ABSTRACT

Audit report lag is a time span between the closing date of the company's books and the auditor's reporting date in the audited financial statements showing the length of time for completion of the audit. The submission or publication of the audited financial statements is determined by the Capital Market and Financial Institution Supervisory Agency (BAPEPAM-LK) in the Decision of the Chairman of BAPEPAM and LK Number: KEP-346 / BL / 2011 that the Annual Financial Statements must be submitted in the form of Audited Financial Statements, at the latest of the end of 3 (third) month after the date of Annual Financial Report. The reality, there are still many companies that violate the regulation.

This study aims to examine the influence of financial ratios consist of liquidity ratios, activity ratios, profitability ratios and solvency ratios to audit report lag. Hypothesis in this research is tested by using descriptive statistical analysis method and panel data regression analysis by using Eviews version 9 software.

Population in this research is mining company which listed in Indonesia Stock Exchange season 2014-2016. The method used for sample selection is purposive sampling and obtained as many as 36 companies.

The results of this study indicate that simultaneously financial ratios consist of liquidity ratios, activity ratios, profitability ratios and solvency ratios have a significant effect on audit report lag. And partially, liquidity ratio have a significant negative effect to audit report lag, while activity ratio, profitability ratio and solvency ratio have no effect to audit report lag.

Keywords: Audit Report Lag, Liquidity Ratio, Activity Ratio, Profitability Ratio and Solvency Ratio