ABSTRACT

This study aims to examine and analyze the effect of Enterprise Resource Planning (ERP) system implementation and profitability on audit report lag in mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2021–2024. This study is grounded in agency theory, which explains that information asymmetry arising from delayed or untimely financial reporting can reduce investor trust, while the adoption of integrated information systems and strong financial performance are hypothesized to mitigate such delays.

This study uses secondary data from audited financial statements and annual reports of 35 mining companies listed on the IDX, selected through purposive sampling, resulting in 123 total observations. Audit report lag is measured as the number of calendar days from fiscal year-end (December 31) to the date of the independent auditor's report. ERP implementation is measured using a dummy variable based on disclosure in the annual report, and profitability is measured using Return on Assets (ROA). Control variables include firm size, firm age, and company complexity. Data analysis employs multiple linear regression using SPSS 27. The results indicate that ERP system implementation does not have a significant effect on audit report lag, suggesting that in the short term, the presence of ERP without considering the maturity and scope of its adoption, does not directly shorten the audit process in mining companies. Profitability, however, is proven to have a negative and significant effect on audit report lag, indicating that companies with higher profitability tend to complete the audit process more quickly. Simultaneously, all variables in the model significantly influence audit report lag.

Keywords*: Audit Report Lag, Enterprise Resource Planning (ERP), Profitability, Mining Companies, Agency Theory.*