure sector for 2022-2023, using REM regression analysis. It emphasizes the impact of audit complexity (ACX) on delays, stressing efficient management to prevent lags. The study also reveals nuanced effects of board size (BOS) and meetings (BOM) on audit report lag, highlighting varying influences. It aligns with NACD (2000) recommendations on the importance of effective audit committee meetings, showing how they enhance audit report timeliness. Additionally, it explores how audit committees moderate board meetings, offering insights for optimizing audit practices. Overall, the research contributes valuable insights into improving governance and organizational performance in the IDX infrastructure sector.

SUGGESTION

Future research should focus on variables with significant impacts on audit report lag or relevance to the IDX infrastructure sector, such as internal control system efficacy, risk management practices, and regulatory adherence. Broadening the study to include diverse IDX sectors will provide a comprehensive view of audit process influences. Comparing across sectors can reveal sector-specific challenges and guide targeted recommendations for improved audit efficiency and reporting timelines, enhancing understanding of audit committee functions in the IDX context.

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