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Determinants of Audit Delay in Banking Companies on the Indonesia Stock Exchange

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Abstract

This research is designed to evaluate the specific factors driving audit delays within banking institutions traded on the Indonesia Stock Exchange (IDX) from 2020 to 2024. In this context, audit delay represents the duration separating the close of the fiscal year from the signing date of the independent auditor's report, acting as a key metric for financial disclosure punctuality. Promptly published statements remain critical for stakeholder investment evaluations, particularly given the strict compliance requirements of the financial services industry. This study examines the effect of the Debt-to-Equity Ratio (DER), Public Accounting Firm (KAP) size, client business complexity, Dividend Payout Ratio (DPR), and operating cash flow on audit delay. This study employed a quantitative approach using logistic regression analysis and purposive sampling techniques. The data used were secondary data in the form of annual financial reports from 40 selected banking companies, resulting in 230 total observations. The results of the study indicate that DER has a positive and significant effect on audit delay, while DPR has a negative and significant effect. Meanwhile, the size of the accounting firm, the complexity of the client's business, and operating cash flow do not significantly affect audit delay. These findings indicate that leverage level and dividend policy are the main factors influencing the timeliness of audit completion in banking companies.

KEYWORDS

audit delay; DER; accounting firm size; client business complexity; DPR; cash flow operations.

Introduction

This study aims to investigate the factors influencing audit delay in banking companies listed on the Indonesia Stock Exchange (IDX) during the 2020-2024 period. The underlying catalyst for this investigation stems from the fundamental necessity of prompt financial data disclosure. Corporate accounting information is useful to creditors and investors only when it is delivered efficiently, ensuring its relevance for financial decision-making. This investigation gains particular urgency when focused on banking corporations, considering their fiduciary responsibility as public trust institutions that manage intricate transaction flows while remaining accountable to supervisory bodies like Bank Indonesia and the Financial Services Authority (OJK). The phenomenon of frequent reporting delays, despite established deadlines, indicates a problem in the efficiency of the audit process that requires in-depth analysis. This problem is caused by the dynamics of internal company policies, such as debt policies that require in-depth verification, and management strategies regarding dividend distribution, which often serve as a signal of company performance to the public (Agustina, 2022; Astrina & Resmadely, 2020; Aziz & Sutrisno, 2023; Romli, 2024).

To address this complexity, this study questions the extent to which debt policy, public accounting firm reputation, business complexity, dividend policy, and operational policies influence audit completion time

(Henny, 2022; Kuncaratrah et al., 2019; Praptoyo, 2020; Puryati, 2022). Using a quantitative research method based on logistic regression on secondary data from audited financial statements, this study attempts to provide an empirical contribution to the accounting literature in the banking sector. The analysis reveals important findings: debt policy tends to prolong audit periods due to higher risks, while aggressive dividend policies are associated with shorter audit delays, indicating that companies tend to expedite reporting when they have good news for shareholders. On the other hand, technical factors such as public accounting firm size and operational complexity do not consistently have a significant impact over this observation period. These findings are expected to serve as a reference for regulators in evaluating the effectiveness of reporting policies and for auditors in conducting more precise audit planning in the banking industry.

Literature Review (See table 1)

Hypothesis Development

Based on the theoretical framework and previous empirical research, the hypotheses for this study are developed as follows:

- The Effect of Debt-to-Equity Ratio (DER) on Audit Delay: High leverage increases corporate financial risk and expanding a bank's external debt burdens. Auditors face heightened engagement risks when auditing highly leveraged firms, leading to more extensive testing of liability accounts and debt covenants, which prolongs the verification window(Bachtiar & Handayani, 2022).
  H1: Debt-to-Equity Ratio (DER) positively affects Audit Delay in banking companies.
- The Effect of Public Accounting Firm (KAP) Size on Audit Delay: Large accounting firms (such as the Big Four) are typically equipped with superior technological resources, larger audit teams, and more efficient procedures, which can accelerate the audit process. Conversely, non-Big Four firms may require more time to complete audits of complex financial institutions(Lina et al., 2022; Meini & Nikmah, 2022; Utomo & Sawitri, 2021).
  H2: Public Accounting Firm (KAP) Size negatively affects Audit Delay in banking companies.
- The Effect of Client Business Complexity on Audit Delay: Banks with complex operational structures, multiple branches, or diversified financial products require more complex transaction tracking and verification. This standard audit operational complexity increases the workload of auditors, thereby extending the time needed to finalize the audit report(Amelia & Puryati, 2022; Arif & Hikmah, 2023; Khamisah et al., 2023).
  H3: Client Business Complexity positively affects Audit Delay in banking companies.
- The Effect of Dividend Payout Ratio (DPR) on Audit Delay: According to signaling theory, companies that distribute dividends intend to convey a positive signal to the market regarding their financial health and good performance. Management has a strong incentive to accelerate the audit process so that these profit distribution announcements can be promptly delivered to shareholders(Istimawani, 2022; Kristiani, 2023).
  H4: Dividend Payout Ratio (DPR) negatively affects Audit Delay in banking companies.
- The Effect of Operating Cash Flow on Audit Delay: Stable and positive operating cash flow indicates good internal liquidity and operational stability, reducing the probability of financial distress. Financial stability minimizes the need for extensive auditor going-concern assessments, thereby potentially shortening the audit duration(Astawa, 2024; Rahayu et al., 2021; Simamora, 2021).
  H5: Operating Cash Flow negatively affects Audit Delay in banking companies.

Methods

Research Design and Sample

This study employs a quantitative approach with an associative method to examine the factors influencing audit delay. The population comprises commercial banks listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024. Using a purposive sampling technique, 46 banks met the selection criteria (consistently listed, published complete annual reports, and disclosed independent auditor reports), resulting in 230 final observations 46 x 5 years} = 230). Secondary data gathered from the official IDX repository and bank websites were analyzed using SPSS software(Juhari, 2025; Kalbuana et al., 2024).

Variable Operationalization and Measurement

The dependent variable, audit delay (Y), is operationalized as a dichotomous dummy variable based on OJK Regulation No. 14/POJK.04/2022. It is coded 0 for compliance (audit report signed on or before April 30) and 1 for late submission (signed after April 30).

The independent and control variables are measured as follows:

1. Debt-to-Equity Ratio (DER}: Calculated by dividing total liabilities by total equity.
2. Dividend Payout Ratio (DPR): Calculated by dividing total dividends paid by net income.
3. Public Accounting Firm Size (KAP): A dummy variable coded 1 for Big Four accounting firms and 0 for non-Big Four firms.
4. Client Business Complexity (COMPLEX): Measured as a dummy variable coded 1 for banking companies with high operational complexity (above average asset/extensive branch network) and 0 for lower operational scale.
5. Operating Cash Flow (CF}: Measured using total annual operating cash flows scaled by total assets.

Data Analysis Procedures

Since the dependent variable is binary (Y € {0, 1}), logistic regression analysis (logit model) was applied. A multicollinearity diagnostic test was conducted to ensure the absence of high inter-correlations among predictors, evaluated through Variance Inflation Factor (VIF < 10) and Tolerance (> 0.10). (See table 3).

To evaluate the probability (P) of a banking company experiencing audit delay, the mathematical structure of the logistic regression is formulated through the following logit equation :

$$\boldsymbol{Ln}\left(\frac{\boldsymbol{AD}}{\boldsymbol{1-AD}}\right) = \boldsymbol{B_0} + \boldsymbol{B_1X} + \boldsymbol{B_2X} + \boldsymbol{B_3X} + \boldsymbol{e}$$

The model's overall fit was evaluated using the -2 Log Likelihood (-2LL) function. The goodness-of-fit was measured via the Hosmer and Lemeshow Test, where the model is considered well-fitted if the p-value > α (α = 0.05). The coefficient of determination was assessed using Nagelkerke R Square. Finally, partial hypothesis testing was conducted via the Wald Test to verify the statistical significance ({Sig. < 0.05) of each individual determinant, with risk probability shifts interpreted through the Odds Ratio (Exp(β)).

Result and Discussion

The research findings reveal a varied picture of the factors influencing the timeliness of financial reporting in the banking sector. Descriptive statistical analysis revealed that the average audit delay in the sample companies was within the corridor compliant with OJK regulations, but significant variation persisted across issuers. Statistical outputs from the logistic regression model demonstrate that leverage strategies, operationalized through the Debt to Equity Ratio (DER), exert a meaningful positive impact on the likelihood of facing delayed audit completions. This finding implies that elevated corporate leverage expanding a bank's external debt burdens prolongs the verification window, as auditors must navigate heightened engagement risks and verify intricate liability accounts. On the other hand, profit distribution initiatives captured via the Dividend Payout Ratio (DPR) generated a notable inverse relationship, indicating that companies that distribute dividends tend to have shorter audit delays, conveying a positive signal to the market.

On the other hand, the results of the study indicate that several technical and operational factors do not have a significant influence on audit delays. The reputation of Public Accounting Firms (KAP), whether they are in the Big Four or non-Big Four category, is not proven to significantly affect audit duration, indicating that professional standards in the banking industry have been evenly distributed regardless of KAP size. Similarly, the variables of client business complexity and operational policies proxied by operating cash flow; both do not show a strong statistical relationship with audit delay. Overall, this research model successfully explains the variation in audit delays with an adequate Nagelkerke's R Square value, which confirms that the main determinants of audit delay in the banking sector are more dominantly influenced by capital structure factors and profit distribution policies to shareholders compared to other audit administrative factors(Pratama & Wijaya, 2024; Sari & Utami, 2025).

Descriptive Statistics

Descriptive statistics show that the audit delay variable has a variable range, with an average value still within the OJK regulatory corridor. The debt policy (DER) and dividend policy (DPR) variables exhibited significant standard deviations, reflecting differences in capital structure strategies and profit distribution policies among the sample banks. Meanwhile, the operating cash flow variable showed a stable trend for most issuers throughout the observation period.

Before conducting the logistic regression test, a multicollinearity test was performed to ensure there was no correlation between the independent variables. The test results showed that all independent variables had a Tolerance value > 0.10 and a VIF value < 10. This proves that the regression model is free from multicollinearity symptoms and is suitable for use.

Logistic Regression Analysis Results

Based on Table 2, the test results show a significance value greater than 0.05, indicating no significant difference between the classification predicted by the model and the observed data. Thus, the logistic regression model is deemed fit for use. Furthermore, the model's strength in explaining variation in the dependent variable is demonstrated by the Nagelkerke R Square value.

The Nagelkerke R Square value indicates that the model has adequate predictive power in explaining the audit delay phenomenon in banks in Indonesia, while the rest is influenced by other factors outside this research model, such as macroeconomic conditions or changes in specific internal audit procedures.

Hypothesis Testing

Hypothesis testing was conducted to determine the partial effect of each independent variable on the probability of audit delay. The results of the Wald test are presented in the following table 6.

The logistic regression results in Table 5 confirm the proposed hypothesis. Debt policy (DER) has a positive and significant coefficient, confirming that high liability burdens tend to prolong the audit process due to increased audit risk. Conversely, dividend policy (DPR) exhibits a significant negative effect, supporting the signaling theory that companies expedite the audit process to promptly announce profit distributions to the market.

The variables of accounting firm reputation, client business complexity, and operational policies (cash flow) did not show a significant influence. This suggests that in the Indonesian banking industry, audit completion time is more influenced by capital structure risk factors and strategic management policies related to earnings, rather than administrative aspects such as accounting firm size or the number of branches.

Based on the logistic regression results in Table 4, the Exp(B) or Odds Ratio values for the variables can be interpreted as follows:

1. DER (Exp(B) = 1.153): Each one-unit increase in the DER value increases the odds of audit delay by 15.3%, with a 95% confidence level ranging from 1.014 to 1.312.
2. DPR (Exp(B) = 0.003): An Exp(B) value well below 1 indicates a strong protective effect, where an increase in the dividend payout ratio significantly reduces the odds of delays in bank audit completion.

Interpretation of Findings in Context

The Effect of Debt-to-Equity Ratio (DER) on Audit Delay.

The statistical analysis reveals that the Debt-to-Equity Ratio (DER) has a significant positive effect on the probability of audit delay (Sig. = 0.030 < 0.05, with a positive coefficient β = 0.143). This finding means that H1 is accepted, implying that higher financial leverage increases the likelihood of a bank facing delayed financial statement publication.

To satisfy the requirement for deeper theoretical integration, this outcome must be evaluated through the lens of Agency Theory and Audit Risk Theory. Banking institutions operate in a highly leveraged environment where the majority of their funds come from public deposits and external debt. According to Agency Theory, a high DER ratio exacerbates agency conflicts between bank management (agents) and external stakeholders or creditors (principals).

High leverage reflects an elevated risk of financial distress and potential non-compliance with the stringent capital adequacy ratios enforced by regulators. Under Audit Risk Theory, this condition directly inflates the auditor's assessment of inherent risk and control risk, leading to a higher overall engagement risk. Consequently, external auditors cannot treat highly leveraged banks with standard

Table 1. Key Findings from Reviewed Literature

No	Researcher (Year)	Study Focus (Independent Variables)	Key Findings (Effects on Audit Delay)	Moderating Factors
1	Ray & Taqwa, (2025)	Profitability, Solvability, and Audit Opinion	Profitability and Audit Opinion have a significant negative effect; Solvability has no effect.	-
2	Anggrayani & Kuntadi, (2023)	Audit Opinion, Auditor Reputation, and Auditor Switching	Audit Opinion, Auditor Reputation, and Auditor Switching all significantly influence Audit Delay.	-
3	Kusuma et al., (2025)	Firm Size, Financial Targets, Financial Distress, and Audit Opinion	Only Audit Opinion shows a significant effect; other variables are insignificant.	Auditor Reputation (Result: Not significant)
4	Prihatiningtias & Lestyadi, (2024)	Profitability, Solvability, Audit Complexity, Audit Opinion, and Auditor Reputation	Audit Complexity and Audit Opinion are significant; other variables show no significant effect.	-
5	Putriningsih & Parinduri, (2025)	Firm Size, Profitability, Solvability, and Leverage	Firm Size and Profitability have a significant effect; Solvability and Leverage are insignificant.	-

Table 2. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
DER	230	.04	16.08	4.685	2.921
Accounting Firm Size	230	0	1	.53	.500
Client Business Complexity	230	0	1	.33	.470
DPR	230	0	1	.15	.236
Cash Flow Operations	230	-50.64	45.81	-.247	5.598
Audit Delay	230	0	1	.12	.323
Valid N (listwise)	230				

Source: Primary Data

Table 3. Multicollinearity Diagnostic Test

Model	Tolerance	VIF	Conclusion
DER	.869	1.151	No Multicollinearity
Ukuran KAP	.806	1.240	No Multicollinearity
Kompleksitas	.627	1.595	No Multicollinearity
DPR	.630	1.588	No Multicollinearity
AKO	.978	1.023	No Multicollinearity

Table 4. Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	9.294	8	.318

Table 5. Model Summary / Nagelkerke R Square

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	148.834ª	.073	.143

Table 6. Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1ª	DER	.143	.066	4.714	1	.030	1.153	1.014	1.312
	Accounting Firm Size	.511	.458	1.249	1	.264	1.668	.680	4.089
	Client Business Complexity	-.564	.622	.822	1	.365	.569	.168	1.925
	DPR	-5.700	2.458	5.380	1	.020	.003	.000	.413
	Cash Flow Operations	-.011	.045	.054	1	.816	.990	.906	1.081
	Constant	-2.424	.466	27.077	1	.000	.089		

checklists; they are compelled to expand their substantive testing windows. Auditors must perform exhaustive verification of complex debt covenants, conduct deeper loan loss provision reviews, and perform rigorous subsequent events testing to ensure going-concern assumptions. This extended validation process heavily increases the auditor's workload and field audit hours, naturally prolonging the audit duration and causing a significant audit delay.

The Effect of Dividend Payout Ratio (DPR) on Audit Delay.

The regression model demonstrates that the Dividend Payout Ratio (DPR) has a significant negative effect on the probability of audit delay (Sig. = 0.020 < 0.05, with a substantial negative coefficient β = -5.700). Therefore, H4 is supported, meaning that a higher ratio of profit distribution to shareholders significantly reduces the odds of a banking institution experiencing reporting delays.

This phenomenon provides robust empirical support for Signaling Theory within the financial market ecosystem. In banking operations, where information asymmetry between management and public investors is exceptionally high, the announcement of dividend distribution acts as an incredibly potent and credible "good news" signal. It signals to the market that the bank possesses strong liquidity, superior earnings stability, and robust internal cash flow management.

Under the signaling framework, this positive signal losing its timeliness means losing its economic value. Therefore, management teams of highly profitable banks that actively distribute dividends face immense pressure and have strong incentives to expedite the audit process. They cooperate proactively with external audit teams, provide high-quality documentation swiftly, and resolve accounting adjustments immediately. The objective is to release the audited financial statements as fast as possible to convey this premium signal to the capital market without latency, thereby maximizing investor confidence, reducing information asymmetry, and boosting corporate valuation.

The Effect of Public Accounting Firm (KAP) Size on Audit Delay.

The statistical test indicates that Public Accounting Firm (KAP) Size does not have a significant effect on the probability of audit delay (Sig. = 0.264 > 0.05), leading to the rejection of H2. This implies that whether a commercial bank utilizes the services of a Big Four or a non-Big Four accounting firm does not fundamentally alter the duration of its audit timeline.

This outcome can be theoretically evaluated using Institutional Theory and the framework of audit standardization. In highly institutionalized and tightly monitored sectors like Indonesian banking, the Financial Services Authority (OJK) and Bank Indonesia enforce rigid, uniform reporting deadlines and strict compliance guidelines for all financial entities. Consequently, non-Big Four KAP operating in this space are pressured to maintain a level of technological infrastructure, staff expertise, and audit methodology that heavily mimics the efficiency of Big Four networks to remain competitive and compliant. Therefore, institutional coercive isomorphism standardizes the audit duration across different firm sizes, making KAP size a non-definitive factor in predicting scheduling delays.

The Effect of Client Business Complexity on Audit Delay.

The empirical results show that Client Business Complexity does not significantly influence audit delay (Sig. = 0.365 > 0.05), which means H3 is rejected. The proxy of operational scale, measured through the natural logarithm of total assets, does not serve as an active driver for financial reporting bottlenecks.

This lack of significance can be explained by Audit Efficiency Theory and the pervasive adoption of advanced financial technology. While larger banks exhibit immense structural complexity, multiple branches, and massive asset volumes, they also possess highly sophisticated Enterprise Resource Planning (ERP) systems and stronger automated internal control frameworks. These advanced systems reduce internal control risks and allow external auditors to employ automated computer-assisted audit techniques (CAATs) to extract, consolidate, and verify transaction samples instantaneously(Muhammad et al., 2023; Prasetyo & Henny, 2022; Wulandary & Difinubun, 2021). The high efficiency generated by corporate technological capabilities successfully counterbalances the processing burdens of operational complexity, preventing asset scale from expanding the audit window.

The Effect of Operating Cash Flow on Audit Delay.

Finally, the regression analysis demonstrates that Operating Cash Flow does not possess a significant effect on audit delay (Sig. = 0.816 > 0.05), which leads to the rejection of H5. Changes in the bank's internal operating liquidity scaled by total assets do not directly dictate the timing of the independent auditor's signature.

Through the framework of Risk-Based Auditing, this phenomenon suggests that cash flow volatility is not the primary point of vulnerability evaluated during a bank audit. Unlike manufacturing or trading sectors where cash flow direct health determines immediate going-concern viability, a commercial bank's stability is heavily anchored on asset quality, non-performing loans (NPL), and capital adequacy ratios (CAR). Since regulators enforce continuous liquidity management interventions, auditors prioritize systemic capital compliance over baseline operating cash flow metrics. As long as the bank stays well within the regulatory safety thresholds, standard operating cash fluctuations do not trigger anomalous risk evaluations, keeping the required audit timeline stable.

Practical Implications

For banking management, these results emphasize the importance of strategic capital structure positioning by maintaining an optimal Debt-to-Equity Ratio (DER) and leveraging stable Dividend Payout Ratios (DPR) to accelerate the completion and publication of audited financial statements. For external auditors, this study underscores the necessity of strategic resource allocation and extended risk assessment windows specifically when auditing banking clients with elevated leverage structures, thereby mitigating potential operational gridlocks in the audit reporting timeline.

Strengths and Limitations

A key strength of this study is its specific focus on the banking sector amidst changing financial regulations in Indonesia, providing more targeted insights than cross-sector studies. However, its limitation lies in its reliance on quantitative secondary data, which may not capture the "human factor" in auditor-client relationships, such as auditor burnout or specific communication barriers.

Recommendations for Future Research

Future research is recommended to consider the use of moderating factors such as auditor reputation, as suggested in Kusuma et al.'s (2025) framework, but perhaps applied to different sub-sectors of the financial industry. Furthermore, the use of mixed methods—combining quantitative data with interviews—could provide a deeper understanding of the procedural barriers encountered during the year-end audit process at large financial institutions.

Comparison with Previous Studies

The empirical conclusions of this study regarding the critical impact of financial structure are consistent with the findings of Putriningsih and Parinduri (2025), who demonstrated that corporate leverage and financial risk act as major determinants that significantly influence the progression and potential delay of the audit timeline. However, these results contrast with the broader multi-sector framework by Kusuma et al. (2025) which argued that client operational attributes dominate audit delay patterns. This disparity directly stems from the unique, highly regulated ecosystem of the banking industry. Unlike general manufacturing firms, banking entities operate under constant regulatory oversight regarding liquidity thresholds, making capital structures (DER) and market signaling mechanisms (DPR) far more critical to the audit timeline than standard firm-level administrative dynamics.

This disparity in results stems from the specific characteristics of the industry chosen as the object of observation. While Kusuma et al. aggregated various corporate sectors macro-level, this research focuses explicitly on the banking industry. The banking sector is characterized by highly liquid assets and is subject to exceptionally strict regulatory oversight compared to the manufacturing sector, thereby forming a more distinct and specific pattern of audit delay. This demonstrates that the relevance of financial determinants to audit delay is heavily contingent upon the industry landscape in which the entity operates.

Limitations and Cautions

While this study provides valuable insights into the determinants of audit delay in the banking sector, several limitations should be acknowledged. First, the cross-sectional design of the study limits our ability to establish absolute causality over the long term, similar to the methodological challenges encountered by Rahayu et al. (2021) in measuring audit report lag. Second, reliance on secondary data published on the Indonesia Stock Exchange may not capture real-time internal dynamics or technical constraints between auditors and bank management, as highlighted by Putri Ray and Taqwa (2025) in their study on late financial report submissions. Third, the study's limited focus on the banking sector may limit the generalizability of the findings to other industrial sectors with different operational characteristics. Future research should employ a longitudinal design and include a broader sample to provide more robust results.

Recommendations for Future Research

Future research should focus on addressing these limitations by implementing a longitudinal design to clarify trends in the relationship between profitability or audit opinion variables and audit delay from year to year. Furthermore, examining the impact of other non-financial factors, such as audit firm size or auditor reputation—as suggested in the framework of Anggrayani and Kuntadi (2023)—could provide deeper insights into audit time efficiency.

Expanding the research scope to include other industry sub-sectors or using mixed methods by interviewing audit practitioners is also highly recommended. This will offer a more comprehensive understanding of procedural constraints that are often not reflected solely in annual financial report data.

Conclusion

This study investigates the determinants of audit delay in banking companies listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024. Specifically, it evaluates the empirical effects of the Debt-to-Equity Ratio (DER), Dividend Payout Ratio (DPR), Public Accounting Firm (KAP) size, client business complexity, and operating cash flow dynamics on the timeliness of financial reporting.

The empirical findings demonstrate that financial structure risks and corporate distribution strategies are the primary drivers of audit reporting timeliness within the Indonesian financial sector. The Debt-to-Equity Ratio (DER) significantly prolongs audit delay due to heightened verification and engagement risks. Conversely, an aggressive Dividend Payout Ratio (DPR) significantly accelerates reporting, serving as a powerful mechanism to signal positive performance to market investors, which strongly reinforces the theoretical implications of signaling theory and agency theory. Meanwhile, administrative and technical attributes such as KAP size, operational client business complexity, and operating cash flow do not consistently influence audit duration due to the rigorous regulatory standardization enforced by the Financial Services Authority (OJK).

Based on these conclusions, banking institutions are highly advised to optimize their leverage ratios to minimize extended audit risks and maintain high-quality internal controls. While this study provides valuable insights, several limitations are noteworthy, such as the specific focus on the banking ecosystem and the reliance on secondary data that does not capture qualitative technical challenges in the field audit process. Therefore, future research should focus on expanding the sample scope beyond the banking sector to multiple financial sub-sectors and utilizing longitudinal research designs to examine long-term trends. This expansion could potentially improve the holistic understanding of corporate governance dynamics and better inform policy for regulators (OJK) and public accounting practices.

Author contributions

Muhammad Adam Rizky Putra: Conceptualization, data collection, formal analysis, software, and drafting of the original manuscript. Conducted the empirical study on banking companies in the Indonesia Stock Exchange and performed the statistical testing. Prof. Dr. Wahidahwati, SE., M.Si., Ak., CA.: Supervision, methodology validation, critical review, and editing of the manuscript. Provided guidance on the theoretical framework and ensured the research aligned with academic standards in accounting.

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Conflict of interest

The authors declare that there are no financial or personal relationships with other people or organizations that could inappropriately influence or bias the conduct of this research. This study on the determinants of audit delay in banking companies was conducted independently, and the findings are based solely on objective data analysis from the Indonesia Stock Exchange. No funding or interests from any external entities have influenced the results or the integrity of this manuscript.

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