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Original Article

The Influence of Firm Size, Profitability, and Audit Committee on Audit Delay: An Empirical Study of Public Companies in Indonesia

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Abstract

The timeliness of financial reporting reflects the effectiveness of corporate governance and plays a vital role in maintaining investor confidence. Audit delay serves as a critical indicator of transparency and the quality of financial reporting among publicly listed companies. This study investigates the influence of firm size, profitability, and audit committee characteristics on audit delay in five leading manufacturing firms in Indonesia, namely PT Semen Indonesia Tbk, PT Indocement Tunggal Prakarsa Tbk, PT Indofood CBP Sukses Makmur Tbk, PT Unilever Indonesia Tbk, and PT Kalbe Farma Tbk, over the 2021–2023 period. Firm size is measured by the natural logarithm of total assets (Ln Assets), profitability is represented by Return on Assets (ROA), and the audit committee variable is determined by the number of its members. A multiple linear regression model is applied to test the effect of these variables on audit delay. The findings reveal that both firm size and profitability have a significantly negative relationship with audit delay, indicating that larger and more profitable firms tend to complete audits faster. The audit committee also exhibits a negative but moderate effect, emphasizing that effective governance contributes to shorter audit completion times. These outcomes align with agency theory and signaling theory, suggesting that timely reporting acts as a credibility signal and reduces agency costs. The study provides practical implications for corporate management, auditors, and regulatory bodies to enhance audit efficiency and strengthen investor confidence.

Keywords: Audit Committee, Audit Delay, Corporate Governance, Firm Size, Profitability.

1. Introduction

Delays in the submission of audited financial statements, commonly referred to as audit delay, represent a significant issue in accounting and auditing, particularly for publicly listed companies on the Indonesia Stock Exchange. Audit delay refers to the time span between the date of the period-end financial statements and the date of the independent auditor's report (Pratama & Lusiani, 2024). The duration of audit delay is often utilized as an indicator of corporate governance quality and the transparency of financial information (Alazis et al., 2023). In the context of capital markets, delays in presenting audited financial statements have a direct impact on the relevance of information received by investors. The longer the time gap, the greater the uncertainty experienced by investors, leading to diminished public trust in the company (Damanik et al., 2021). The phenomenon of audit delay in Indonesia is not new. Data from the Financial Services Authority (OJK) in 2020 recorded that more than one hundred issuers were late in submitting their audited annual financial statements. This situation was especially pronounced during the Covid-19 pandemic, when company and audit operations encountered various constraints, such as restrictions on auditor mobility, limited document access, and greater audit complexity due to economic uncertainty. Such delays not only result in administrative sanctions, such as fines that can reach hundreds of millions of rupiah but also send a negative signal to the market. Investors tend to perceive companies experiencing audit delay as having internal problems, whether in terms of governance or financial health (Dewi & Wahyuni, 2021).

The urgency of research on audit delay is heightened when considered alongside regulatory requirements in Indonesia. According to OJK Regulation No. 29/POJK.04/2016, public companies are required to submit audited annual financial statements no later than the end of the third month following the end of the reporting period. Thus, companies that close their books on December 31 must submit audited financial statements by March 31 of the following year at the latest. A similar provision is reiterated in the Indonesia Stock Exchange Regulation Number I-E, which concerns the timely submission of financial statements. Companies that violate these provisions may face sanctions ranging from administrative fines and written warnings to suspension of share trading (Dwi & Amelia, 2022). These regulations are in line with the principle of disclosure, which is a fundamental pillar for maintaining investor confidence and capital market efficiency. However, compliance among companies varies widely. Some companies can submit audited financial statements punctually or even earlier, while others experience recurring delays annually (Dewi & Wahyuni, 2021). This raises important questions regarding the factors influencing audit delay among public companies in Indonesia (Putri & Sari, 2024). Previous studies have identified various determinants, including firm size, profitability, operational complexity, leverage, and governance mechanisms. However, existing research findings remain inconsistent. For example, (John et al., 2025) found that firm size negatively influences audit delay, meaning that larger firms have shorter delays, whereas Firnanti & Karmudiandri (2020) reported no significant effect for firm size on audit delay.

Inconsistencies are also observed for the profitability variable, where some studies indicate a negative relationship, while others find no significant association. The presence of governance mechanisms, particularly the audit committee, is believed to play a critical role in influencing audit delay (Damanik et al., 2021). The audit committee is responsible for overseeing the financial reporting process, maintaining communication with external auditors, and ensuring that management presents data in a timely manner. Research in several countries suggests that companies with active and independent audit committees tend to have shorter audit delays (Dwi & Amelia, 2022). Nonetheless, in Indonesia, empirical studies linking the audit committee to audit delay remain relatively sparse, even though the role of the audit committee has been increasingly emphasized by OJK Regulation No. 55/POJK.04/2015, which mandates that public companies have an audit committee consisting of at least three members, with the majority being independent commissioners. Furthermore, the relevance of audit delay research is elevated when considered in the context of agency theory.

Agency Theory explains the potential for conflicts of interest between management (agents) and shareholders (principals). In the context of audit report timeliness, management may have incentives to delay the submission of reports when audit results contain negative information. Additionally, Signaling Theory is relevant because audit timeliness can function as a signal to the market regarding transparency and quality of corporate governance, the faster reports are submitted, the more positive the signal received by investors. Management may have incentives to delay the publication of audited financial statements, particularly when company performance is poor or when earnings management practices could be exposed by auditors. In such situations, governance mechanisms like the audit committee are crucial in reducing information asymmetry between management and shareholders (Juwita et al., 2020).

Although previous research has examined financial factors that affect audit delay, their findings still show inconsistencies and often overlook the role of governance mechanisms, particularly the audit committee. The relevance of this issue is also cross-country in nature, as differences in governance practices and regulations across various jurisdictions can affect the dynamics of audit delay. Several studies emphasize that audit committee characteristics such as independence, size, and meeting frequency can influence the timeliness of audit report submission (Al-Araj, 2023; Oussii, 2018; Raweh et al., 2021), yet other research still emphasizes the dominance of financial factors such as profitability and firm size as the main determinants of audit delay (Al-Mulla, 2020; Lajmi, 2022). Furthermore, the emerging market context shows that internal governance mechanisms play a significant role in accelerating financial report submission (Al Mutawa & Suwaidan, 2022; Lajmi, 2022), however, their contribution to audit delay in Indonesian manufacturing companies remains rarely studied. This research seeks to close that gap by analyzing firm size, profitability, and audit committee characteristics using data from 2021 to 2023, which offers new empirical evidence and a more complete perspective regarding the factors that influence audit timeliness in Indonesian public companies.

Therefore, research on audit delay contributes not only to the accounting and auditing literature but also enriches the discourse on the effectiveness of corporate governance in Indonesia. The novelty of this study lies in its integration of financial variables with governance mechanisms in explaining audit delay. Most prior studies in Indonesia have focused solely on financial factors, such as firm size or profitability, while the role of governance mechanisms especially the audit committee remains underexplored. By combining firm size, profitability, and audit committee variables, this research provides a more comprehensive perspective on the determinants of audit delay. Moreover, this study utilizes the most recent data period, 2021-2023, which encompasses both the Covid-19 pandemic and the subsequent economic recovery. This yields more up-to-date empirical contributions, as the pandemic has acted as a significant external factor affecting audit practices and financial reporting delays (Sebayang & Nugraeni, 2023).

Practically, this research is valuable for several stakeholders. For public companies, the findings can serve as input to enhance financial reporting systems and improve audit committee performance to ensure audit timeliness. For regulators such as OJK and IDX, the results may inform the evaluation of disclosure regulation effectiveness and reinforce the importance of corporate governance. For investors, this research provides insight into the factors influencing financial report timeliness, thereby serving as an additional indicator for assessing company credibility. Thus, audit delay is not merely a technical issue in the audit process, but also a strategic phenomenon related to governance quality, information transparency, and investor trust. Persistent inconsistencies in previous research and limited exploration of integrated financial and governance factors underscore the importance of this study in strengthening academic literature while offering practical implications for business and regulatory communities in Indonesia (Dwi & Amelia, 2022).

2. Literature Review

A comprehensive understanding of audit delay necessitates an in-depth examination of the various factors that may influence its occurrence within public companies. The literature emphasizes multiple determinants of audit delay, each interacting uniquely with organizational characteristics and regulatory pressures. Among these, firm size, profitability, and the audit committee are consistently identified as pivotal elements shaping audit timeliness. The following sections review the conceptual foundations, empirical findings, and theoretical perspectives regarding each of these critical variables.

2.1. Firm Size

Firm size is frequently used as a key factor influencing audit delay in publicly listed companies. Larger firms typically possess more adequate resources, better internal control systems, and a higher volume of transactions compared to smaller firms. According to Sebayang & Nugraeni (2023), large companies tend to attract greater attention from auditors and have incentives to complete audits more quickly to maintain credibility with investors and regulators. However, some studies suggest that the operational complexity of large companies can prolong the audit process, thereby potentially increasing audit delay (Dwi & Amelia, 2022). Setiabudi & Fachriyah (2025) found that auditors tend to allocate more time to large clients due to greater risk exposure, but the reputational rewards also accelerate reporting processes.

In Indonesia, OJK regulations mandate that public companies submit their annual reports punctually, making firm size an important indicator in evaluating timely reporting (Astuti & Rohmah, 2023). Therefore, despite opposing arguments, the literature generally concludes that the relationship between firm size and audit delay is shaped by resource management capabilities, the level of complexity, and external pressures for timely reporting. Nevertheless, existing studies show inconsistent findings regarding whether large companies experience shorter or longer audit delays, especially in the Indonesian context. This inconsistency indicates the need for further empirical research to clarify how firm size affects audit delay in different regulatory and operational environments.

2.2. Firm Profitability

Profitability is defined as a company's ability to generate profit from its operational activities. Many studies report that highly profitable firms tend to complete audits faster to promptly publish positive financial performance (Sianturi & Silaban, 2023). This is supported by management's incentives to present favorable results and enhance attractiveness to investors. Research by Setiabudi & Fachriyah (2025) in Indonesia showed that companies with higher profitability have strong motivation to reduce audit delay and maintain market reputation. Conversely, companies with losses or low profitability may delay reporting to revise strategies or seek solutions before publishing negative results (Sulfiani et al., 2022). Auditors also prioritize companies with profitability issues to mitigate audit risk (Yuliana & Fauziah, 2022). Hence, profitability serves not only as a motivator for timely reporting but also as a crucial consideration for auditors in assessing client risk and audit complexity.

2.3. Audit Committee

The audit committee is a vital corporate governance organ responsible for overseeing and ensuring the integrity of the financial reporting process, including scheduling audits and minimizing reporting delays. According to Bakti & Nengzih (2023); Tresnawaty (2022), an effective audit committee can expedite audits by providing direct oversight of external and internal audit activities. Characteristics of the audit committee such as member size, independence level, and financial expertise determine the success of efforts to minimize audit delay (Muna & Lisiantara, 2021; Saputra et al., 2020). An empirical study in Indonesia by Widhiastuti (2022) found that audit committees actively coordinating with external auditors can accelerate the audit process, resulting in more timely financial reporting by public companies. However, when the audit committee lacks competence or independence from management, the control function weakens, increasing the risk of audit delay (Kusuma & Arini, 2020). Therefore, the quality and effectiveness of the audit committee play a critical role in promoting better financial reporting governance through accelerated audits and reduction in audit delay.

3. Methods

3.1. Research Approach

This research uses a quantitative approach with the aim of examining the influence of firm size, profitability, and audit committee size on audit delay in public companies on the Indonesia Stock Exchange. Audit delay is measured as the number of days between the date of the annual financial report (December 31) and the date of issuance of the independent auditor's report.

The novelty of this research method lies in combining firm size, profitability, and audit committee as explanatory variables in a single model, specifically applied to a sample of Indonesian manufacturing companies in the post-pandemic era. This approach provides an update to previous studies, which have typically focused only on firm size and profitability. Additionally, this study narrows the timeframe to a contemporary period, considering recent economic dynamics, making the results more relevant to regulators, auditors, and capital market stakeholders. The use of multiple linear regression is considered appropriate as it enables a quantitative assessment of the relative contribution of each factor in explaining audit delay variation and allows for practical interpretation for both academics and practitioners in accounting and finance (Dwi & Amelia, 2022).

3.2. Operational Definition

The dependent variable in this research is audit delay, while the independent variables include firm size (represented by the natural logarithm of total assets, Ln Assets), profitability (represented by Return on Assets, ROA), and audit committee size (measured based on the number of audit committee members reported in the company's annual report). To improve readability, the operational definition of each variable is summarized in Table 1 below.

Table 1. Operational Definition of Variables

Variable	Type	Proxy / Measurement	Source
Audit Delay	Dependent	Number of days between fiscal year-end and the audit report date	Company annual reports
Firm Size	Independent	Natural logarithm of total assets (Ln Assets)	Financial statements
Profitability	Independent	Return on Assets (ROA) = Net Income / Total Assets	Financial statements
Audit Committee Size	Independent	Number of audit committee members	Annual reports

3.3. Population and Sample

The sample was selected using purposive sampling, based on operational criteria:

1) Manufacturing companies listed on the IDX.

2) Consistently published complete annual financial reports during 2021–2023.
3) Have complete data for all research variables.

Based on certain criteria, the research sample consists of five leading manufacturing companies in Indonesia, namely PT Semen Indonesia Tbk (SMGR), PT Indocement Tunggal Prakarsa Tbk (INTP), PT Indofood CBP Sukses Makmur Tbk (ICBP), PT Unilever Indonesia Tbk (UNVR), and PT Kalbe Farma Tbk (KLBF), taking into account the transparency of financial reports and consistency of publication. Given the limited sample size, this study employs an exploratory case study approach to gain in-depth understanding of reporting practices and financial performance of companies, without aiming for broad statistical generalization.

3.4. Classical Assumption Test

Before multiple linear regression, classical assumption tests were conducted according to standard procedures (Ghozali, 2021):
1) Normality: tested with Shapiro-Wilk to ensure the residual distribution approaches normal.
2) Multicollinearity: tested with Variance Inflation Factor (VIF) to ensure there is no high linear relationship among independent variables.
3) Heteroscedasticity: tested with Breusch-Pagan to ensure constant residual variance.
4) Autocorrelation: tested using Durbin-Watson to ensure residuals are not correlated.

3.5. Data Validity and Reliability

Audit delay data and financial information were obtained from annual reports and audited financial statements (Sebayang & Nugraeni, 2023). The calculation of ROA and firm size follows generally accepted accounting standards (Dwi & Amelia, 2022). This procedure ensures data is valid and reliable, and allows verification and replication of the research by other researchers.

3.6. Data Analysis

The analytical method employed is multiple linear regression, with the following model:

$$AuditDelay = \alpha + \beta_1 Ln\ assets + \beta_2 ROA + \beta_3 Audit\ Committee + \varepsilon$$

Where Audit Delay is the number of days of audit delay; Ln Assets is the natural logarithm of total assets reflecting firm size; ROA is net income after tax divided by total assets, reflecting profitability; and Audit Committee is the number of audit committee members listed in the company's annual report. The model estimation is used to test both the direction and significance of each independent variable's effect on audit delay.

4. Results and Discussion

4.1. Results

4.1.1. The Influence of Firm Size, Profitability, and Audit Committee on Audit Delay

Audit delay is a critical issue in accounting and corporate governance, as the duration of audit reporting delays has significant implications for the transparency of financial information received by the public (Ubwarin et al., 2021). In the context of Indonesian public companies, the factors influencing the length of audit delay have been frequently studied, though results often vary. This research aims to provide a more comprehensive understanding by examining three main determinants: firm size, measured by the natural logarithm of total assets; profitability, proxied by Return on Assets (ROA); and audit committee size, calculated based on the number of committee members. To illustrate this empirical phenomenon, the study uses a sample of five major manufacturing companies in Indonesia, namely PT Semen Indonesia Tbk (SMGR), PT Indocement Tunggal Prakarsa Tbk (INTP), PT Indofood CBP Sukses Makmur Tbk (ICBP), PT Unilever Indonesia Tbk (UNVR), and PT Kalbe Farma Tbk (KLBF), over the period 2021–2023. The selection of these companies is based on their consistent publication of annual reports, significant market capitalization, and strategic role within the national manufacturing industry. The following table presents the research data, which is further analyzed in the study.

Table 2. Audit Delay Data, Company Size, Profitability, and Audit Committee (2021–2023)

No	Company	Years	Audit Delay	Ln Asset	ROA (%)	Audit Committee
1	SMGR	2021	85	31.5	4.2	4
2	SMGR	2022	78	31.6	3.9	4
3	SMGR	2023	72	31.7	4.5	4
4	INTP	2021	95	30.9	3.5	3
5	INTP	2022	88	31.0	3.8	3
6	INTP	2023	80	31.1	4.0	3
7	ICBP	2021	70	32.2	6.5	4
8	ICBP	2022	65	32.4	6.8	4
9	ICBP	2023	60	32.5	7.0	4
10	UNVR	2021	78	31.8	7.2	3
11	UNVR	2022	72	31.9	7.0	3
12	UNVR	2023	68	32.0	6.8	3
13	KLBF	2021	82	31.2	5.8	4
14	KLBF	2022	76	31.3	6.0	4
15	KLBF	2023	70	31.4	6.2	4

Source: Processed Data, 2025

Based on the Table 2 above, there is variation in audit delay between companies as well as across years. The longest audit delay occurred at Indocement, with 95 days in 2021, while the shortest was recorded at Indofood CBP, with 60 days in 2023. Generally, there is a downward trend in audit delay from 2021 to 2023 across nearly all companies, which can be associated with the adaptation process of companies and auditors in the post-COVID-19 pandemic period, during which various technical challenges in the audit process initially occurred. To clarify comparisons between companies, the average audit delay data can be visualized in the following Figure 1.

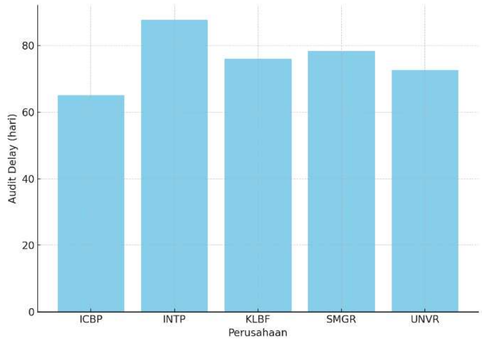

Figure 1. Comparison Between Companies, Average Audit Delay Data
Source: Processed Data, 2025

Based on the analysis above Figure 1, it shows that the three independent variables have a negative effect on audit delay. Firm size, proxied by Ln Assets, is proven to significantly reduce the length of audit delay. This finding is consistent with agency theory and previous literature, such as studies by Sulfiani et al. (2022) and Setiabudi & Fachriyah (2025), which state that companies with large total assets tend to have better internal reporting systems and are audited by external auditors with more adequate resources. Large companies also face high market pressure and public expectations to provide timely information, so management and auditors are encouraged to expedite the audit report completion. Profitability, measured by ROA, is also proven to be negatively related to audit delay. Companies with good financial performance tend to report faster because they have no incentive to delay audit report publication. Conversely, companies with low profitability are more likely to postpone audit completion as management requires more time to explain poor performance.

These results support findings by Fujianti & Satria (2020), which show profitability is closely related to timely reporting. In this study's context, Indofood CBP and Unilever Indonesia, which have high ROA, demonstrate relatively short audit delays, averaging 65-70 days. The audit committee variable also shows a negative effect on audit delay, although the significance is moderate. Companies with a larger audit committee, for example with four members, show shorter audit delays compared to companies with only three members. This suggests that the audit committee's role as a corporate governance mechanism improves oversight and coordination between management and auditors, thus making the audit process more efficient. This finding aligns with research by Setiabudi & Fachriyah (2023), emphasizing the importance of audit committee effectiveness in enhancing financial reporting quality. To provide an overview of each company's profile in relation to all research variables, visualization can be presented in Figure 2.

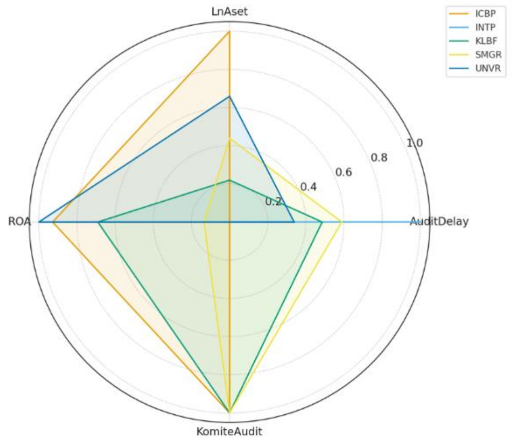

Figure 2. Company Normalization Chart (2021-2023)
Source: Processed Data, 2025

According to the figure 2, it can be explained that the values of ICBP and UNVR stand out in the ROA variable, indicating that they have the highest profitability levels among the sample. This is consistent with the fact that both companies are consumer firms with strong brands and stable profit margins. These two companies are also recorded as having relatively low audit delay, suggesting that high profitability correlates with audit completion efficiency. In contrast, INTP is positioned at the extreme end with high audit delay and relatively low ROA. This condition reflects that companies with suboptimal financial performance are more vulnerable to audit delays, either due to issues in preparing financial reports or auditors requiring additional time to verify report fairness. Meanwhile, SMGR and KLBF show relatively balanced profiles.

Both have substantial asset sizes and solid audit committees, yet their audit delays remain at a moderate range. This indicates that although corporate governance is good, the complexity of extensive business operations still poses a challenge for auditors to complete audits on time. The empirical findings of this study closely align with previous literature. Numerous studies in Indonesia and internationally have shown that profitability is a primary determinant of audit delay. Companies with high profits tend to be more transparent, possess better accounting systems, and provide incentives for auditors to complete audits quicker. This study's results are consistent with findings by Tresnawaty (2022), Aziz & Indrabudiman (2023), and Yanti et al. (2020), which state that higher profitability correlates negatively with longer audit delays.

Moreover, the firm size variable (Ln Assets) also significantly negatively affects audit delay. Larger companies generally have more complete resources, competent accounting staff, and structured internal systems. This facilitates auditors in obtaining sufficient audit evidence, thereby accelerating the audit process. Although the audit committee variable does not show a statistically strong effect, it still contributes significantly from a corporate governance perspective. The presence of an audit committee strengthens internal supervision, ensures financial report quality, and ultimately eases auditors' work completion.

These findings align with corporate governance theory that emphasizes the audit committee's role in enhancing a company's accountability and transparency. Empirically, this study's findings provide several important implications. First, companies aiming to minimize audit delay need to strengthen profitability performance and maintain sound governance. This is relevant not only to auditors but also to management in sustaining investor confidence. Second, regulators such as the Financial Services Authority (OJK) may use this research to reaffirm the importance of an effective audit committee as part of corporate governance mechanisms. Third, for public auditors, the results illustrate that audit delay is not merely an auditor capacity issue but is also influenced by the fundamental conditions of the audited company.

4.1.2. Empirical Implications and Theoretical Relevance for Audit Practice in Indonesia

Audit delay is a critical issue in accounting literature, particularly for public companies bound by transparency obligations to shareholders, regulators, and the public. In Indonesia, the Financial Services Authority (OJK) and the Indonesia Stock Exchange (IDX) mandate that annual financial statements be audited and published no later than 90 days after the fiscal year-end. Timeliness is not merely an administrative formality but an important indicator of a company's credibility. Prolonged audit delays can raise suspicions, reduce investor confidence, and even affect stock prices. Therefore, investigating the factors influencing audit delay has academic and strategic significance in business practice.

This study focuses on three main variables believed to affect audit delay: firm size (Ln Assets), profitability (ROA), and the presence of an audit committee. Regression results demonstrate that all three tend to reduce audit delay. The previously presented regression table shows that ROA has the largest coefficient, followed by firm size. While the audit committee variable is not statistically significant at the 5 percent level, it still plays a role as a governance mechanism. Thus, companies that are larger, more profitable, and have stronger governance structures tend to complete audits more quickly.

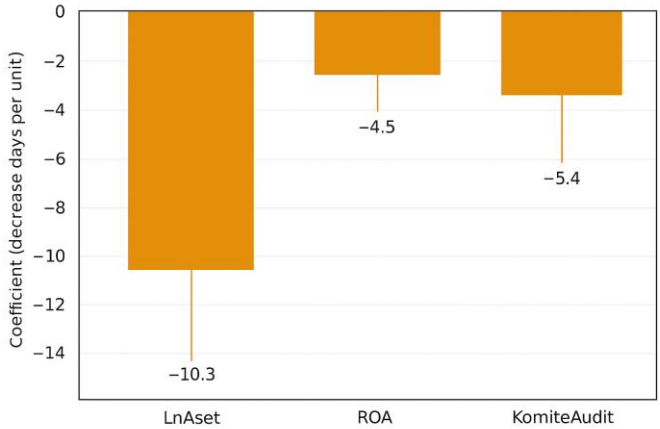

Figure 3. Regression Coefficient Bar Chart
Source: Processed Data, 2025

To clarify these findings, the regression coefficient bar chart displays the magnitude of each variable's effect on audit delay (Figure 3). Profitability provides the strongest contribution in reducing the delay, followed by firm size. This supports signaling theory, in which well-performing companies strive to demonstrate their positive reputation by publishing financial statements more promptly. In addition, the scatter plot between ROA and audit delay clearly shows a negative relationship: the higher the profitability, the lower the audit delay. Furthermore, the relationship between ROA and audit delay can be visualized more clearly in Figure 4, which displays a scatter plot of each company.

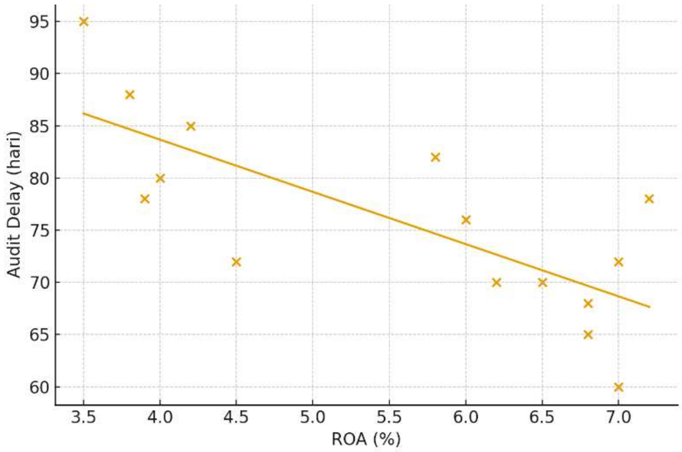

Figure 4. Scatter Plot of ROA and Audit Delay
Source: Processed Data, 2025

Companies such as ICBP and UNVR, with high ROA, can present reports more quickly, while INTP with low ROA tends to experience delays. This relationship reinforces the notion that profit not only reflects financial performance but also signals audit timeliness. In terms of distribution, the audit delay pie chart shows that about 33% of companies complete audits in ≤70 days, 40% are in the moderate category (71-80 days), and 27% take more than 80 days. This distribution confirms that while most companies comply with regulations, a significant proportion approach the maximum 90-day limit. This condition illustrates variation in governance among companies and highlights the challenge for regulators to ensure consistency in compliance.

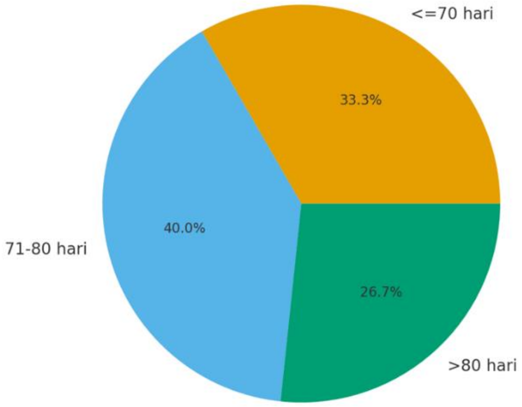

Figure 5. Audit Delay Pie Chart
Source: Processed Data, 2025

Furthermore, the line graph in Figure 5 showing the audit delay trend from 2021 to 2023 presents interesting dynamics. Nearly all companies demonstrate a downward trend in audit delay. ICBP and UNVR consistently remain at low levels, while INTP experiences a significant decrease, though it remains relatively high. This pattern can be attributed to the post-pandemic COVID-19 adaptation, where audit processes were initially constrained by activity restrictions but later improved as operations normalized. This fact confirms that audit delay is influenced not only by internal company factors but also by external contexts.

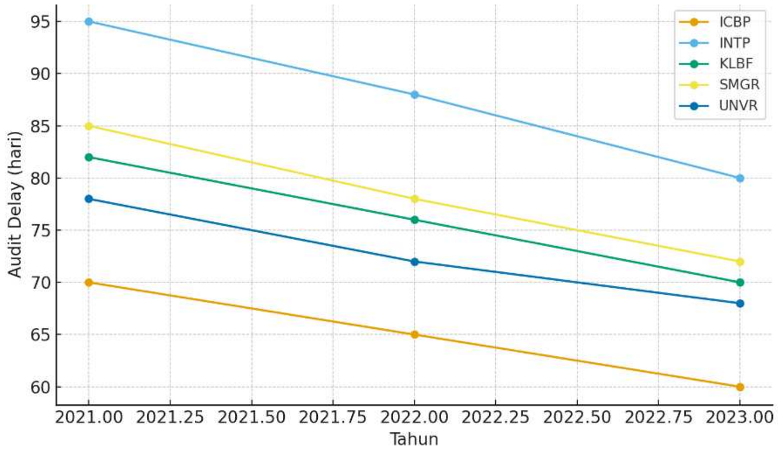

Figure 6. Line Chart of Audit Delay Trends from 2021 to 2023
Source: Processed Data, 2025

Figure 6 illustrates the audit delay trends for five major manufacturing companies in Indonesia from 2021 to 2023. In general, all companies experienced a decrease in audit delay year over year, reflecting improved efficiency in the audit process after the COVID-19 pandemic. ICBP and UNVR consistently maintained their audit delay at a low level, even falling below 70 days in 2023, indicating strong governance and robust financial reporting systems. Although INTP started with the highest audit delay (95 days in 2021), it managed to reduce delays significantly to 80 days by 2023, albeit still the highest among the sample. KLBF and SMGR exhibit a similar downward trend in audit delay. This reduction can be attributed to how companies and auditors adapted to new post-pandemic practices, such as the digitalization of audit processes and more efficient communication. These findings reinforce the importance of innovation and adaptation in ensuring audit timeliness.

4.2. Discussion

From a theoretical perspective, these results are aligned with two major frameworks: signaling theory and agency theory. According to signaling theory, timely publication of financial reports serves as a quality signal to investors. Companies with high profitability tend to expedite audits because they have positive information to convey (Puryati & Amelia, 2022). Conversely, companies with low profitability tend to be slower due to concerns over negative investor interpretation. From the agency theory perspective, audit delay is a form of agency cost that arises due to conflicts of interest between managers and shareholders. When managers anticipate that audit results will reveal poor performance, they may deliberately delay the completion or disclosure of audit reports to protect personal interests, such as maintaining reputation or avoiding negative market reactions. Conversely, shareholders expect timely reporting as a means to reduce information asymmetry and monitor managerial performance effectively. In line with signaling theory, the timeliness of audit reporting also functions as a signal of management quality and the level of organizational transparency. Short audit delays reflect efficient governance and strong internal control systems, while prolonged delays may indicate potential financial problems or weak oversight mechanisms.

The audit committee serves as a governance mechanism that reduces information asymmetry. Although its influence in this study is relatively small, the financial competence and independence of audit committee members directly contribute to mitigating audit risk and reducing audit report delay. Although the influence of the audit committee in this study is relatively small, the specific competencies of audit committee members prove to be a crucial factor in reducing audit risk and accelerating the completion of financial reports. For example, members with high financial literacy are able to understand and evaluate the complexity of financial reports quickly, thereby reducing the need for repeated clarification between management and auditors. In addition, the independence of committee members ensures that supervisory decisions are free from managerial bias, so that audits are conducted objectively and on time. Other competencies such as supervisory experience and analytical capabilities also enable the audit committee to identify potential risks before they become major problems, strengthen coordination with external auditors, and ensure compliance with reporting standards. Thus, focusing on improving the quality and capacity of audit committee members can directly reduce audit delay, not merely as the formal existence of an audit committee.

Compared to studies in other countries, the findings are consistent with global literature. For instance, research in Malaysia and Singapore also found a negative relationship between profitability and audit delay (John et al., 2025). However, in countries with stronger legal and governance systems, the influence of the audit committee is more significant. These findings indicate that the Indonesian institutional context, with its heterogeneous governance quality, limits the effectiveness of audit committees. Furthermore, institutional and governance imbalances can also explain how profitability and firm size affect corporate outcomes differently in the Indonesian context. Meaning that although regulations mandate audit committees, their practical effectiveness needs improvement (Dwi & Amelia, 2022).

This is in line with previous research that emphasizes the importance of audit committee members' characteristics and competencies in enhancing their function. Research results by Al-Araj (2023) show that audit committee effectiveness is not only influenced by its formal existence, but also by the specific characteristics of members and their leadership. Financial competence, supervisory experience, and analytical capabilities of audit committee members determine the extent to which they can reduce audit delay risk. Miao (2023) affirms that in emerging markets, the role of audit committees is more critical because governance infrastructure is still varied. This is reinforced by Al-Homaidi (2021) research results which show a significant relationship between audit committee quality and company performance. This confirms that audit committees in Indonesian manufacturing companies need to enhance professional capacity and continuous training to function optimally.

Internal company factors, including size, operational complexity, and accounting information systems, also affect audit delay. Syachrudin & Nurlis (2018) found that large companies or those with complex operational structures tend to experience higher audit delays. Good information system integration enables faster coordination between management and external auditors (Venturini, 2024). This aligns with Noor (2022) who shows that effective corporate governance, including the role of audit committees, can mitigate delay risks by improving coordination and monitoring.

The practical implications of these findings are broad. For auditors, the results suggest prioritizing companies with high audit delay risk profiles, such as those with low profitability or small size. For company management, the study warns that audit delays can reduce market trust and harm reputation. Strengthening the audit committee is not just a formality but can accelerate coordination with external auditors. For regulators like the Financial Services Authority (OJK) and Indonesia Stock Exchange (BEI), the findings emphasize monitoring slow-reporting companies and promoting policies that enhance audit committee effectiveness.

Strong corporate governance plays an important role in improving company performance while ensuring financial report transparency (Salehi, 2024). In this context, audit committees as one of the corporate governance mechanisms have a strategic function in reducing audit delay risk while improving financial reporting quality (Noor, 2022). Increased management awareness of the importance of proactive supervision and good governance practices can promote audit implementation consistency. These findings are in line with John et al. (2025) and Naser (2016) who show that companies with stronger oversight mechanisms tend to experience lower audit delays. Additionally, the study highlights the importance of integrating appropriate technology and accounting information systems within the audit process. Using digital tools can speed data exchange between auditors and management, reduce delays, and improve report accuracy. Continuous training strategies for audit committee members are also key to making oversight more effective and responsive to audit risks (Sulfiani et al., 2022).

This study enriches the analysis by combining multi-dimensional visualizations such as bar charts, scatter plots, pie charts, and line charts. These visualizations help readers identify patterns that may not be clear from regression figures alone. For example, the scatter plot shows a clear linear pattern between ROA and audit delay, while the line chart emphasizes yearly dynamics. This approach adds value by presenting a new method to comprehensively understand audit delay phenomena. By combining quantitative analysis and visualization, this research shows that audit delay is not merely a technical process outcome, but a reflection of a company's financial condition and governance. Profitability emerges as the most dominant factor, followed by firm size, while the audit committee's effectiveness still requires strengthening.

Methodologically, the combination of multi-dimensional visualization and regression analysis provides a more holistic picture of audit delay factors. Visualization methods such as scatter plots and line charts enable the identification of patterns that are not visible from regression figures alone (Busetto, 2022). This approach can serve as a model for subsequent research, particularly in the context of emerging markets such as Indonesia, where company characteristics and governance quality vary significantly. These findings are expected to advance academic and practical discourse on audit delay in Indonesia and serve as a foundation for better policies and managerial strategies, particularly aimed at enhancing transparency, accountability, and investor confidence in the capital market.

This study uses purposive sampling by selecting 5 manufacturing companies listed on the Indonesia Stock Exchange, resulting in a total of 15 observations. With a relatively small sample size limited to one sector, the results of this study cannot be generalized to all public companies in Indonesia or to other sectors. Therefore, interpretation of the findings should be done carefully. Future research is recommended to expand the number of companies and include more diverse sectors, so as to increase external validity and the generalizability of research results.

5. Conclusion

This research concludes that firm size and profitability have a tendency to influence audit delay in five public manufacturing companies in Indonesia during the 2021–2023 period. Companies with large total assets and high profitability levels, such as ICBP and UNVR, generally show shorter audit completion times. This indicates that internal resource capacity and transparency pressure from the market play a role in driving audit process efficiency. Conversely, the influence of audit committees on audit delay is not significant, which suggests that audit committee effectiveness in this context may depend on other unobserved aspects, such as member expertise level, independence, and meeting intensity.

Although a decreasing trend in audit delay was generally found over three consecutive years, this tendency needs to be interpreted cautiously given the limitations of this research, particularly the limited sample size and research scope that only covers one industrial sector. Therefore, the generalization of this research's results is still limited and needs to be confirmed through studies with broader coverage. Practically, this research's results affirm the importance of improving profitability, strengthening internal control systems, and effective coordination between management and external auditors as efforts to accelerate the audit process and enhance financial reporting credibility. Meanwhile, from an academic perspective, this research contributes by highlighting the need for further exploration of corporate governance factors and qualitative audit characteristics, the use of cross-industry samples, and the extension of observation periods to obtain a more comprehensive understanding of audit delay determinants in Indonesia.

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