



Corporate Governance Attributes and Audit Report Timeliness: Mediating Role of Corporate Disclosure and Transparency and Moderating Role of Audit Quality

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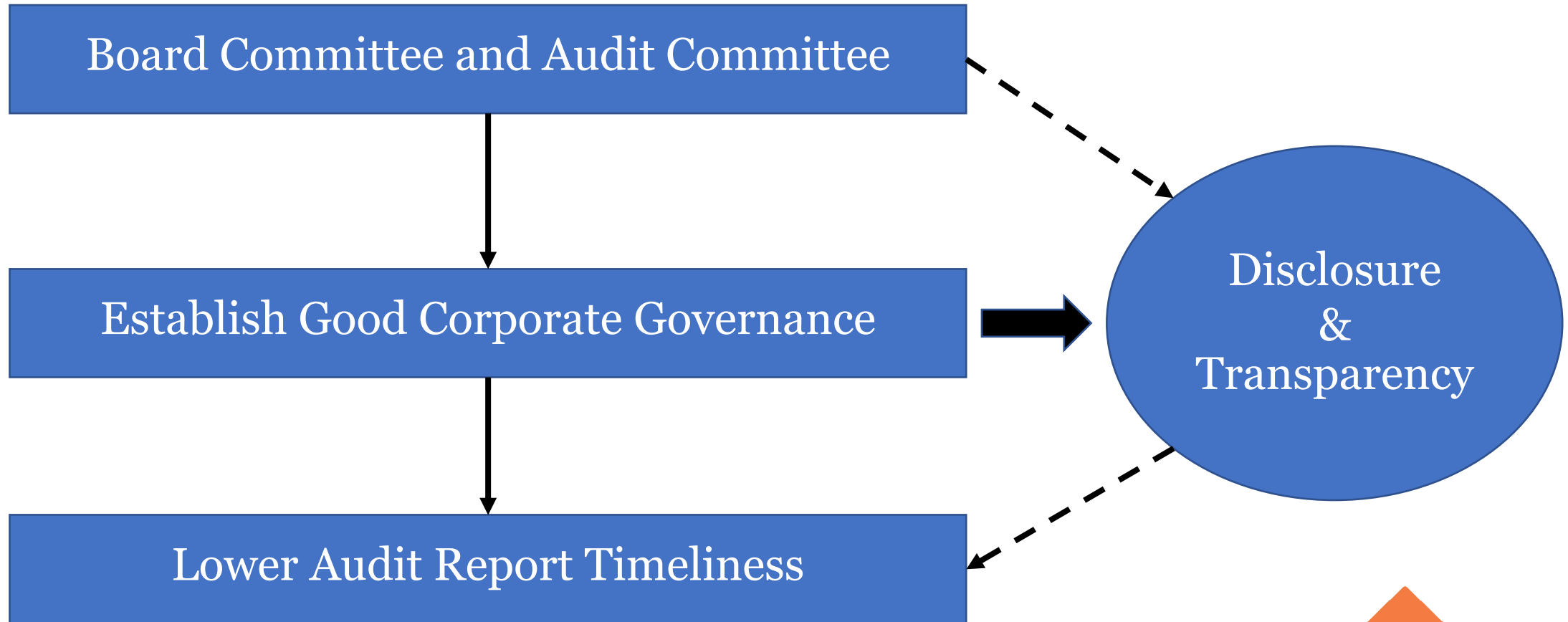
School of Management, Mae Fah Luang University

Assoc. Prof. Dr.Naruanard Sarapaivanich

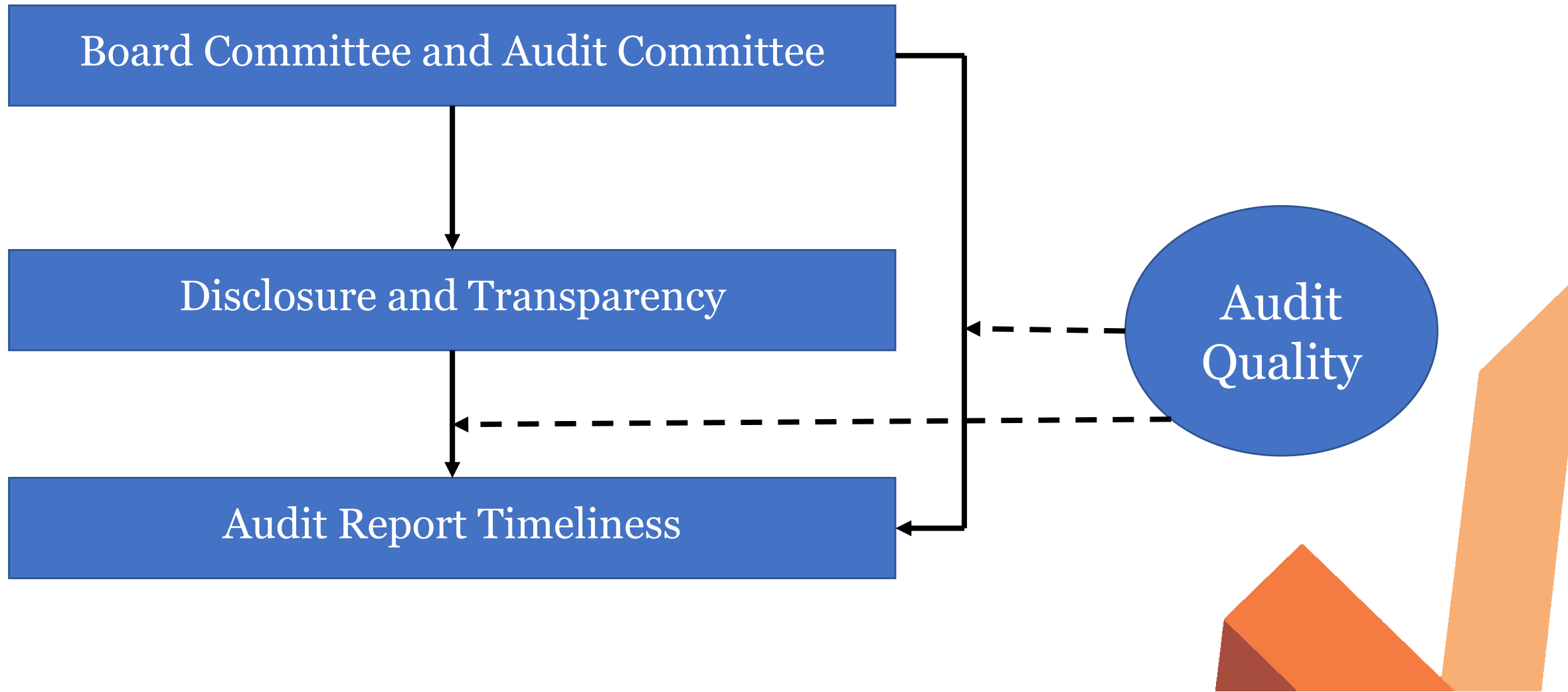
Assist. Prof. Dr.Erboon Ekasingh

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Introduction



Introduction – Cont.



What's new?



A few studies provide evidence on the role of D&T mediates the relationship between board and audit committee attributes and audit report timeliness based on Thailand setting.



A few studies provide evidence on the role of audit quality moderates the relationship between corporate governance attributes and audit report timeliness based on Thailand setting.



Fill the gap for standard setters who may consider mandatory auditing of D&T information to improve the quality of disclosures and to reduce audit report timeliness



Corporate Governance Attributes

Board Committee Characteristics

- 1) Board Size
- 2) Board Independence
- 3) Board Duality
- 4) Board Meeting

Audit Committee Characteristics

- 1) Audit Committee Size
- 2) Audit Committee Expertise
- 3) Audit Committee Meeting

Corporate Disclosure & Transparency

Disclosure & Transparency Scoring System introduced by Standard & Poor (S&P)

Audit Report Timeliness



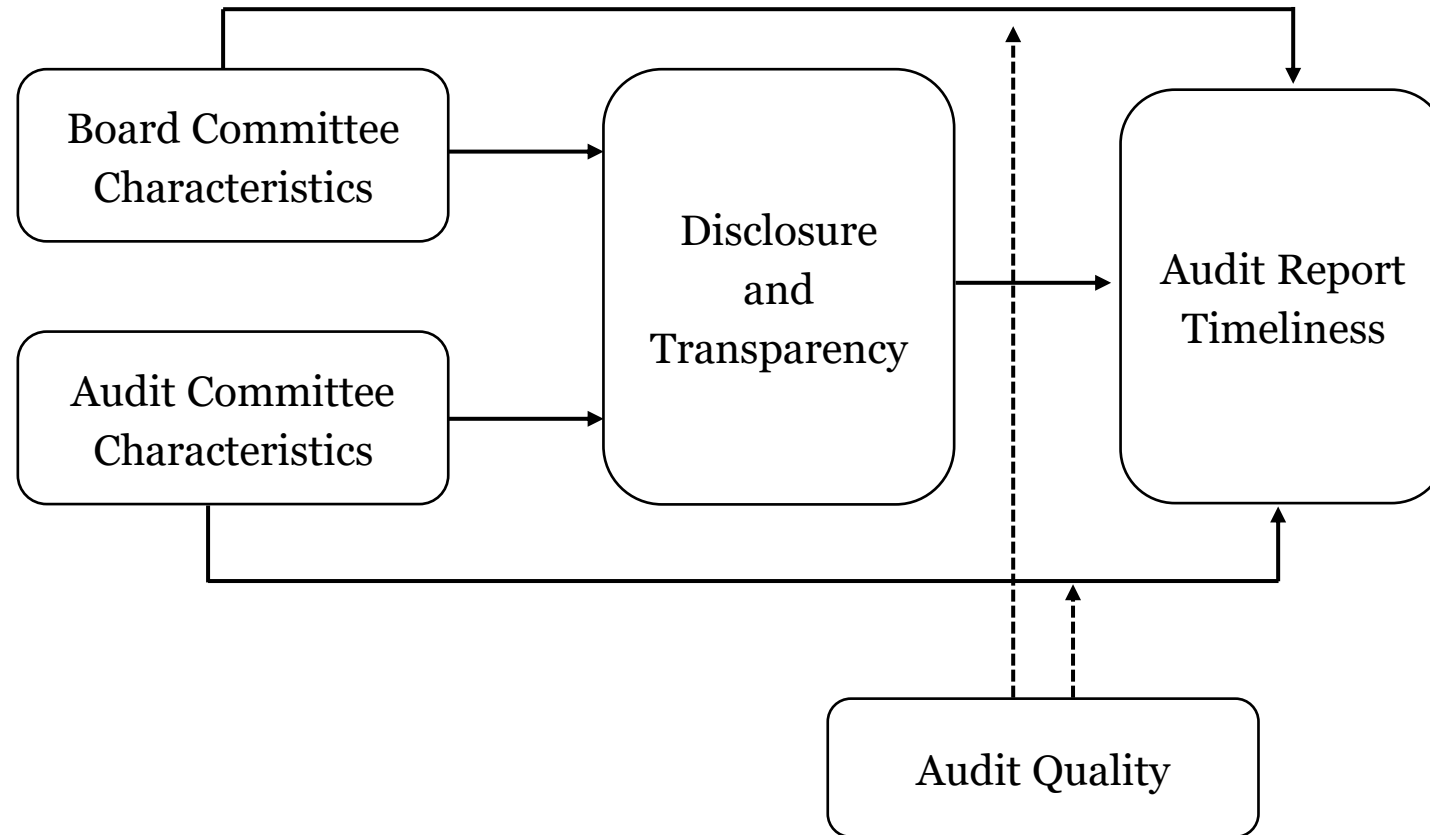
Audit Firm Type as Audit Quality

BIG4

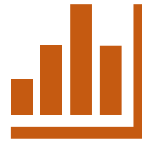
NonBIG4



The Conceptual Framework



Sample Size



2,116 firm-year observations from 484 companies (2012-2016), listed on the Stock Exchange of Thailand



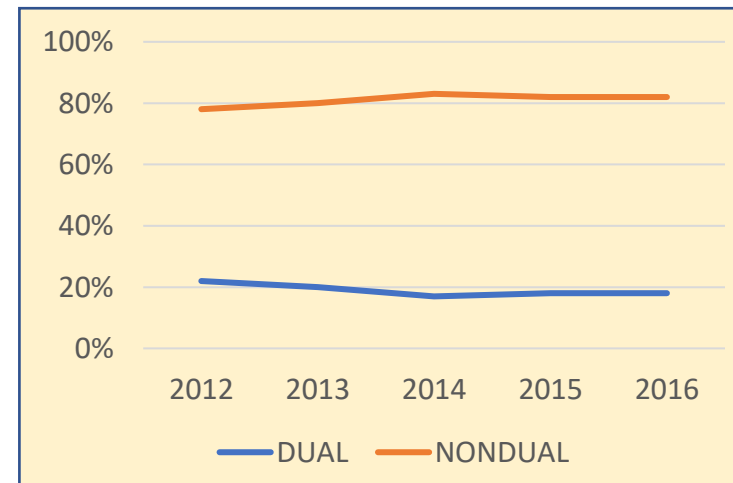
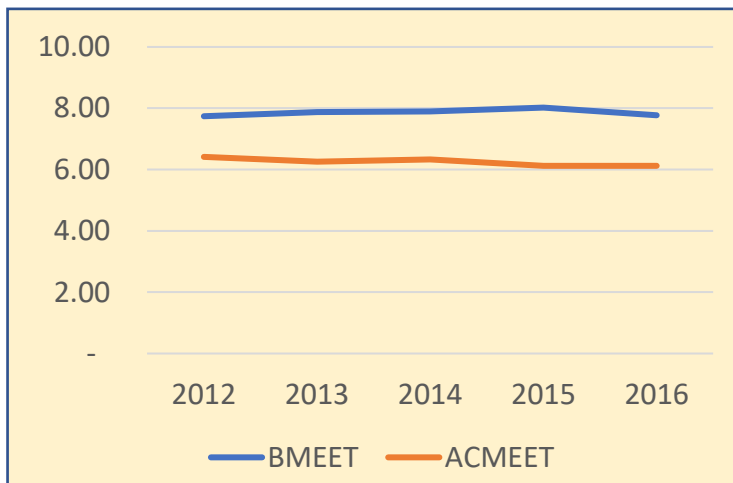
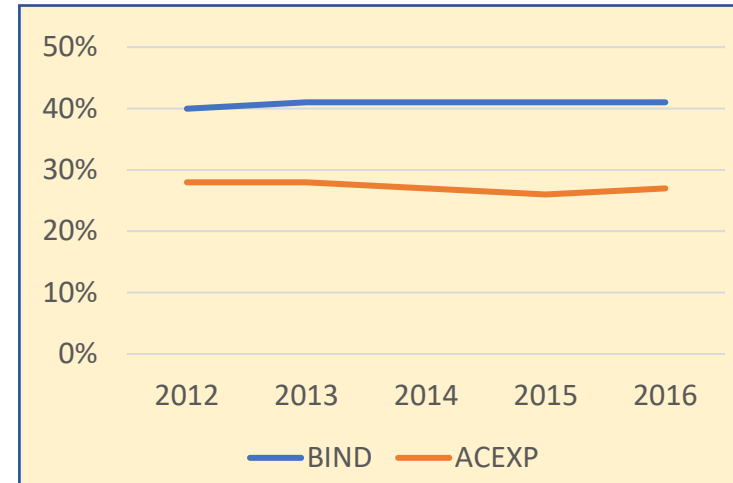
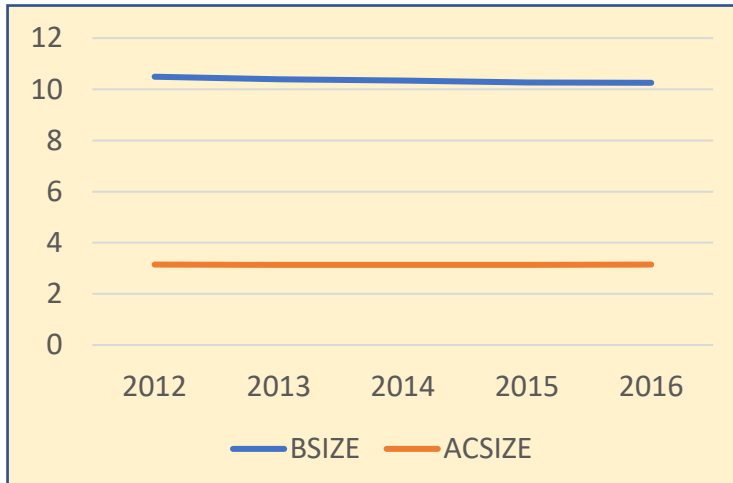
Non-Funds and Trustees



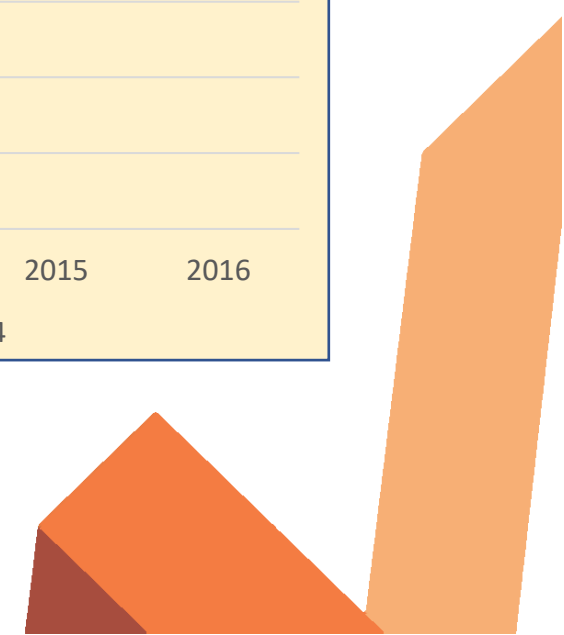
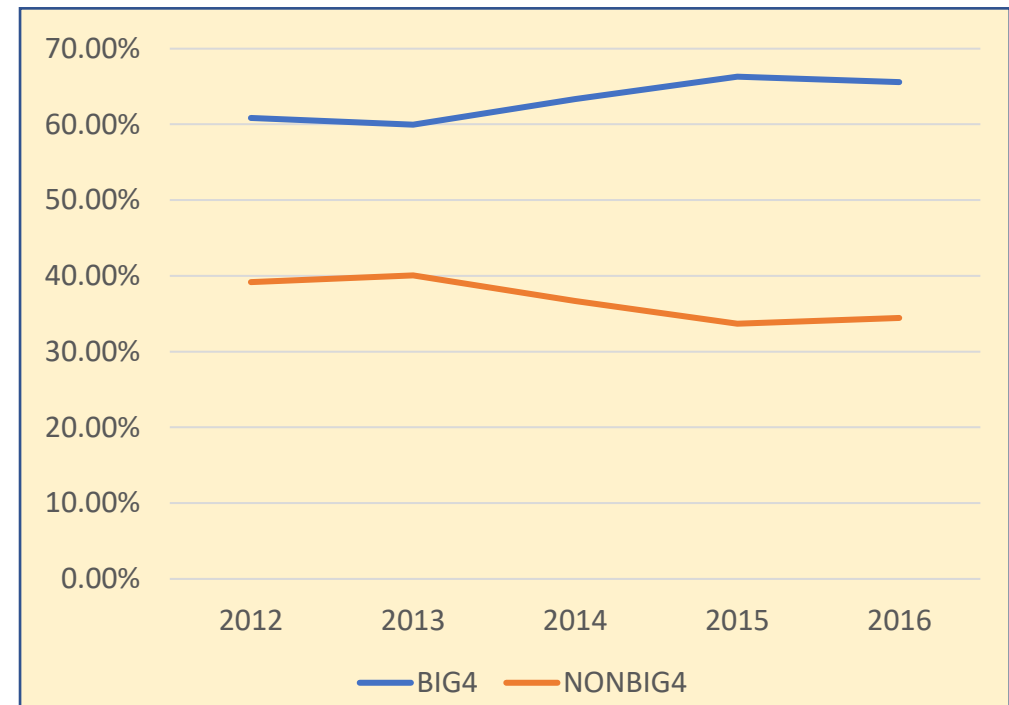
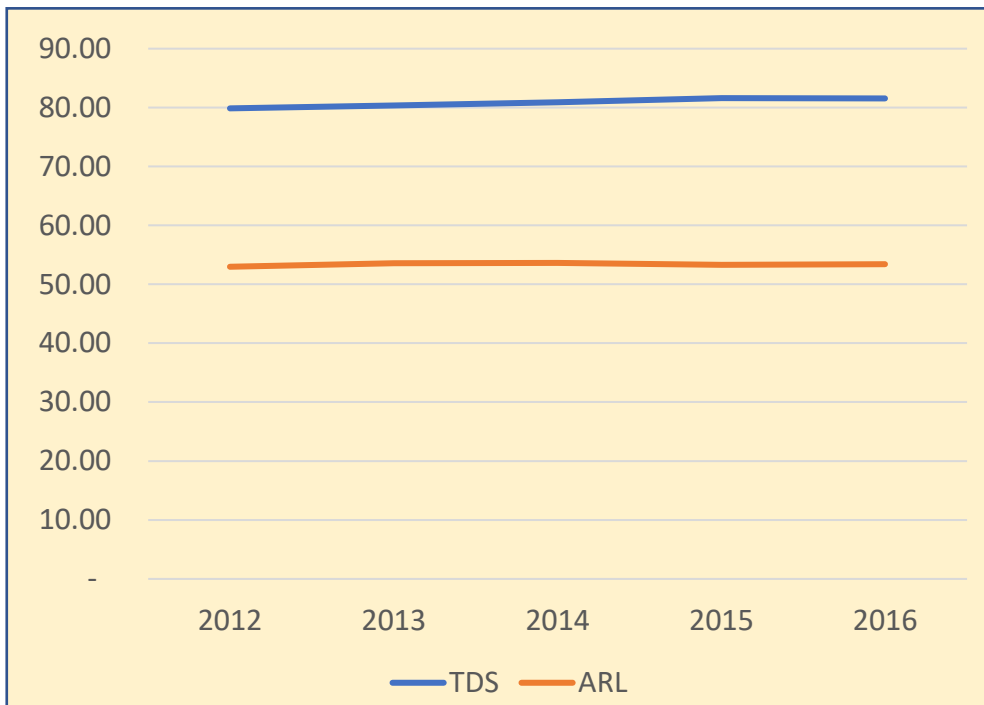
Exclude: Possibility of delisted and rehabilitation companies due to financial instability and going-concern issue.



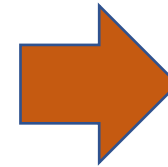
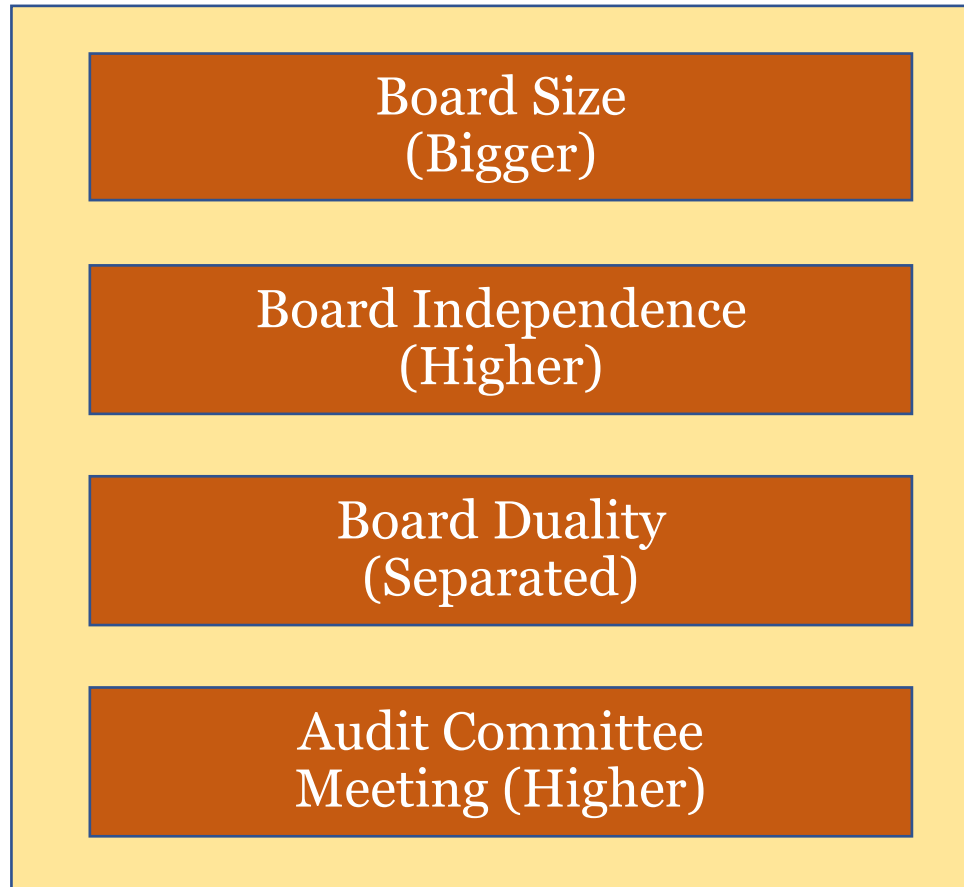
Horizontal Analysis



Horizontal Analysis – Cont.

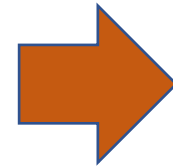


Main Results

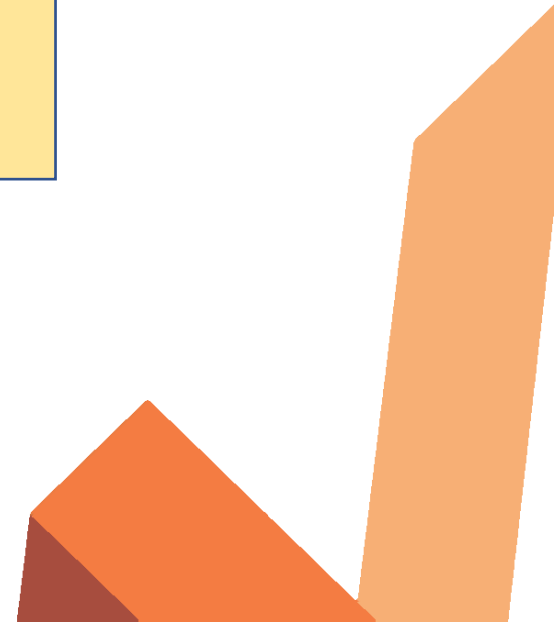


Main Results – Cont.

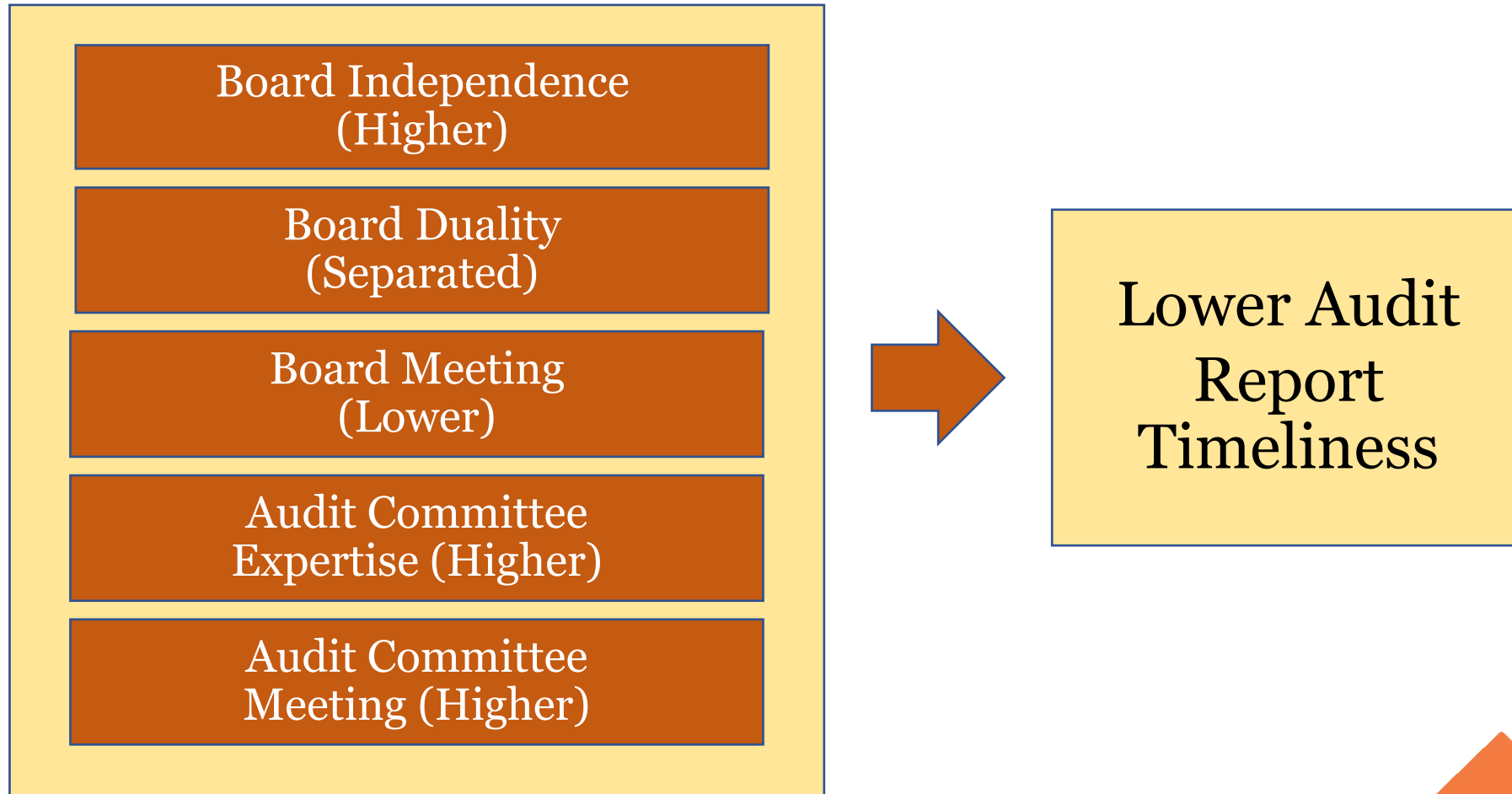
Higher
Corporate
Disclosure and
Transparency



Lower Audit
Report
Timeliness

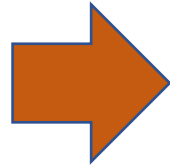


Main Results – Cont.

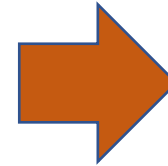


Mediating Effect is founded!

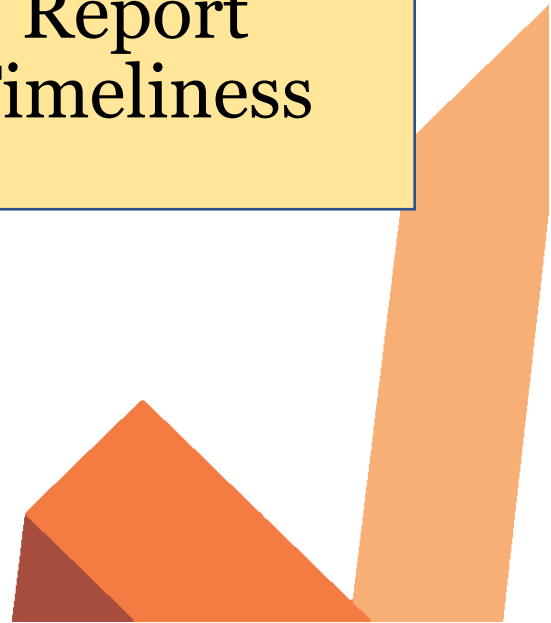
Board and
Audit
Committee
Characteristics



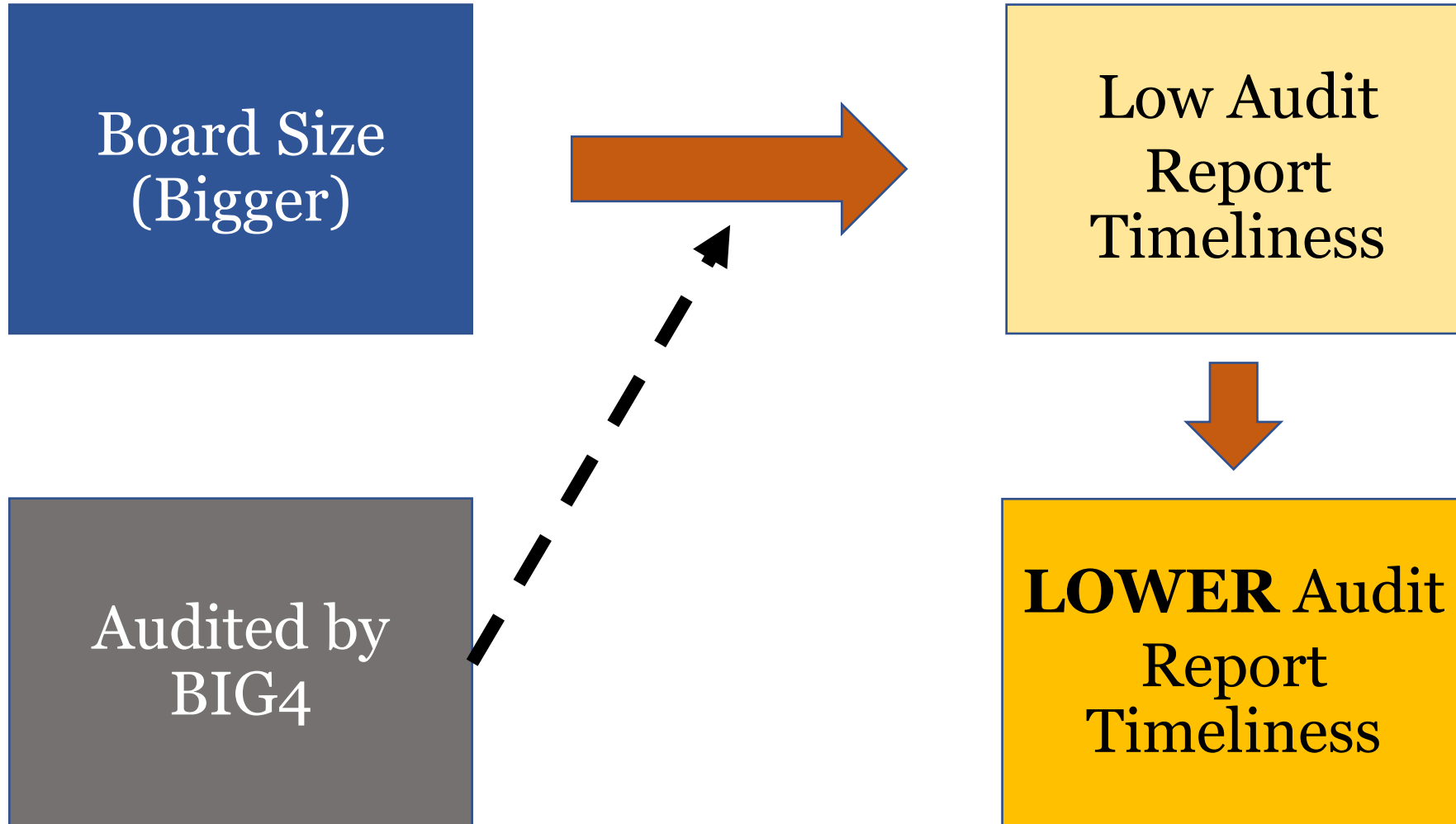
Higher
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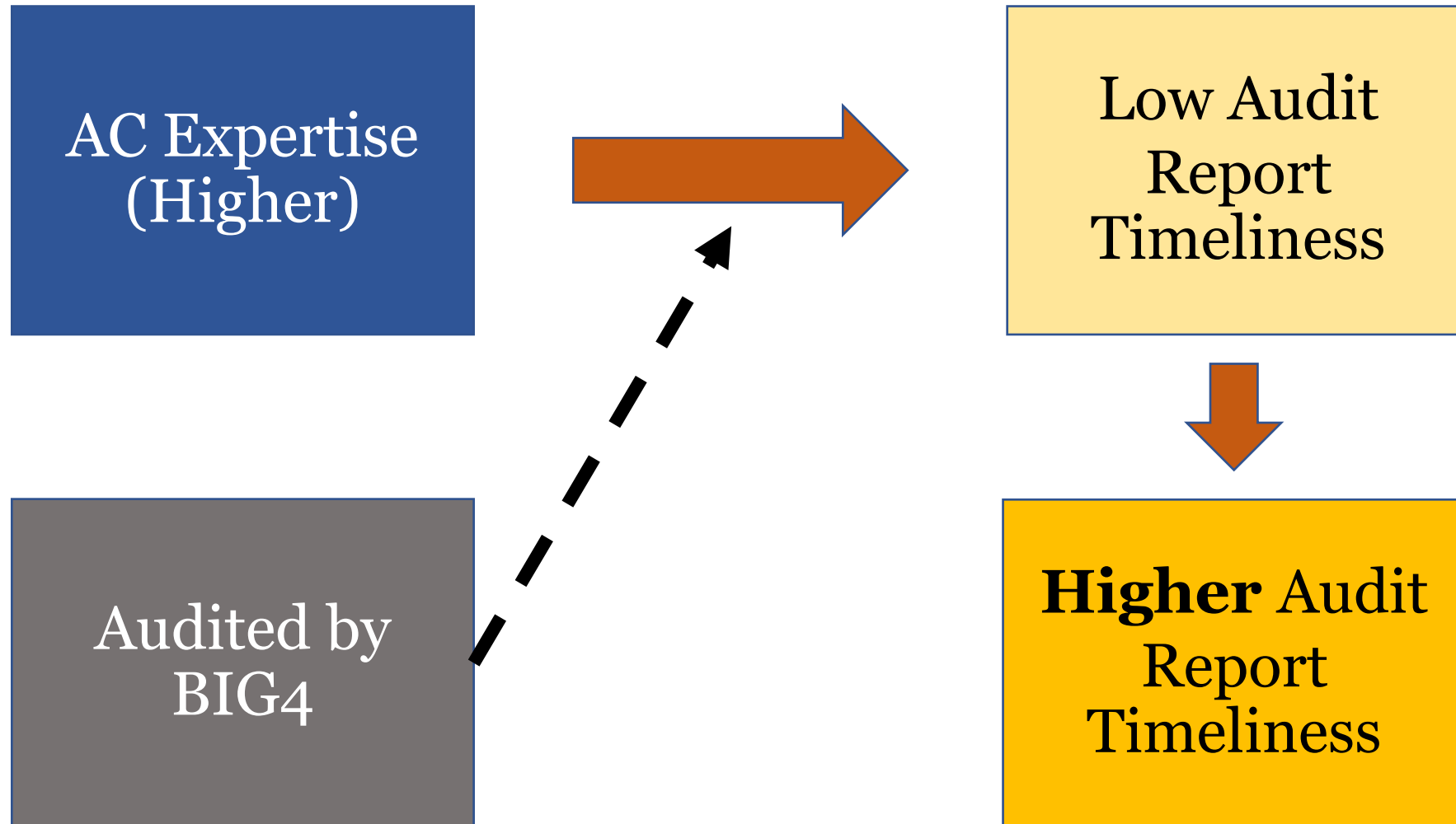
Lower Audit
Report
Timeliness



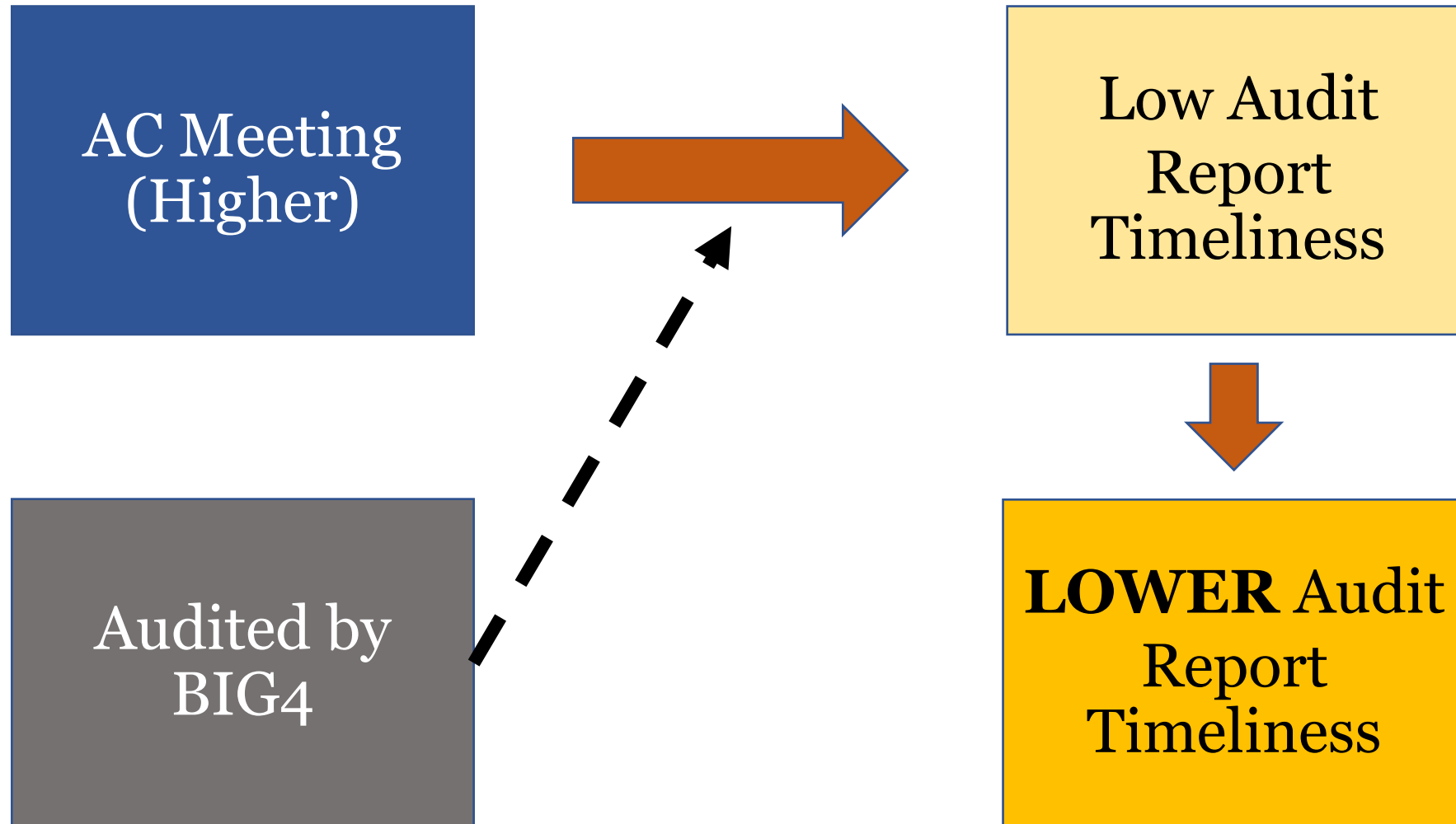
Moderating Effects



Moderating Effects – Cont.



Moderating Effects – Cont.



Implications



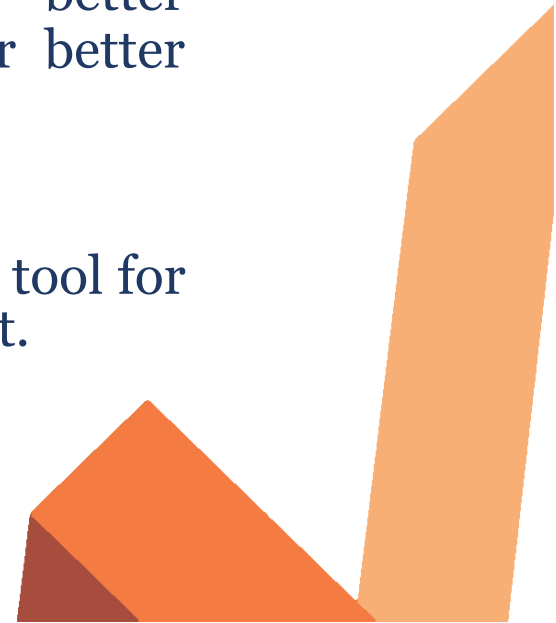
Aids policy makers working on corporate governance may want to consider making it compulsory for D&T information to be audited, *as is already done in the European Union, which has recently enforced the disclosure of nonfinancial information for auditing purposes.*



Aids investors more detailed information provide a better understanding of firms' disclosure policies and practices for better investment decisions.



Aids companies can use information disclosure as a strategic tool for enhancing their ability to raise capital at the lowest possible cost.



THANK
YOU

