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The Effect of Audit Tenure, Size of Accounting Firm, and Audit Opinion on Audit Delay of Mining Company Listed in IDX

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Abstract. Financial statement is an information media that has disclosed financial condition of a company to support decision making. So that, a high quality of financial statement is very important. Timeliness is a qualitative characteristic must be fulfilled. Every year there are still some late published financial statements. The length of the audit process or audit delay can be the reason of this late published financial statement. This research aims to examine the factors that may affect audit delay.

The independent variables studied were audit tenure, the size of public accounting firm, and audit opinion. The longer the relationship exists between the auditor and the client, the more knowledge the auditor has about the client, the length of the audit process becomes relatively faster. Company audited by the public accounting firm affiliated with the big four have relative faster audit delay due to the resources owned by the firm. Company that gets unmodified opinion has faster audit delay because auditor spend less time on audit processes when issuing unmodified opinion.

This research is classified as causal study, while the method used was hypothetico-deductive method. The data used in this study is secondary data by literature study with primary resource of annual audited financial statements of companies. The sample selection was done by purposive sampling technique with 27 samples of mining companies listed IDX during 2012-2017. Data analysis was done by multiple linear regression analysis.

The result of the research shows that audit of tenure has no significant effect on audit delay, the size of public accounting firm size has significant effect on audit delay, and audit opinion has no significant effect on audit delay. In simultaneous testing, audit tenure, the size of public accounting firm, and audit opinion have significant effects simultaneously on audit delay.

Keywords: audit delay, audit tenure, the size of public accounting firm, audit opinion