AUDIT REPORT LAG IN REVIEW OF OWNERSHIP STRUCTURE, AUDIT TENURE AND AUDIT FEES: A STUDY ON NON-FINANCIAL COMPANIES IN INDONESIA YEAR 2022-2023

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Abstract

This study aims to ascertain the effect of ownership structure, audit tenure, and audit fees on audit report lag. Management ownership, family ownership, and institutional ownership make up the ownership structure in this study. For the years 2022 and 2023, this study's population includes all non-financial companies listed on the Indonesia Stock Exchange. Utilizing the purposive sampling strategy, we drew from both primary and secondary sources of information, namely the organization's annual financial records. A total of 614 distinct firms made up the study sample. This study uses Eviews 12 to test the proposed hypothesis using panel data regression analysis techniques. A positive correlation between management ownership and audit report lag was found, according to the results. Family ownership, institutional ownership, audit tenure, and audit fees have no effect on audit report lag. Management ownership in non-financial Indonesian enterprises may affect the promptness of financial statement disclosure, according to this study's conclusions. Prospective investors and policymakers may benefit from this study's conclusions by gaining a better understanding of the supplementary factors that impact audit report lag. Consequently, reducing the lateness of financial reports is one way to minimize information asymmetry, which would lead to an improvement in investor confidence.

Keyword: *Audit Report Lag, Ownership Structure, Audit Tenure, Audit Fees*

A. INTRODUCTION

Financial statements provide information about the actions taken by management and hold them accountable for the resources entrusted to them. Companies that go public must have their financial statements audited by an independent auditor and report them on time, in accordance with financial accounting regulations. The Financial Services Authority (OJK) is an institution in Indonesia that has the authority to determine how long the deadline for submitting financial reports is. If a company plans to go public, it must file and make public its annual financial statements by the end of the third month from the statements date with the Office of the Justice of the Kingdom (OJK). If the business does not publish its financial statements at the end of the month according to the requirements set forth by OJK No.14/POJK.04/2022 (OJK, 2022), which covers the submission of periodic financial reports of issuers or public companies, it will be liable to reprimands and fines. The Indonesian Securities Commission drafted these rules. The auditor's delivery of the financial statements is the period after the fiscal year ends, which is referred to as the audit report lag. Starting with the date the report was issued, we work our way backwards from there to determine the audit report lag, since the auditor will need additional time to do the audit, the audit report will be delayed considerably. The longer the time it takes for the audit report to be delayed, the more likely it is that the business will be late in providing its financial statements (Sri Wahyuni Zanra & Zubir, 2023). In 2023, the Indonesia Stock Exchange announced that sixty one listed businesses had failed to meet the deadline for submitting audited financial reports for the period ending December 31, 2022. Consequently, the publicly traded business had to pay a fine of Rp 50,000,000.00 and get a written warning II. Up to May 2, 2023, this was the situation (Bursa Efek Indonesia, 2023). Even this also happened in the following year where 129 listed companies received a written warning I for not submitting audited financial reports ending December 31, 2023 (Bursa Efek Indonesia, 2024). Due to audit report lag, companies and public accounting firms can suffer, which will affect investor decision making and erode trust in other interested parties. The amount of time it takes auditors to perform audit work determines how long the audit report lag is. Therefore, this phenomena attracts academics to investigate the elements influencing audit report latency in Indonesian corporations.

Table 1. Number of Companies that are Late in Submitting Financial Statements

TAHUN	*THE NUMBER OF LATE ISSUERS*
2022	143 Companies

2023	129 Companies

Source: www.idx.co.id

According to Septian and Nelvirita (2023) managerial ownership refers to the fact that members of management hold shares in the company. Managerial ownership is expected to improve internal control system management and overall firm performance. Consequently, it is projected that the audit report lag would decrease as management holds more shares. This view is in line with the results of studies (Ovami & Lubis, 2018), (Oktafiyanti & Syahadatina, 2021) that show management ownership negatively affects audit report lag. But this goes against on the results of research Hashim (2017) shows that audit report lag is positively affected by management ownership. This is because management has the role of owner and manager so that management will act as desired which causes the audited financial statements to be submitted to the public longer, because management acts carefully so that the financial statements look good. Farras dan Achmad (2023) defines *family ownership* as family ownership in which the family owns the majority of shares or involvement in business management, which allows family goals and interests to influence company choices. Companies with a strong family ownership structure usually comply with providing timely and complete information about their financial statements to both the company and interested parties. This is because the owners are committed to keeping the company's reputation and financial performance in good standing so that it can be passed down to future generations. Reason being, it's critical to ensure that the following generation can carry on the good name and successful business practices of the current one (Lumpkin & Brigham, 2011). This argument is proven by research findings Hapsari and Laksito (2019) which shows that companies owned and controlled by the family have a shorter audit report lag. However, these findings differ from the results of research from Prabowo and Simpson (2011) which states that companies with significant family ownership will produce a larger audit report lag than companies with low family ownership. Various legal entities, including institutions engaged in both financial and non-financial operations, may hold shares in a corporation. Ownership in this form is referred to as institutional ownership. According to Ovami and Lubis (2018) institutional ownership will change the company's management from previously guided by individual preferences to supervised management. Research Ovami and Lubis (2018), Suryani and Pinem (2018) thereby proving that the audit report lag is negatively affected by institutional ownership. The situation has come to this point because non affiliated institutions now own shares in the firm and may demand that management speedily reveal data from the financial statements. The results of the research in Sudradjat et al (2022) show that audit report latency is unaffected by the existence of institutional ownership, which contradicts the findings in Alfraih (2016).

A company's "audit tenure" is the number of years it has been in business after beginning an audit for a client. When it comes to general audit services on client financial statements, a public accounting company may handle the term of engagement or audit assignment for up to five years in a row, whereas an individual public accountant is limited to three years. We have (Hoirul Fayyum et al., 2019). This is due to the fact that the company's trust in the KAP and its auditors has grown. For an audit to be accurate, knowledgeable, and done well, factors such as the length of time the auditor and client work together or the nature of the engagement itself may have a positive role. This happens because, during the audit of a particular client, the auditor gains an understanding of the business operations, characteristics, accounting systems, and overall condition of the company. This understanding allows the auditor to design a more effective and efficient audit process, which accelerates the completion of financial statements and reduces the delay of audit reports (C. D. Putri & Yusuf, 2020). An further research found that audit report delay is negatively correlated with audit tenure. The results are consistent with those of the study by Arumningtyas and Ramadhan (2019), who also found this association. reason being that audit report lag might be larger with a shorter audit period compared to a longer one. When an audit begins, it might be difficult for the auditor to understand the client's company. This is because an auditor's familiarity with the client's business tends to increase as their years in the field grow. This study's results contradict those of the previous one Diastiningsih and Tenaya (2017), which found that auditor tenure positively affects audit report delay. Audit report delay is positively correlated with audit tenure. This is because the length of an audit is correlated with the auditor's independence, which could decrease as client engagements get longer. As a consequence, auditors and clients may develop close ties, which might lengthen the auditing process and introduce additional complications due to KAP. As per the source Sinaga and Rachmawati (2018), the term "audit fee" is used to describe the little sum that the client pays to the public accounting company (KAP) in exchange for the services provided, which include the examination of financial statements. The amount of compensation offered has the potential to affect the ability of members of the Indonesian Public Accountants Association to carry out their professional responsibilities in accordance with professional standards. So this argument supports the research findings Apriyanti and Santosa (2015), Putri et al (2016) that asserts audit fees negatively impact audit report lag, where it is said that the corporation's high audit fees would impact the audit procedure's speed, and where it further asserts that audit costs negatively impact audit report lag. In contrast, previous research Lestari and Latrini (2018) shown that audit fees have no effect on the length of the audit.

Some researchers focus on institutional ownership and managerial ownership, so research on family ownership on audit report lag is still limited, and there are still gaps in previous research, This research aims to investigate family ownership and underline the relevance of the influence of every independent variable on the dependent variable. By providing a more thorough empirical analysis of the potential effects of different ownership monitoring methods on the punctuality of financial reporting, this study adds to the current corpus of knowledge. Additionally, the research shows that companies significantly influence KAP's decision-making about the duration of their cooperation, how long to set the audit period, and how to work with auditors to obtain audit evidence. Corporations often want to minimize audit report delays since doing so puts them at risk of fines. A company may use this study as a resource for reducing audit report lag as it details the causes of audit report lag. To back up this study in 2022 and 2023, the research object will employ non-financial firms listed on the Indonesia Stock Exchange (IDX). The selection of the research object is based on the importance of the role played by non-financial companies because it covers many company sectors and generally has complex operational activities. These complex operational activities can trigger delays in financial reporting. So it is hoped that this study can examine the variables that have been determined and can find results whether by using the object of non-financial companies these variables are related to audit report lag or not. Thus this study is entitled **"Audit Report Lag in Review of Ownership Structure, Audit Tenure and Audit Fees: A Study on Non-Financial Companies in Indonesia Year 2022-2023"**.

B. LITERATURE REVIEW

In 1976, Jensen and Meckling were the first to propose the agency theory. As stated in Jensen and Meckling (1976), agency theory is the interplay between management and the owner, who operate as principals and agents, respectively. Both, are bound in a contract, meaning that the owner or client is the party that provides information and the agent (auditor) is the party that evaluates information related to the client's financial statements and provides an opinion on the audited report (Arie Susandya & Suryandari, 2021). The importance of company ownership as a key component in the timely reporting of financial information is emphasized by agency theory. The problem of audit report delay can also be caused by information asymmetry. The involvement of external auditors can help solve problems related to delays in audit reports. The longer the audit procedure, the longer it takes for the principal to obtain the audited financial statements. Thus, by providing audited financial statements on schedule, external auditors help reduce information asymmetry.

A portion of the company's rights owned by management is known as managerial ownership. According to Mulianingsih and Sukartha (2018) A company's "managerial ownership" is the percentage of common stock owned by those in managerial roles who have a say in major company decisions. What we call "managerial ownership" is really the practice of a company's upper management holding stock in the business. Since management is tasked with carrying out the wishes of shareholders, who are none other than themselves, agency theory states that managerial ownership can balance the interests of shareholders and company management (Putri et al., 2021). In accordance with the research results from Ovami and Lubis (2018), Oktafiyanti and Syahadatina (2021), which states that managerial ownership is something that will be considered by the company because it will have an impact on manager performance which will make managers more accountable and focused on running the company's business. On this basis, the hypothesis developed is:

H_1: Managerial ownership has a negative effect on audit report lag.

Family ownership is defined by Farras and Achmad (2023) as ownership in which the family owns shares in the business or participates in management so that the family is involved in business decisions. In both developing and developed countries, family-owned businesses are a potent tool for managing organizations. Management is more likely to provide timely financial reports when the business is owned by family members, according to agency theory. This is due to the fact that maintaining family ties and status while increasing shareholder money is the fundamental goal of this ownership structure. The empirical data given by Waris and Haji Din (2023) shows that audit report delay is negatively correlated with family ownership. Further evidence supporting this finding comes from

studies Rusmin and Evans (2017), which suggest that family shareholder monitoring may improve financial reporting and internal control structures. In family-owned enterprises, the period between the audit and the report could be shorter since external auditors might not spend as much time studying the financial data. On this basis, the hypothesis developed is:
H_2: Family ownership has a negative effect on audit report lag.

According to Tarjo (2008) "institutional ownership" describes the situation in which organizations like banks, investment firms, and insurance companies hold a portion of a company's stock. The longer the lag between reporting and audit implementation, the greater the amount of institutional ownership, and vice versa Putri et al (2021). According to agency theory, companies with significant institutional ownership demonstrate their ability to supervise management performance in order to curb managers' opportunistic behavior and thus, reduce agency problems. Through efficient monitoring procedures, institutional ownership can exert influence over management and reduce the likelihood of audit report lag (Putri et al., 2021). Research results from Harnida (2015), Ovami and Lubis (2018), Basuony et al (2016), Suryani and Pinem (2018) Prove that the audit report lag is negatively affected by the existence of institutional ownership. This occurs due of the presence of non affiliated institutions owning shares in the firm. Because of this, the institutions might demand that management speed up the production of data for the financial statements. On this basis, the hypothesis developed is:
H_3: Institutional ownership has a negative effect on audit report lag.

According to Immanuel and Aprilyanti (2019) states that the audit tenure is the period of time spent by a public accounting firm to audit the same business. When the Public Accounting Firm completes the audit process and produces an audit opinion report on time, the company usually re-engages, thus extending the duration of the audit engagement. Re-engagement can help the Public Accounting Firm gain a better understanding of the business, which will speed up the audit process (Lee et al., 2009). Agency theory suggests that the time required to compile financial reports might play a role in the existence of information asymmetry. Consequently, auditors are crucial in keeping an eye on management to make sure they're still on track with the organization's objectives (Michael & Rohman, 2017) evidence from studies by C. D. Putri and Yusuf (2020), Arumningtyas and Ramadhan (2019) suggests a negative correlation between audit tenure and audit report delay. Time in the audit has a direct correlation to the auditor's familiarity with the client company, this familiarity allows for the development of a more efficient and effective audit process, which in turn reduces the time required to prepare financial statements and generate audit reports.On this basis, the hypothesis developed is:
H_4: Audit tenure has a negative effect on audit report lag.

According to Khamisah et al (2023) the amount of money that the auditor will get as payment for his services is known as the audit fee. The audit charge is calculated based on the services rendered. Audit fees can reduce knowledge asymmetry, according to agency theory. The reason for this is because audits are designed to ensure that management's reports to internal and external parties are accurate and easy to understand. All costs incurred as a result of the audit will be refunded in accordance with the terms of the agreement reached between the company and the auditor. An auditor's motivation to do an audit efficiently and effectively grows in direct correlation to the size of the "reward" they get from a client. The amount of compensation offered has the potential to affect the ability of members of the Indonesian Public Accountants Association to carry out their professional responsibilities in accordance with professional standards. So this argument supports the research findings Apriayanti and Santosa (2015) and Putri et al (2016) that asserts audit fees negatively impact audit report lag, where it is said that the corporation's high audit fees would impact the audit procedure's speed, and where it further asserts that audit costs negatively impact audit report lag. On this basis, the hypothesis developed is:
H_5: Audit fees have a negative effect on audit report lag.

C. RESEARCH METHODS

Secondary data derived from financial statements released on the Indonesia Stock Exchange in 2022 and 2023 is used in this paper. Using the purposive sampling method which involves setting certain criteria reseachers sought research samples for this study. The purposive sampling criteria used are: (1) Non-financial companies listed on the Indonesia Stock Exchange (IDX) in 2022-2023, (2) Non-financial companies that do not report their financial statements consistently during the period 2022-2023, (3) Non-financial companies that do not consistently include *professional fees* account in the financial statements for the period 2022-2023. With these criteria, 365 companies were obtained and experienced outliers so that the final sample of 307 companies was obtained. Including all observations made throughout the two-year period yielded 614 observations for the sample. In this study there are control variables, namely auditor type, profitability, company size and leverage. Table 2 also shows the variables that were assessed.

Table 2. Variable Measurement

VARIABLES	***MEASUREMENT***	***Source***
Audit Report Lag	Audit report date - book closing date	Research Sulimany (2023)
Managerial Ownership	Number of managerial-owned shares/number of outstanding shares	Research Sulimany (2023)
Family Ownership	Number of family-owned shares/number of outstanding shares	Research Sulimany (2023)
Institutional Ownership	Number of shares owned by institutions/number of shares outstanding	Research Sulimany (2023)
Audit Tenure	The length of the auditor's engagement with the client / company expressed in years	Research Nurbaiti dan Qadli (2023)
Audit Fees	Natural Logarithm of the amount of audit fees at the company	Research Khamisah et al (2023)
Auditor Type	Dummy (KAP Big 4 = 1; KAP Non Big 4 = 0)	Research Sulimany (2023)
Profitability	ROA (Net income/total assets)	Research Sulimany (2023)
Company Size	log (total assets)	Research Sulimany (2023)
Leverage	DER (Total debt/total equity)	Research Sulimany (2023)

This study makes use of panel data, sometimes called pool data, and assesses the regression model using the panel data regression model. To carry out the data processing stage, the statistical data processing tools, namely Eviews 12, were employed. In its examination, this study employs the following research model.

$$\mathbf{ARL_{it} = \beta_0 + \beta_1 MO_{it} + \beta_2 FO_{it} + \beta_3 IO_{it} + \beta_4 ATE_{it} + \beta_5 AF_{it} + \beta_6 AT_{it} + \beta_7 ROA_{it} + \beta_8 FS_{it} + \beta_9 LEV_{it} + \varepsilon_{it}}$$

Description:

ARL_{it} : Audit report lag of company i in period t
β_0 : Intercept
β_1- β_9 : Regression Coefficient
MO_{it} : Managerial ownership of company i period t
FO_{it} : Family ownership of company i period t
IO_{it} : Institutional ownership of company i period t
ATE_{it} : Audit tenure of company i period t
AF_{it} : Audit fee of company i period t
AT_{it} : Auditor type of company i period t
ROA_{it} : Profitability of company i period t
FS_{it} : Firm size of company i in period t
LEV_{it} : Leverage of company i period t
ε_{it} : Error

D. RESULT AND DISCUSSION

An overview of general information about the data in this study is provided by descriptive analysis. The characteristics of the research variables, such as sample size, maximum and minimum values, mean, and standard deviation are described in the descriptive statistics. Table 3 displays the findings of the descriptive statistics of this study.

Table 3. Descriptive Statistical Test Results

	ARL	MO	FO	IO	ATE	AF	AT	ROA	FS	LEV
Mean	83.70358	0.044565	0.048109	0.743194	3.991857	20.16891	0.348534	0.041891	28.36227	0.910740
Maximum	131.0000	0.541684	0.617419	0.999987	11.00000	23.94685	1.000000	0.748620	32.68145	10.44167
Minimum	31.00000	0.000000	0.000000	0.000000	1.000000	17.82284	0.000000	-1.132690	22.62716	-7.731656
Std. Dev.	12.67951	0.098032	0.121146	0.234210	2.262165	1.237526	0.476895	0.117915	1.904532	1.446540
Observations	614	614	614	614	614	614	614	614	614	614

Source: Eviews (2024)

Panel data regression models more especially, where the p-value for every test is less than 0.05 that is known in the chow and hausman tests are chosen using the Fixed Effect Model (FEM). Picture 1 shows F test data as well as R^2 coefficient of determination. One may find the percentage by which independent variables affect changes in the dependent variable by use of the coefficient of determination (R^2). The corrected R-squared value is 0.597353, as seen in picture 1 below. This suggests that audit tenure, audit fees, institutional ownership, management ownership, and family ownership may all impact the audit report lag by 60%, while additional variables not included in the model can explain the remaining 40%. According to the findings of the traditional multicollinearity test, which assume that the model does not suffer from multicollinearity when the correlation coefficient among the independent variables < 0.80, this research finds that this is not the case. While the results of the classic assumption of heteroscedasticity test, the value of heteroscedasticity in each variable has a value of more than 0.05. Therefore, there are no symptoms of heteroscedasticity or pass the heteroscedasticity test.

Picture 1. Regression Analysis Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-96.33298	85.01043	-1.133190	0.2580
MO	91.60731	45.10233	2.031099	0.0431
IO	-45.35431	48.14756	-0.941986	0.3470
FO	4.131460	6.104964	0.676738	0.4991
ATE	-0.433657	0.427653	-1.014039	0.3114
AF	0.312908	1.375176	0.227541	0.8202
AT	-3.301063	3.650444	-0.904291	0.3666
ROA	1.325015	5.517510	0.240147	0.8104
FS	6.098085	2.933297	2.078918	0.0385
LEV	-1.509604	0.691768	-2.182238	0.0299

Effects Specification

Cross-section fixed (dummy variables)

Root MSE	5.605173	R-squared	0.804259
Mean dependent var	83.70358	Adjusted R-squared	0.597353
S.D. dependent var	12.67951	S.E. of regression	8.045723
Akaike info criterion	7.314573	Sum squared resid	19290.63
Schwarz criterion	9.589359	Log likelihood	-1929.574
Hannan-Quinn criter.	8.199185	F-statistic	3.887059
Durbin-Watson stat	3.987013	Prob(F-statistic)	0.000000

Source: Eviews (2024)

In addition, the feasibility of this research regression model is assessed using the model feasibility test (F test). Family ownership, institutional ownership, audit tenure, and audit fees jointly affect audit report lag, as shown by the probability value in picture 1 of 0.000000, or f < 0.05. The results of the regression test show that the managerial ownership variable (MO) has a positive influence on audit report lag, as the p-value is 0.0431 ($p < 0.05$) and the regression coefficient is 91.60731. According to the first hypothesis (H1), audit report latency is negatively affected by management ownership. Thus, it follows that null hypothesis 1 is not supported. Thus, management ownership in the firm influences the delay in presenting audited financial accounts. This conclusion contradicts agency theory, which posits that a balance between shareholder and management interests may be achieved by managerial ownership, as the length of time it takes to produce audited financial statements increases as management's stake in the firm grows. Audit report lag is positively correlated with the level of management ownership in a firm, according to this study's findings, which are in line with previous research Hashim (2017) and Sulimany (2023). Reason being, with dual responsibilities as owner and manager, management is more inclined to act in a manner that the public finds pleasing, thereby postponing the publication of the audited financial results. This is so because management pays greater attention to guarantee that the financial accounts seem decent.

The family ownership variable (FO) shows in the results of the regression test a probability level of 0.3470 ($p > 0.05$) and a regression coefficient value of -45.35431. It may therefore be said that audit report latency is not influenced by family ownership. The second hypothesis is that audit report latency is negatively affected when a company is owned by family members. We may thus conclude that hypothesis 2 cannot be true. So, it seems that being a family organization has no effect on the delay in providing audited financial accounts. This study's results are in line with those of a prior study that found no correlation between the number of family shares owned by a corporation and the length of time it took for the audit report to be completed (Herawaty & Rusmawan, 2019). Families who own shares in the company do not participate in the presentation of financial information because they entrust managers and outside auditors to report financial data.

Given that the probability level of the institutional ownership variable (IO) is 0.4991 (p > 0.05) in the regression testing findings, it is reasonable to conclude that IO does not affect audit report latency. The value of the regression coefficient is 4.131460 as well. A negative effect of institutional ownership on audit report delays is predicted by the third hypothesis (H3). This allows us to conclude that null hypothesis 3 is not true. This suggests that the firm's institutional ownership does not substantially affect the filing delay of audited financial statements. The results of this study are in line with the results of research from Alfraih (2016) and Sudradjat et al (2022). This shows that share ownership by outside institutions does not guarantee that they will fulfill their duties and supervisory role on management performance. All they expect is a large return on their investment.

Auditors may conclude that audit tenure has no effect on audit report lag since the regression coefficient is -0.433657 and the p-value for the audit tenure variable (ATE) is 0.3114 (p > 0.05). The fourth hypothesis (H4) states that audit tenure negatively affects audit report timeliness. You may conclude that hypothesis 4 is not accepted based on this. The time it takes to report audited financial accounts is therefore unrelated to the duration of the audit. This finding is consistent with research Handayani (2016), Sabatini and Vestari (2019) which shows that even though KAP offers audit services with the same KAP as the previous year, if the assigned auditor is different, the auditor still has to relearn the client company to produce a short audit report lag.

The regression analysis revealed that audit fee variable (AF) had a p-value of 0.8202 (p > 0.05) and a regression coefficient value of 0.312908, so we can say that audit fees have no bearing on the time it takes to produce audit reports. Audit expenses negatively affect the latency of audit reports, as stated in the fifth hypothesis (H5). That being the case, we may conclude that hypothesis 5 is incorrect. Given this, it's reasonable to assume that audit costs aren't the cause of the audited financial statements' late submission. This finding is consistent with research Pinatih and Sukartha (2017), Lestari and Latrini (2018) which states that the audit price offered by the company is an agreement with the auditor that takes into account the complexity of the task and risk. Auditors will certainly complete their duties in accordance with the existing code of ethics and standards. Integrity is one of the codes of ethics that apply to auditors which leads to auditors working professionally. So that the size of the fee given does not affect the audit report lag, because auditors will always work professionally.

E. CONCLUSION

After testing the hypothesis and analyzing the data, it was found that management ownership positively affects audit report timeliness. Family ownership, institutional ownership, audit tenure, and audit fees have no effect on audit report delay. Furthermore, this study's results provide support to the theory that organizational size and leverage are potential determinants of audit report lateness. This study has limitations, the use of a relatively short research period causes the results obtained to not be able to generalize the findings and not fully describe comprehensive long-term trends. So that suggestions for future researchers can increase the number of observation periods. This study's results can only account for 60% of the variance in audit report latency caused by the independent factors. Factors beyond the scope of the model account for the other 40% of the impact. It is believed that future studies will be able to include more variables, which might better represent the impact of these factors on audit report latency. Management ownership in non-financial Indonesian enterprises may affect the promptness of financial statement disclosure, according to this study's conclusions. Policies and investors may find this study's conclusions useful if they want to learn more about the other factors that affect audit report delays. Consequently, reducing the lateness of financial reports is one way to minimize information asymmetry, which would lead to an improvement in investor confidence.

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