



Audit Report Lag: High and Low Audit Committee Experience Context

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ABSTRACT

This study aims to examine the effect of Key Audit Matters (KAM), operational complexity, audit committee gender, and audit committee work experience on audit report lag (ARL) among consumer non-cyclical, property, and real estate companies listed on the Indonesia Stock Exchange (IDX) during 2022–2024. The study uses a quantitative approach with panel data regression using Eviews 12, the research distinguishes between firms with high and low audit committee experience to identify situational differences in governance effectiveness. The results show that KAM and audit committee work experience significantly reduce audit report lag, indicating that greater transparency and professional competence improve audit efficiency. Operational complexity and audit committee gender do not significantly affect ARL, suggesting that structural and demographic attributes are less influential without strong governance capabilities. The effects of KAM and experience are stronger in firms with low audit committee experience and diminish in firms with highly experienced committees, demonstrating that governance mechanisms operate conditionally depending on the committee's expertise. Theoretically, these findings reinforce agency theory and corporate governance theory by emphasizing that reduced information asymmetry and effective oversight improve audit timeliness. Practically, the results highlight the importance for companies and regulators to strengthen audit committee expertise and enhance communication between auditors and governance bodies to support timely financial reporting. The novelty of this study lies in its situational approach that differentiates governance effectiveness based on varying levels of audit committee experience, offering a deeper insight into how governance attributes interact to influence audit efficiency in emerging markets.

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1. INTRODUCTION

Financial reporting plays a vital role in supporting decision-making for investors, regulators, and other stakeholders by providing reliable and relevant information about a company's financial performance. Within the domain of financial accounting and auditing, the timeliness of audited financial statements is crucial to preserve the relevance of information and mitigate broader issues such as information asymmetry, reduced market efficiency, and weakened transparency. Although public companies are required to have their financial statements audited to ensure compliance with prevailing standards, in practice many entities experience delays in the issuance of audited reports. The interval between fiscal year-end and the signing date of the auditor's report referred to as the audit report lag (ARL) is widely recognized as an important measure of how efficiently reporting activities are carried out (Abernathy et al., 2017; Aulia and Abbas, 2024; Iksan et al., 2021). Prolonged delays in audit completion may erode stakeholder confidence as well as diminish the usefulness of financial information (Wiedjaja and Eriandani, 2021). In line with recent regulatory reforms, the introduction of Key Audit Matters (KAM) through ISA 701 aims to improve transparency in audit reporting by requiring disclosure of significant audit judgments (Hegazy and Kamareldawla, 2021). However, prior research shows inconsistent evidence regarding whether KAM disclosures accelerate or delay audit reporting, making ARL an increasingly relevant research issue (Alawadhi et al., 2024; Rahaman and Bhuiyan, 2025).

Existing studies have identified several determinants of ARL, including operational complexity, audit committee gender diversity, and audit committee work experience, but findings across the literature remain inconclusive. While firms with more complex operations are often associated with longer audit engagements due to broadened audit scope (Khamisah et al., 2023), other studies show that internal control quality and audit technology may mitigate such delays (Napisah and Soeparyono, 2024). Similarly, gender-diverse audit committees have been linked to enhanced monitoring effectiveness (Adams and Ferreira, 2009), yet their influence on ARL has been found to be inconsistent (Sartika and Cheisviyanny, 2025; Sunandar and Hidayat, 2022). These mixed results indicate that the effects of governance characteristics on ARL may depend on contextual or situational governance conditions rather than operating uniformly across firms.

Corporate governance theory suggests that the professional experience of audit committee members plays a significant role in improving oversight effectiveness, communication with auditors, and decision-making efficiency (DeZoort et al., 2003). Audit committee experience may therefore influence how firms respond to KAM disclosures, operational complexities, and internal committee dynamics. However, prior studies have predominantly treated audit committee work experience as a moderating variable, and there is limited research examining how differences in audit committee experience change the structural relationship between governance attributes and ARL, particularly in emerging market settings.

Accordingly, the novelty of this research lies in its situational approach, which distinguishes between firms with high and low audit committee work experience rather than treating experience merely as a moderating factor. By comparing these two conditions, this study provides deeper insight into how governance capability shapes audit efficiency. This approach contributes new empirical understanding to literature that has predominantly generalized governance effects without considering differences in governance capacity across firms.

Accordingly, this research aims to assess how the disclosure of Key Audit Matters, the level of operational complexity, and the gender composition of the audit committee are associated with the length of the audit report issuance period, while also comparing these effects across firms with differing levels of audit committee experience. The study is conducted on companies operating in the consumer non-cyclical, property, and real estate industries that are listed on the Indonesia Stock

Exchange (IDX) throughout 2022–2024, where audit processes and governance dynamics are known to be particularly significant.

2. METHODS

This study employs a quantitative research design using panel data regression to examine the effects of Key Audit Matters (KAM), operational complexity (COMPLX), audit committee gender (ACGENDER), and audit committee work experience (ACEXP) on audit report lag (ARL). The use of panel data allows the analysis to capture both firm-level and temporal variations while controlling for unobservable firm-specific characteristics, aligning with methodological approaches commonly used in ARL research (Putri and Istiqomah, 2024). Additionally, unlike prior studies that treat work experience solely as a moderating factor, this research adopts a situational comparative design by analyzing firms grouped into high and low audit committee experience conditions. This design allows for assessing how governance capability shapes audit efficiency outcomes.

The scope of this research includes companies classified under the Consumer Non-Cyclicals, Property, and Real Estate sectors that are listed on the Indonesia Stock Exchange (IDX) for the 2022–2024 financial reporting periods. These industries were chosen because they generally hold substantial assets and involve complex valuation processes, which can affect the required audit workload and the duration needed to finalize audit reports. The sample was selected through a purposive sampling technique, requiring that the firms remained continuously listed throughout the study period, issued full audited annual financial statements, and provided disclosures regarding Key Audit Matters and audit committee characteristics. After applying these selection standards and removing extreme data values, the final dataset consisted of 162 companies, producing 486 firm-year observations.

The study relies on secondary data obtained from audited annual reports, corporate governance reports, and independent auditor's reports publicly accessible through the IDX official website and corporate disclosures. Data collection was performed using document review techniques, ensuring cross-verification between reporting sources to maintain reliability and accuracy in identifying audit report dates, committee characteristics, and operational structures. The variables in this study are defined and measured as follows in **Table 1**.

This study utilizes Eviews 12 as the primary analytical tool due to its robustness in panel data estimation, efficient processing of large datasets, and comprehensive model testing capabilities, consistent with previous ARL research (Khamisah et al., 2023). Prior to estimating the regression models, descriptive statistics and correlation analyses were conducted to examine initial data patterns and identify potential multicollinearity issues. The Chow test, Hausman test, and Lagrange Multiplier test were then applied to determine the most appropriate estimation method. The results show that the Fixed Effect Model (FEM) provides the best specification for both the full sample and firms with lower audit committee experience, while the Random Effect Model (REM) is more suitable for firms with higher audit committee experience. Accordingly, the regression model used in this study is specified as follows:

$$ARL_i = \alpha + \beta_1 KAM_i + \beta_2 COMPLX_i + \beta_3 ACGENDER_i + \beta_6 ACEXP_i + \epsilon_i$$

This analytical procedure ensures that the effect of each governance and disclosure factor on audit report timeliness is evaluated under distinct governance capability conditions.

Table 1. Operational definitions of the research variables

Variabel	Operational Definition	Variabel Measurement
Audit Report Lag (ARL)	The duration required to finalize the audit process for a company's annual financial statements.	The total number of days between the company's fiscal year-end and the date the audit report is signed or officially issued. (Farumi et al., 2023; Wulandari and Barokah, 2022)
Key Audit Matters (KAM)	The number of key audit matters identified and disclosed in the auditor's report for a company's annual financial statements.	The total number of Key Audit Matters disclosed (Pratama and Lusiani, 2024)
Operational Complexity (COMPLX)	The extent of a company's operational structure.	Number of subsidiaries (Herawaty and Nugraha, 2023)
Audit Committee Gender (ACGENDER)	The percentage of women serving on a company's audit committee.	$\frac{\text{Female Audit Committee Member}}{\text{Number of Committee Members}} \times 100\%$ (Alkebsee et al., 2022; Sunandar and Hidayat, 2022)
Audit Committee Work Experience (ACEXP)	Professional experience held by members of the audit committee.	The total number of audit committee members with prior experience in accounting/auditing/finance/serving on audit committees (Alkebsee et al., 2022)

3. RESULTS AND DISCUSSION

3.1. Descriptive Statistic

The results of descriptive statistics in this research are shown in **Table 2**, which explains the amount of data in analyzing each variable, totaling 486 observation data.

The results show that, on average, companies disclose 1.27 KAMs, indicating that auditors typically report one to two significant audit issues, which is consistent with disclosure trends in Indonesian listed firms. The mean value of Operational Complexity is 8.47, suggesting considerable variation in subsidiary and project structures, characteristic of consumer non-cyclicals and real estate sectors. The average female representation in audit committees is 23.8%, implying moderate gender diversity. Meanwhile, the mean work experience is 1.98, indicating that audit committees in Indonesia generally do not have much experience in the accounting/audit/finance/audit committee field.

When data are split by work experience levels, several patterns emerge. In the high-experience group, firms exhibit a higher mean for KAM (1.28) and operational complexity (8.70), with audit committees averaging 2.32 years of experience. Conversely, in the low-experience group, mean values of KAM (1.24), complexity (7.77), and gender diversity (21.5%) are lower, while the average audit report lag tends to be longer.

Table 2. Descriptive statistic

Overall Sample					
Variable	N	Mean	Std. Dev.	Min	Max
KAM	486	1.271605	0.595772	0.000000	4.000000
COMPLX	486	8.469136	11.99115	0.000000	69.00000
ACGENDER	486	0.238889	0.259897	0.000000	1.000000
ACEXP	486	1.989712	0.766500	0.000000	4.000000

High Audit Committee Work Experience					
Variable	N	Mean	Std. Dev.	Min	Max
KAM	366	1.281421	0.605938	0.000000	4.000000
COMPLX	366	8.699454	12.21463	0.000000	69.00000
ACGENDER	366	0.246630	0.260892	0.000000	1.000000
ACEXP	366	2.322404	0.518048	1.000000	4.000000

Low Audit Committee Work Experience					
Variable	N	Mean	Std. Dev.	Min	Max
KAM	120	1.241667	0.565029	0.000000	3.000000
COMPLX	120	7.766667	11.30236	0.000000	61.00000
ACGENDER	120	0.215278	0.256472	0.000000	0.666667
ACEXP	120	0.975000	0.438916	0.000000	2.000000

Source: Processed by Eviews 12 (2025)

3.2. Multicollinearity Test

Table 3 presents the correlation matrix. Following (Ghozali and Ratmono, 2017), multicollinearity is indicated when correlations exceed 0.8. Since none of the variables show correlations above this threshold, multicollinearity is not a concern, and the model can be considered valid and reliable.

Table 3. Correlation matrix

Overall Sample				
	KAM	COMPLX	ACGENDER	ACEXP
KAM	1			
COMPLX	0.083719	1		
ACGENDER	0.026188	-0.120466	1	
ACEXP	0.033222	0.0684978	0.049623	1

High Audit Committee Work Experience				
	KAM	COMPLX	ACGENDER	ACEXP
KAM	1			
COMPLX	0.095487	1		
ACGENDER	0.045009	-0.083111	1	
ACEXP	-0.010540	0.088526	0.010087	1

Low Audit Committee Work Experience				
	KAM	COMPLX	ACGENDER	ACEXP
KAM	1			
COMPLX	0.037853	1		
ACGENDER	-0.043088	-0.255270	1	
ACEXP	0.126219	-0.021513	0.035770	1

Source: Processed by Eviews 12 (2025)

3.3. Heteroskedasticity Test

Table 4 presents the heteroskedasticity test results, which show p-values greater than 0.05 for the full sample and all subsamples. This indicates that the residuals are constant and that the data do not exhibit symptoms of heteroskedasticity.

Table 4. Heteroskedasticity test

Overall Data			
F-statistic	1.168933	Prob. F (4,481)	0.3237
Obs*R-squared	4.678854	Prob. Chi-Square (4)	0.3219
High Audit Committee Work Experience			
F-statistic	1.067047	Prob. F (4,481)	0.3726
Obs*R-squared	4.276741	Prob. Chi-Square (4)	0.3698
Low Audit Committee Work Experience			
F-statistic	2.261079	Prob. F (4,481)	0.0668
Obs*R-squared	8.749436	Prob. Chi-Square (4)	0.0677

Source: Processed by Eviews 12 (2025)

3.4. Main Regression Result

The full-sample regression results provide an overarching perspective on how Key Audit Matters (KAM), operational complexity (COMPLX), audit committee gender (ACGENDER), and audit committee work experience (ACEXP) influence audit report lag (ARL) across Indonesian listed firms. The use of a Fixed Effect Model (FEM) for this sample ensures that unobserved firm-specific characteristics such as organizational culture, internal reporting systems, and audit firm relationships are accounted for, allowing the estimated coefficients to more reliably reflect the within-firm effect of each variable. Table 5 present the main regression outcomes for the overall sample.

Table 5. Regression result for overall sample

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	106.0798	8.511227	12.46352	0.0000
KAM	-9.870559	2.198136	-4.490422	0.0000
COMPLX	0.391899	0.605844	0.646865	0.5182
ACGENDER	-0.602923	8.524542	-0.070728	0.9437
ACEXP	-5.560349	2.759372	-2.015078	0.0447
R-squared	0.643042			
Adjusted R-squared	0.458986			
F-statistic	3.493725			
Prob (F-statistic)	0.000000			

Source: Processed by Eviews 12 (2025)

The regression results reveal two statistically significant predictors: KAM and ACEXP. Both exhibit negative coefficients, indicating their association with shorter audit report lag. These findings support major theoretical expectations regarding the role of transparency and oversight competence in shaping audit efficiency.

KAM displays a significant negative coefficient of -9.87, suggesting that each additional KAM disclosed is associated with a reduction of approximately 10 days in the audit reporting timeline. This finding aligns with the premise that KAM disclosures improve communication between auditors and governance bodies by signaling areas requiring intense scrutiny, thereby facilitating early

preparation and timely resolution of key issues (Pratama and Lusiani, 2024; Rahaman and Bhuiyan, 2025). It further aligns with Agency Theory, where additional transparency reduces information asymmetry between managers, auditors, and audit committees, enabling faster coordination and reducing delays caused by hidden or contentious issues (Jensen and Meckling, 1976).

In the context of emerging markets such as Indonesia, KAM also functions as a signaling mechanism that enhances auditor accountability and credibility, rather than adding to the audit burden (Ciğer et al., 2025). With regulations that are increasingly oriented toward transparency, Indonesia's institutional environment appears to strengthen the informational role of KAM in supporting the effectiveness of monitoring mechanisms.

Interestingly, the negative effect observed in the full sample contrasts with certain prior research suggesting that KAM can sometimes lengthen audit time due to heightened documentation and communication requirements (Alawadhi et al., 2024). However, the present findings indicate that, in the sectors studied, KAM acts more as an audit accelerator rather than a burden. This deviation from mixed international evidence may reflect the specific institutional dynamics of Indonesian capital markets, where audit committees often rely on auditor cues to navigate reporting challenges and where regulatory emphasis on transparency has intensified in recent years.

The coefficient for operational complexity is positive (0.39) but statistically insignificant. This suggests that having more subsidiaries does not necessarily translate into longer audit completion times. Several interpretations are possible. First, standardized audit procedures for consolidated entities may reduce the incremental burden of additional subsidiaries (Gul et al., 2018). Audit firms in Indonesia commonly use uniform audit templates and risk assessments that streamline audits of multi-subsidiary firms. Second, the studied industries especially property and real estate often use project-based subsidiary structures, where the audit complexity does not always scale linearly with the number of subsidiaries.

Many subsidiaries may be dormant or hold only specific land titles, reducing the auditing workload despite high subsidiary counts. These findings contradict (Khamisah et al., 2023), who reported that complexity prolongs the audit process, yet they are consistent with (Watini et al., 2024), who found that large firms with professional management are able to maintain audit efficiency despite diverse operational structures. This also aligns with findings by (Napisah and Soeparyono, 2024), who argue that complexity effects are often mitigated by audit technology and standardized practices. Thus, while operational complexity is conceptually linked to increased audit effort, it does not play a dominant role in determining ARL within these sectors.

The gender diversity variable displays a small negative coefficient (-0.60) but is not statistically significant. This indicates that having a higher proportion of women on the audit committee does not meaningfully impact audit timeliness. Several explanations support this outcome.

Although gender diversity is often associated with improved oversight (Adams and Ferreira, 2009), its effectiveness may rely on achieving a critical mass of female representation, something not reflected in the sample, where the average gender diversity is only 23% and many committees have no female members at all. In contexts where female representation is limited, their influence on oversight decisions may be muted, and formal inclusion may not translate into substantive participation or authority. This finding is consistent with (Sartika and Cheisviyanny, 2025) but differs from (Sunandar and Hidayat, 2022), who found that gender-diverse audit committees can enhance reporting timeliness. Consequently, gender diversity appears to be a structural attribute with limited influence on audit timeliness within the examined industries.

ACEXP demonstrates a significant negative coefficient of -5.56, indicating that firms with more experienced audit committees tend to complete their audits more quickly. This finding supports the assertion that experience enhances members' ability to identify reporting issues, coordinate efficiently with auditors, and understand audit processes (Raweh et al., 2021).

The result is consistent with Corporate Governance Theory, which emphasizes the importance of relevant expertise in enhancing board oversight (DeZoort et al., 2003). It also aligns with empirical findings from (Alkebsee et al., 2022), who highlight that experienced board members help reduce audit delays through timely decision-making and improved oversight of financial reporting. The negative effect also complements the observed role of KAM, reinforcing the view that transparency and oversight capability jointly facilitate timely audits.

3.5. Comparative Regression Result

The comparative analysis between high and low ACEXP groups represents the core novelty of this study. Unlike models that treat audit committee experience as a moderating variable, this situational approach reveals that governance mechanisms do not operate uniformly. Instead, their effects depend on the committee’s underlying capability. The regression results for both groups highlight strong contrasts that deepen our understanding of how firms respond to audit disclosures, operational demands, and governance structures. **Table 6** present the regression outcomes for the two sub-sample group.

Table 6. Regression result for two sub-sample

Variable	High Audit Committee Work Experience				Low Audit Committee Work Experience			
	Coefficient	Std. Error	t-Statistic	Prob.	Coefficient	Std. Error	t-Statistic	Prob.
C	89.9874	5.6261	15.9945	0.0000	138.2934	13.891	9.9550	0.0000
KAM	-2.06503	1.6104	-1.2822	0.2006	-27.6817	5.2847	-5.2380	0.0000
KOMP	-0.12826	0.1094	-1.1714	0.2422	-0.63753	1.3113	-0.4861	0.6282
ACGENDER	-5.58251	4.4807	-1.2458	0.2136	0.53942	20.9986	0.0256	0.9796
ACEXP	0.03223	2.1144	0.0152	0.9878	-11.5502	4.9628	-2.3273	0.0226
R-squared	0.01240				0.62714			
Adjusted R-squared	0.00145				0.41618			
F-statistic	1.13332				2.97281			
Prob (F-statistic)	0.34047				0.00001			

Source: Processed by Eviews 12 (2025)

For firms in the high ACEXP group, the Random Effect Model is the best fit. The result show firms with highly experienced audit committees, none of the explanatory variables exhibit a significant effect on ARL. This absence of significance suggests several interpretations.

First, firms with experienced audit committees may maintain stable and efficient audit processes regardless of variations in disclosure quantity or operational structure. Once governance capability reaches a high threshold, incremental changes in KAM disclosures or complexity may not meaningfully influence audit timeliness. This pattern is consistent with the resource-based view of governance (Hillman et al., 2009), which argues that the marginal benefits of governance mechanisms diminish once organizational monitoring capabilities reach maturity

Second, experienced committees may recognize audit risks earlier and actively communicate with auditors before the reporting period ends, reducing the importance of ex-post KAM disclosures. In such cases, KAM may serve merely as confirmation of risks already anticipated and managed, rather than as new information influencing audit duration (Cameran and Campa, 2025).

Third, gender diversity may not play a significant role in high-capability environments because the decision-making processes are already robust and structured, leaving limited room for demographic attributes to influence outcomes. Overall, the high ACEXP results indicate that strong governance systems may neutralize the impacts observed in the full sample, supporting theoretical claims that board expertise reduces information asymmetry and enhances audit predictability regardless of other characteristics (Mahdy et al., 2024).

The findings in the low ACEXP subgroup stand in stark contrast. Here, both KAM and ACEXP exhibit significant negative coefficients, with KAM showing an especially large effect. The coefficient of -27.68 reveals that each additional KAM disclosed dramatically reduces audit report lag, nearly triple the effect observed in the full sample.

This strong effect underscores the role of KAM as an informational substitute in environments with weak governance capacity. When audit committees lack experience, they are unable to effectively identify or monitor critical reporting areas. As a result, they rely heavily on auditor disclosures to understand which issues require attention. The identification of high-risk areas through KAM disclosures therefore prompts more focused preparation, better documentation flow, and improved collaboration with auditors. This dynamic aligns clearly with agency theory, transparency mechanisms take on heightened importance when internal oversight is weak (Abraham et al., 2024).

Similarly, the negative coefficient of -11.55 for ACEXP within this group suggests that even modest increases in experience can substantially enhance governance capability. The marginal benefit of gaining one or two experienced committee members is greatest when the existing capability is low (Jang et al., 2024). These individuals introduce knowledge of audit processes, financial reporting standards, and regulatory requirements that directly contribute to more efficient audits.

Operational complexity and gender diversity remain insignificant in this subgroup. Firms with inexperienced committees likely lack the capability to translate structural or demographic attributes into actionable oversight practices (Alhababsah and Yekini, 2021). Thus, complexity does not trigger meaningful governance responses, and gender representation does not materially affect audit oversight.

These patterns provide the foundation for a broader conceptual explanation of how transparency and governance capability interact to shape audit efficiency. The conceptual structure of this study begins with the role of Key Audit Matters (KAM) as a transparency mechanism that reduces information asymmetry and facilitates smoother alignment between auditors and management. This improved communication forms the basis for shorter audit completion time. However, the extent to which these benefits materialize depends on the level of audit committee experience.

In firms with high audit committee experience, governance processes are already mature, resulting in minimal additional gains from KAM, gender diversity, or other structural characteristics. Audit oversight is optimized, and the effects of these variables become statistically insignificant. In contrast, firms with low audit committee experience rely more heavily on KAM as a practical guide for prioritizing audit issues. Here, both KAM and work experience significantly reduce audit report lag, indicating that transparency and growing expertise work together to enhance coordination and decision-making.

Meanwhile, operational complexity does not meaningfully influence audit timeliness, likely due to audit technology and specialization that help manage diverse operational structures. Gender diversity within the audit committee also shows no direct effect, suggesting that its benefits may require stronger institutional support to influence audit efficiency.

Overall, the regression results support the theoretical expectation that audit transparency (KAM) and governance capability (ACEXP) are key determinants of audit timeliness. The conditional nature of these effects stronger under low experience and weaker under high experience demonstrates a

situational dynamic where governance effectiveness depends on the internal competency base of the audit committee. This finding extends the scope of Corporate Governance Theory by illustrating that governance mechanisms do not operate uniformly but are contingent on experience-driven expertise levels.

In summary, the analysis provides empirical evidence that the timeliness of audit reporting in Indonesia is primarily influenced by the interaction between transparency mechanisms and governance capacity. Operational structure and demographic diversity play secondary roles unless complemented by professional competence and clear communication channels. These results imply that improving audit timeliness requires not only regulatory compliance but also strategic development of audit committee expertise and the reinforcement of auditor committee collaboration. The findings contribute to the literature on audit report lag by emphasizing that timely audit completion emerges from the synergistic effects of information transparency and governance experience, two attributes that together strengthen audit effectiveness in emerging market environments.

4. CONCLUSION

This study investigates how Key Audit Matters (KAM), operational complexity, audit committee gender, and audit committee work experience (ACEXP) influence audit report lag (ARL) in consumer non-cyclical, property, and real estate firms listed on the Indonesia Stock Exchange from 2022–2024. Using 486 firm-year observations and panel data regression, the results show that KAM and ACEXP significantly shorten ARL, indicating that enhanced transparency and greater oversight competence improve audit efficiency. In contrast, operational complexity and gender diversity do not exhibit significant effects. The comparative analysis provides the main novelty of this study, in firms with low audit committee experience, KAM and ACEXP strongly reduce ARL, with the impact of KAM nearly three times larger than in the full sample. However, in firms with high experience, none of the variables significantly affect ARL, suggesting that mature governance structures diminish the marginal effects of disclosure, structural attributes, or demographic characteristics. These findings reinforce Agency Theory and Corporate Governance Theory by showing that transparency and competence jointly mitigate information asymmetry and support timely audit completion, particularly in low-capability environments.

This research has several limitations. Operational complexity is measured solely through the number of subsidiaries, which may not fully represent firms' structural and operational challenges. The division between high and low ACEXP is based on cross-sectional thresholds that may not capture dynamic changes in committee capability. Additionally, the study focuses on three industries, limiting generalizability. Future research may incorporate broader measures of complexity, apply longitudinal governance capability assessments, and extend the sample to additional sectors. Qualitative approaches such as interviews with auditors or audit committee members may also deepen understanding of how communication, experience, and transparency interact to shape audit timeliness in emerging markets.

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