# JABM
## JOURNAL *of*
## ACCOUNTING, BUSINESS and MANAGEMENT

# IFRS Adoption and Audit Delay: The Case of the Large French Listed Companies

Lobna Loukil[*]

## Abstract

Listed French companies in European regulated markets were required to present their consolidated accounts using the international financial reporting standards (IFRS) from 1 January 2005. This study investigates the impact of this adoption on audit delay, which is the number of days from a company's fiscal year-end to the date of its auditor's report. The sample used in this paper is a panel of 69 French firms over a period of 6 years (2002-2007). Data was gathered from the SBF 250 index. The fixed effects regression results show that the transition to IFRS is associated with a significant increase in audit timeliness. This significant rise in audit delay occurred only in 2005, but was not found during the post-IFRS period. This paper proved the complexity of the IFRS and thus auditors required more hours in performing their audit engagement. The contribution of this study is to investigate an audit report in a developed capital market (listed French firms) by taking advantage of access to proprietary data on audit delay and audit fees.

**Keywords**: IFRS, audit delay, French firms, complexity.

## I. INTRODUCTION

The harmonization of accounting standards of different countries will assist in better comparison of financial information (Stovall, 2010). In order to promote further convergence between the local Generally Accepted Accounting Principles (GAAP) and international accounting standards and practices, the International Accounting Standards Board (IASB), has amended some existing international accounting standards and adopted certain new standards in the name called "International Financial Reporting Standards (IFRS)".

Listed companies in the European Union were required to use International Accounting Standards issued by the International Accounting Standards Board (IASB) from 1 January 2005 (Regulation (EC) No. 1606/2002 of the European Parliament and the Council).

IFRS would grant considerable advantages to many parties such as the public listed companies and their shareholders, local and international investors, regulators, as well as financial professionals (Thomas, 2009).

So, the adoption of IFRS worldwide has stimulated empirical research that focuses on whether the quality of financial reporting improves subsequent to IFRS adoption. Another stream of research examines the economic consequences of IFRS adoption. The empirical studies concentrate more on market participants (e.g. investors, managers and financial analysts) and neglect the firm's auditor who has the duty to assess financial statements' credibility under IFRS (Khlif & Achek, 2016).

---

[*] Assistant professor. Jouf University. PhD in finance and accounting method. University of Sfax, Sfax-Tunisia. E-mail: lloukil@ju.edu.sa and lobna.loukil2015@gmail.com.

The empirical literature examining the association between IFRS adoption and auditing focuses on four strands of research, including the effect of IFRS adoption on auditor choice, audit fees, audit report lag, and the relationship between auditor type and IFRS compliance (Khlif & Achek, 2016).

At the time of writing, we identified only few studies dealing with IFRS adoption and audit delay (e.g. Habib & Bhuiyan, 2011; Walker & Hay, 2013....). Evidence on this topic is still limited. Moreover, no empirical study has been conducted on Europeans firms, especially in the French context. But, Haller (2002) argues that the IFRS enforcement in Europe relies heavily on external auditors. Indeed, accounting standards are an important basis that auditors use to issue audit opinions, so any change in accounting standards will affect directly the working base of auditors (Zhu & Sun, 2012).

It becomes important so, to study the effect of IFRS adoption on audit practices and the role of auditors on enforcing compliance with IFRS to provide policy makers with a more informative picture about the overall economic consequences of IFRS adoption.

Therefore, the aim of this study is to investigate how a change of accounting standards (IFRS instead of French accounting standards) affects audit delay. Thus, the research question is as follows: "did audit delay increase during the period of transition to IFRS (2004-2005)?"

Our study is motivated from the difference between French domestic GAAP and IFRS both in terms of accounting principles and with respect to the magnitude of reported information, and the complexity issue of IFRS adoption that has become a major concern among the preparers of financial statements, directors and auditors (Yaacob & Che-Ahmad, 2012).

The sample used in this paper is a panel of 69 French firms over a period of 6 years (2002-2007). Data was gathered from the SBF 250 index. After elimination of missing data, foreign companies, inactive companies, or companies in the financial and real estate sector, the ending panel only consists of 69 firms per year, or 414 firm year observations. Results show that audit delay clearly increased in 2005 but this significant increase is not found during the post-IFRS period (2006-2007). These results provide evidence towards the complexity of the adoption of IFRS in France. It highlights that IFRS adoption may affect audit efficiency through more time required to conduct audit.

Conducting our research on auditing environment is of critical importance to researchers, auditors and regulators.

For researchers, this study contributes to the literature as follows. Although many listed companies in France have already adopted IFRS, the effects of IFRS adoption on audit delay in the French context have not yet studied. So, evidence from France will complement the audit delay literature and the existing international studies regarding the economic impacts of IFRS adoption.

Our study also emphasizes the role of external auditor in the enforcement of IFRS. It gives auditors from other French firms or from other capital market an idea about the adjustments of audit delay needed when performing their audit engagement related to an audit of financial statements prepared with IFRS.

For regulators, our research has been forever important given the renewed debate about IFRS adoption costs and benefits and its effects on audit market. It highlights the importance of adequate legal and institutional environment in order to avoid that the costs of transition to IFRS exceed its benefits. To reduce the stress on small companies, regulators might simply adopt IFRS for small and medium firms.

In the following, section 2 presents theoretically the link between IFRS and audit delay. Section 3 reviews literature and develops the hypotheses. Section 4 discusses the research design. Section 5 presents the empirical results and section 6 concludes the paper.

## 1.1. Theoretical Framework

The financial statements must be able to provide relevant information. One of the obstacles in actualizing relevant financial statements is timeliness (Herdjiono & Sutanti, 2018).

Audit timeliness, is defined as the period between a company's fiscal year-end and the audit report date. It is renowned as one of the quality characteristics of corporate financial reporting.

Audit report lag, has been considered as one of the few external audit output variables, allowing users to evaluate audit efficiency (Habib, 2015), which measures how competent the auditors are in performing their duty to arrive at an audit opinion that represents the true picture of company operation (Yaacob & Che-Ahmad, 2011).

To be able to present financial statements, which should be in accordance with regulation/standards imposed, the external auditor should understand and know the rules in preparing audited financial statements that is disclosed by management (Herdjiono & Sutanti, 2018). Both management, when preparing financial statements, and auditors when controlling them, play a critical role in shaping this delay (Khlif & Samaha, 2014).

The introduction of the new accounting standards (IFRS) has resulted in fundamental changes in financial reporting practices in France. So, any change in accounting standards will affect directly the working base of auditors.

The familiarization problem will increase with the gap existing between the local Generally Accepted Accounting Principles (GAAP) and international accounting standards and practices (Abd-Elsalam & Weetman, 2003).

Many professionals (e.g. Casta & Escaffre, 2006) indicated that new risks are created for the auditor in France. They cited, for example the risk of non-compliance that is inherent in the interpretation and evolution nature of IFRS, relatively far from the French accounting regulatory culture.

Hoogendoorn (2006) notes that IFRS were too complex for companies involved in the application of these standards, and even for auditors and other specialists. He believes that following the implementation of IFRS, financial statements have increased by at least 20-30 pages. Also, a higher number of contacts, to ensure better coordination between the auditors of the same firm and those involved in the audit firms was being noted. Indeed, auditors interviewed at a conference organised in 2006 and entitled "IFRS and corporate governance" stated that the operation of transition to IFRS was too complex. They indicated that the complexity of standards and sometimes unclear accounting policies have led to "more exchanges and discussions with issuers".

Habib (2015) suggests that the adoption of IFRS is associated with more audit risk. In fact, a significant number of complicating factors characterize the period of transition to IFRS and may lead to a more complex working base of auditor and thus more space for auditors to express a reasonable professional judgment in the audit process (Tort, 2007; Carmona & Trombetta, 2008; and Marden & Brackney, 2009). These factors are: the flexibility of IFRS (accounting based on principles, lack of standardization of the presentation of financial statements under the principle of the predominance of

substance over appearance[1]…)  the evolving nature of IFRS and the absence of detailed guidelines with respect to many situations in accounting.

The adoption of a principles-based standard-setting approach (compared to the rules based in France)[2]  implies that auditors have to deal with increased managerial judgments in terms of recognition rules (e.g. intangible assets) and classification (e.g. financial instruments) when conducting their audit mission (Habib, 2015).

The IFRS propose to abandon the historical cost principle (largely utilized in French accounting standards) and to value some assets and liabilities at fair value. The fair value can be determined by the market prices if a market exists, or from a valuation model based primarily on discounted expected cash flows for a non-marketable asset in a market (goodwill, provision for pensions ...).

The use of fair value-based reporting practices, gives managers more discretion in financial reporting, courtesy of the increased managerial judgment and estimation required in fair value accounting. The resulting significant inherent estimation uncertainty renders the audit of fair value and other estimates much more challenging (Habib, 2015).

Also, the adoption of fair value measurement and the introduction of the market based reporting on the new accounting standards makes companies disclose more information about their market risk[3], requiring auditors to spend additional time in verifying such estimations that are inherently uncertain, before expressing his opinion.

In sum, the adoption of IFRS may influence management delay when preparing financial statements and auditors delay when auditing them, which translate into lengthy audit report lag (Khlif & Achek, 2016).

## II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

The recent transition to the IFRS was regarded as a significant regulatory transformation in the accounting field (Yaacob & Che-Ahmad, 2012). Academically, the majority of previous studies (Bartov et al., 2005; Covrig et al., 2007; and Daske et al., 2008) were primarily interested in verifying the advantages of new international standards (such as enhancing the perceived quality and status of financial reports, boosting national and international financial markets'efficiency…). But they have neglected their limits or difficulties (such as costs of preparing and controlling financial statements). There are only a few studies that have sought the impact of IFRS adoption on the audit delay. For example, Bonson-Ponte et al. (2008) have studied the relationship between the introduction of IFRS and audit delay for a sample of 105 companies that are quoted on the Spanish continuous market, for the period from the year 2002 to the year 2005. The inclusion of the year 2005 in this study introduces a year in which a significant change in regulations agreed in recent years has come into effects. The results show no significant relationship with an audit delay in the Spanish context.

In the same lane, Habib and Bhuiyan (2011) study the impact of audit firm industry specialization on the audit report lag in New Zealand using 502 firm-year observations from 2004 to 2008. They also test the moderating effect of industry specialization on the association between IFRS adoption and the ARL. The authors document an increase in

---

[1] The registration of assets of items which do not belong to the company as a legal person, such as finance leases, are totally contrary to the basic principle in France that only properties must appear as assets on the balance sheet.

[2] The approach of IFRS is totally incompatible with the French legal approach because it does not show "what must be done", but "what should be done".

[3] After IFRS, French firms will have to change their conception of financial statements, which are almost completely based to provide information to tax authorities and not to investors.

the audit delay after the adoption of the IFRS, (New Zealand entities' financial reports will have to comply with IFRS from 1 January 2007); but only for clients audited by non-industry specialist auditors. This finding reveals that the adoption of IFRS has increased the ARL for all auditors except for industry specialist auditors (Habib & Bhuiyan, 2011).

Yaacob and Che-Ahmad (2012) examine the relationship between the adoption of FRS 138 (new IFRS in Malaysia about the accounting treatment for intangible assets) and the audit report lag. The final sample consists of 2,440 firm-year observations covering the period from 2005 to 2008. The panel regression analysis reveals a significant positive association between FRS 138 adoption and audit delay.

The finding proves that FRS 138 is a complex standard that takes the auditor more time to audit (Yaacob & Che-Ahmad, 2012).

In the same context, Amirul and Salleh (2014) investigate the association between IFRS adoption and audit delay for a sample of 257 quoted Malaysian firms over the period 2009-2011. The results show a significant increase of audit report lag after the convergence to IFRS.

More recently, Habib (2015) has examined empirically the effect on the audit delay of a new set of Chinese accounting standards introduced in 2007 that were based on the fair value accounting system for a sample of 9,969 firm-year observations from 2003 to 2011.

Findings documented empirical evidence of a significant increase in the audit report lag in China after the adoption of these new accounting standards. This increase, however, is more pronounced for clients audited by small audit firms.

In sum, and from the past studies discussed above, it is expected audit delay will be higher during the adoption period of IFRS due to the complexity of this operation.

In France, to ensure the relevance of the information prepared and published under IFRS, several organizations (CNCC, AMF and H3C)[4] intervened to propose a set of diligences to be performed by the auditor during the period of transition to IFRS. For example, the auditor must follow the process implemented by the company to ensure this transition (review the transition plan, analysis of the progress of the project, taking note of the main impacts identified...). He verifies that the narrative information accompanying quantified partial information provides "appropriate lighting" on the nature of the work doing and those who remain to do, so that the user is not misled by the partial disclosed impacts.

Since IFRS demands more disclosures, diligences and coordination between the auditors of the same firm, it requires normally more effort and time to conduct an audit engagement.

To avoid the errors of judgment and the probability of issuing a false opinion, auditors should increase the number of hours spent on the folder to take more security and to issue an appropriate audit opinion that represents the true picture of company operation. This is expected to increase the audit delay in the adoption period of IFRS (from January 1, 2004 to December 31, 2005). Indeed, although the effective year of IFRS adoption in France was the year 2005, several preparations and work have preceded this adoption. It is mainly the year 2004 which was considered the year of transition to IFRS. Hence, the research hypotheses are:

$H_1$: the year prior to IFRS adoption (2004) is associated with an increase in audit delay.
$H_2$: the adoption year (2005) is associated with an increase in audit delay.

---

[4] AMF: Autorité des Marchés Financiers ; CNCC: Compagnie Nationale des Commissaires aux Comptes ; H3C: Haut Conseil du Commissariat aux Comptes.

## III. RESEARCH METHODOLOGY

### 3.1. Presentation of Models and Definitions of Variables

To test the hypotheses, two linear regression models for panel data covering the period 2002-2007 are developed[5]. The dependent variable is the logarithm of audit delay. The general forms of the models tested are the following:

First model (model 1):

**AUDIT DELAY= $\beta_0$ + $\beta_1$TRANIFRS + $\beta_2$ADOPIFRS + $\beta_3$POSIFRS06 + $\beta_4$POSIFRS07 + $\beta_5$SIZE + $\beta_6$INHRISQ + $\beta_7$NCLIAB + $\beta_8$DIVERSITY + $\beta_9$DURREL + $\beta_{10}$AUDITCOM + $\beta_{11}$ACTREF5 + $\beta_{12}$NBREBIG4 + $\beta_{13}$LOSS + $\beta_{14}$AN02 + $\varepsilon$** ................................................ (1)

Second model (model 2):

**AUDIT DELAY= $\beta_0$ + $\beta_1$TRANIFRS + $\beta_2$ADOPIFRS + $\beta_3$POSIFRS06 + $\beta_4$POSIFRS07 + $\beta5$AUDFEES + $\beta_6$INHRISQ + $\beta_7$NCLIAB + $\beta_8$DIVERSITY + $\beta_9$DURREL + $\beta_{10}$AUDITCOM + $\beta_{11}$ACTREF5 + $\beta_{12}$NBREBIG4 + $\beta_{13}$LOSS + $\beta_{14}$AN02 + $\varepsilon$** ................................................ (2)

The specification of the variables and the expected signs are shown in Table 1[6].

**Table 1**
**Definition of the Variables and Expected Signs**

| Name | Expected Sign | Definition |
|---|---|---|
| **Dependant Variable:** | | |
| **AUDIT DELAY** | | Log10 of number of days from the financial year-end to the date of audit report. |
| **Explanatory Variables:** | | |
| **TRANIFRS** | + | A dummy variable taken the value 1 if year of study (i.e. the calendar year under audit) is 2004 and 0 otherwise |
| **ADOPIFRS** | + | A dummy variable taken the value 1 if year of study is 2005 and 0 otherwise |
| **Control Variables:** | | |
| **POSIFRS06** | +/- | A dummy variable taken the value 1 if year of study is 2006 and 0 otherwise |
| **POSIFRS07** | +/- | A dummy variable taken the value 1 if year of study is 2007 and 0 otherwise |
| **SIZE** | - | The natural log of total assets |
| **INHRISQ** | + | The ratio of inventory and receivables to total assets |
| **NCLIAB** | + | The ratio of non-current liabilities to total assets |
| **DIVERSITY**[7] | + | The natural log of a number of sectors in which the firm operates |
| **DURREL** | - | The root of the average length of relationship between company and the two auditors |
| **AUDITCOM** | - | A dummy variable taken the value 1 for the existence of an audit committee and 0 otherwise |

---

[5] The use of two models is due to the problem of multicollinearity in two variables (SIZE and AUDFEES), which will be explained later.

[6] Several authors have identified the nature of audit opinion as one of the factors that may determine audit delay. In our study and in accordance with Piot (2008), we identify a very small number of observations where the audit report is subject to reservation, which makes it difficult to create this type of variable.

[7] Habib and Bhuiyan (2011) have measured this variable by the number of subsidiaries.

To be continued Table 1.

| Name | Expected Sign | Definition |
|---|---|---|
| **ACTREF5** | +/- | Cumulative percentage of the capital held by the reference shareholders of more than 5 % of the capital |
| **NBREBIG4** | - | The number of Big 4 among its auditors[8] |
| **LOSS** | + | A dummy variable taken the value 1 if the company net result is negative and 0 otherwise |
| **AUDFFES** | - | The natural log of audit fees |
| **AN02** | +/- | A dummy variable taken the value 1 if year of study is 2002 and 0 otherwise |

To correct normality, the logarithmic transformations to the variables AUDIT DELAY, SIZE, DIVERSITY and AUDFEES are chosen, which is consistent with current practices in the literature. The square root formula for the variable DURREL is applied to correct best the asymmetry.

### 3.2. Sample Selection

The sample used is a panel of 69 non-financial listed French firms belonging to the SBF 250 index over a period of 6 years (2002-2007). The main sources used are the Thomson Financial database for financial data collection and the annual reports available on the companies' websites for the remaining data collection.

**Table 2**

**Steps in the Constitution of Sample**

| | Number of Companies Deleted | Number of Companies/Observations Remaining |
|---|---|---|
| **Listed companies belonging to SBF 250 in 2002:** | | 250 |
| **- Financial and Real estate companies** | 34 | 216 |
| **- Foreign companies** | 11 | 205 |
| **- Companies not belonging to the SBF 250 index during the period 2002-2007** | 36 | 169 |
| **- Companies with missing data** | 63 | 106 |
| **- Companies listed in New York[9]** | 18 | 88 |
| **- Companies whose the end of the fiscal year is different from 31 December[10]** | 19 | 69 |
| **Final sample (69 firms * 6 years)** | | **414** |

## IV. RESULTS AND DISCUSSIONS

### 4.1. Descriptive Statistics

The following Table 3 provides descriptive statistics on audit delay per year from 2002 to 2007. The mean of audit delay for companies in the sample is 93.021 days, with

---

[8] The auditors are classified into two groups: Big 4 and non-Big 4. The Big 4 are KPMG, Ernst and Young, PriceWaterhouseCoopers and Deloitte and Touche.

[9] Because they must comply with SOX-section 404 in 2006; their audit delay may change in 2006 because of this obligation and not because of application of IFRS, which may bias the results.

[10] The firms that not closing their fiscal year on December 31 were eliminated in order to prevent a possible noise that could result from the dispersion in the calendar year end dates.

a wide dispersion. Indeed, for some companies, audit delay reaches 176 days while this amount is 23 days for others. Indeed, the maximum legal period is 180 days, taking into account the required 15 days minimum between filing the annual financial documents to the firm's premises and holding the shareholders ordinary general meeting.

A permanent increase in audit delay is found during the period 2002-2004 (from an average of 92.956 days in 2002 to 96.855 days in 2005), but a permanent decrease is noted during the period 2005-2007 (from an average of 95.434 days in 2005 to 85.449 days in 2007).

**Table 3**
**Descriptive Statistics of the Audit Delay**

| Audit Delay | Year | N | Mean | Standard Deviation | Minimum | Maximum |
|---|---|---|---|---|---|---|
| | 2002 | 69 | 92.956 | 30.535 | 28 | 163 |
| | 2003 | 69 | 95.985 | 28.724 | 23 | 162 |
| | 2004 | 69 | 96.855 | 29.120 | 41 | 159 |
| | 2005 | 69 | 95.434 | 30.731 | 34 | 163 |
| | 2006 | 69 | 91.449 | 32.257 | 36 | 157 |
| | 2007 | 69 | 85.449 | 29.191 | 31 | 176 |
| | **Panel** | **414** | **93.021** | **30.183** | **23** | **176** |

Table 4 and Table 5 provide descriptive statistics on control variables.

For the corporate governance variables, the mean of the cumulative percentage of the capital held by the reference shareholders is 55.4 percent. Regarding the existence of an audit committee, 75.362 percent of the sample firms have an audit committee during the entire study period. This percentage is close to that obtained by Broye (2009) who found that 73 percent of the companies forming her sample have already established an audit committee.

The mean of audit fees for companies in the sample is 3675.688 thousand euros, with a strong dispersion in the amounts paid. Indeed, for some companies, audit fees paid reach 24900 thousand euros, while, this amount is less than 54 thousand euros for others. The average duration of the audit relationship varies between one year and 23,500 years. 51.69 percent of the firms in our sample have one Big 4 firms and 32.61 percent have two Big 4 firms.

For the characteristics of firms, the mean of total assets for companies in the sample is 6998.590 million euros, with a high dispersion; on average, these firms operate in three business lines. Also, while some firms in our sample seem not to be indebted in the long term, other firms have long-term liabilities, this ratio can reach 26.027. Finally, 12.801 percent of the firms in our sample have a negative net result.

**Table 4**
**Descriptive Statistics of the Continuous Control Variables**

| VARIABLE | N | Mean | Standard deviation | Minimum | Maximum |
|---|---|---|---|---|---|
| SIZE | 414 | 6998.590 | 12850.590 | 8.978 | 68565 |
| INHRISQ | 414 | 0.363 | 0.148 | 0.030 | 0.750 |
| NCLIAB | 414 | 0.637 | 2.475 | 0 | 26.027 |
| DIVERSITY | 414 | 3.260 | 1.176 | 1 | 7 |
| DURREL | 414 | 8.222 | 4.778 | 1 | 23.500 |
| ACTREF5 | 414 | 0.554 | 0.250 | 0 | 0.993 |
| AUDFFES | 414 | 3675.688 | 4553.494 | 54 | 24900 |

**Table 5**
**Descriptive Statistics of the Discrete Control Variables**

| VARIABLE | Group 1 (variable taken the value 0) | | Group 2 (variable taken the value 1) | | Group 3 (variable taken the value 2) | |
|---|---|---|---|---|---|---|
| | N | Percent | N | Percent | N | Percent |
| AUDITCOM | 102 | 24.637 | 312 | 75.362 | | |
| LOSS | 361 | 87.198 | 53 | 12.801 | | |
| NBREBIG | 65 | 15.7 | 214 | 51.69 | 135 | 32.61 |

### 4.2. Results and Analysis of the Results of Multivariate Analysis

### 4.2.1. Tests for the presence of individual effects

The tests (Fisher in the case of a fixed effects model and Lagrange multipliers in the case of a random effects model) permit verification of the presence of individual effects. The null hypothesis ($H_0$: an = 0) of these tests is the absence of individual effects.

**Table 6**
**Test for the Presence of Individual Effects**

| | Model 1 | Model 2 |
|---|---|---|
| Test of Fisher | 12.17*** | 12.37*** |

Notes: *** correlations are significant at the 0.01 level.

Table 6 shows that the p-value associated with the Fisher test is less than the 1%. Then, the null hypothesis of the absence of specific effects is rejected and it is necessary to introduce individual effects. After the validity assumption of the individual effects model is met, the next decision is to either rely on the random effects model or the fixed effects model results. The decision to choose an appropriate model is based on the Hausman specification test by Hausman (1978).

### 4.2.2. Hausman test

A significant value for the chi-square statistic of the Hausman test indicates the existence of correlation between the composite error term and the independent variables in the model. In this study, the probability of the Hausman test in model 1 is equal to 0.013 (< 5%); and it is 0.004 (< 5%) in Model 2. Then, the fixed effects models are adopted.

### 4.2.3. Tests of multicollinearity

Table 7 demonstrates that the VIF shows problem of multicollinearity in two variables (SIZE and AUDFEES) as they are well above the prudent level of 5 (the VIF is 8.72 for SIZE and 9.23 for AUDFEES) suggested by Montgomery and Peck (1982). Hence, it is important to introduce each variable in a separate model.

Table 8 demonstrates that the VIF don't show the problem of multicollinearity for all variables included as they are well below the prudent level of 5 (the maximum VIF is 1.73).

For tolerance, it is equal to 1 minus the coefficient of determination, $R^2(1 - R^2)$. Thus, the more tolerance is high (close to 1), the more the absence of collinearity seems obvious. The lower limit is between 0.2 and 0.25. In this study, all the variables have tolerances higher than 0.50.

**Table 7**
**General Diagnosis of Multicollinearity**

| Explanatory variables | VIF | Tolerance |
|---|---|---|
| TRANIFRS | 1.68 | 0.595 |
| ADOPIFRS | 1.71 | 0.586 |
| POSIFRS06 | 1.72 | 0.581 |
| POSIFRS07 | 1.73 | 0.578 |
| SIZE | 8.72 | 0.114 |
| INHRISQ | 1.17 | 0.858 |
| NCLIAB | 1.10 | 0.906 |
| DIVERSITY | 1.16 | 0.859 |
| DURREL | 1.18 | 0.846 |
| AUDITCOM | 1.41 | 0.711 |
| ACTREF5 | 1.10 | 0.908 |
| NBREBIG4 | 1.36 | 0.733 |
| LOSS | 1.21 | 0.827 |
| AUDFFES | 9.23 | 0.108 |
| AN02 | 1.70 | 0.589 |
| Average VIF | | 2.41 |

Notes: TRANIFRS= dummy variable given the value 1 if year of study is 2004 and 0 otherwise; ADOPIFRS= dummy variable given the value 1 if year of study is 2005 and 0 otherwise; POSIFRS06= dummy variable given the value 1 if year of study is 2006 and 0 otherwise ; POSIFRS07= dummy variable given the value 1 if year of study is 2007 and 0 otherwise ; SIZE= natural log of total assets ; INHRISQ = ratio of inventory and receivables to total assets; NCLIAB= ratio of non-current liabilities to total assets; DIVERSITY= natural log of a number of sectors in which the firm operates; DURREL= the root of the average length of relationship between company and the two auditors; AUDITCOM= a dummy variable taken the value 1 for the existence of an audit committee and 0 otherwise; ACTREF= cumulative percentage of the capital held by the reference shareholders of more than 5 % of the capital; NBREBIG4= a byte variable given the value 0 if the company hasn't one Big 4 among its auditors, the value 1 if the company has a one Big 4 auditor among its auditors, and 2 if the company has a two Big 4 auditor among its auditors ; LOSS= dummy variable given the value 1 if the company net result is negative and 0 otherwise; AUDFFES= natural log of audit fees; AN02= dummy variable given the value 1 if year of study is 2002 and 0 otherwise.

**Table 8**
**General Diagnosis of Multicollinearity of Model 1 and 2**

| Explanatory Variables | Model 1 | | Model 2 | |
|---|---|---|---|---|
| | VIF | Tolerance | VIF | Tolerance |
| TRANIFRS | 1.68 | 0.595 | 1.68 | 0.595 |
| ADOPIFRS | 1.70 | 0.587 | 1.70 | 0.587 |
| POSIFRS06 | 1.72 | 0.581 | 1.72 | 0.581 |
| POSIFRS07 | 1.73 | 0.578 | 1.73 | 0.578 |
| SIZE | 1.6 | 0.623 | | |
| INHRISQ | 1.09 | 0.920 | 1.07 | 0.934 |
| NCLIAB | 1.1 | 0.907 | 1.09 | 0.917 |
| DIVERSITY | 1.1 | 0.912 | 1.13 | 0.881 |
| DURREL | 1.18 | 0.850 | 1.16 | 0.861 |
| AUDITCOM | 1.37 | 0.732 | 1.4 | 0.711 |
| ACTREF5 | 1.08 | 0.924 | 1.09 | 0.917 |
| NBREBIG4 | 1.33 | 0.753 | 1.36 | 0.733 |
| LOSS | 1.20 | 0.833 | 1.16 | 0.861 |
| AUDFFES | | | 1.7 | 0.588 |
| AN02 | 1.69 | 0.592 | 1.68 | 0.593 |
| Average VIF | 1.40 | | 1.41 | |

Notes: TRANIFRS= dummy variable given the value 1 if year of study is 2004 and 0 otherwise; ADOPIFRS= dummy variable given the value 1 if year of study is 2005 and 0 otherwise; POSIFRS06= dummy variable given the value 1 if year of study is 2006 and 0 otherwise ; POSIFRS07= dummy variable given the value 1 if year of study is 2007 and 0 otherwise; SIZE= natural log of total assets ; INHRISQ= ratio of inventory and receivables to total assets; NCLIAB= ratio of non-current liabilities to total assets; DIVERSITY= natural log of a number of sectors in which the firm operates; DURREL= the root of the average length of relationship between company and the two auditors; AUDITCOM= A dummy variable taken the value 1 for the existence of an audit committee and 0 otherwise; ACTREF= Cumulative percentage of the capital held by the reference shareholders of more than 5 % of the capital; NBREBIG4= A byte variable given the value 0 if the company hasn't one Big 4 among its auditors, the value 1 if the company has a one Big 4 auditor among its auditors, and 2 if the company has a two Big 4 auditor among its auditors ; LOSS= dummy variable given the value 1 if the company net result is negative and 0 otherwise; AUDFFES= natural log of audit fees; AN02= dummy variable given the value 1 if year of study is 2002 and 0 otherwise.

### 4.2.4. Linear regressions

The following Table 9 provides the results of multivariate analysis of the two study models.

According to regression results, Chi-square statistic testing the joint significance of explanatory variables is significant at 1%. It permits to reject the null hypothesis that the regression coefficients β are zero.

Consistent with the second hypothesis, results show that audit delay has clearly increased following the transition to IFRS. The coefficient of ADOPIFRS shows a significant increase in audit delay in 2005 (at a level of 10% for model 1 and 5% for model 2). These findings might be due to the complexity of the transition to IFRS (Hoogendoorn, 2006) and the emergence of new diligences for the auditor, which increases the effort of auditor and his expected risk and in turn his audit effort and his audit delay. These results corroborate those reported by Habib and Bhuiyan (2011) in New Zealand, Yaacob and Che-Ahmad (2012), Amirul and Salleh (2014) in Malaysia, and Habib (2015) in China.

Nevertheless, this significant increase in audit delay is found only the year of adoption of IFRS (2005). The first hypothesis which consists that audit delay increases the year prior to IFRS adoption (2004) is rejected. Also, the coefficients of POSIFRS06 and POSIFRS07 do not show a significant increase in audit delay. The possible reason for this finding might be explained as follows. The increase in audit delay observed after the transition to IFRS could be temporary and it could be considered as a potential cost of the implementation of these standards. Indeed, it is important to note that the majority of French companies have made choices that are likely to reduce the effects of IFRS. For example, when fair value is optional, it has not been chosen. These choices can reduce the impact of these standards on the accounting information risk and thus on audit risk (Loukil, 2016).

For the control variables, results show that company size has a negative and significant effect on the audit delay at a level of 1%, which could be because large firms tend to have more effective internal control systems, leading to an easier audit. Another explanation may be that the larger companies exercise greater control over and monitoring of their auditors, with the result that the auditors feel under more pressure to complete the process of auditing more rapidly (Bonson-Ponte et al., 2008). This result corroborates those reported in New Zealand context by Carslaw and Kaplan (1991), Ng and Tai (1994) and Jaggi and Tsui (1999) in Hong Kong, Soltani (2002) and Khoufi and Khoufi (2018) in French, Bonson-Ponte et al. (2008) in Spain, Habib and Bhuiyan (2011) in New Zealand, Hitz et al. (2013) in German, and Habib (2015) in China.

Also, the amount of audit fees has a negative and significant effect on the audit delay at a level of 1%. It appears that quick audit reporting is associated with an audit fee premium. Thus, higher audit fees may be explained as synonyms of the highest audit quality measured in terms of the timeliness of the assurance service. These results corroborate those reported by Khoufi and Khoufi (2018) in the French context, and Leventis et al. (2005) in Athens Stock Exchange.

The coefficient of NBREBIG4 is significantly negative, which means that the audit delay appeared to be shorter when the auditor is internationally affiliated. This may be due to greater human resources and experience owned by large audit firms such as adequate qualified staff that reduce the time taken to complete the audit works (Khoufi & Khoufi, 2018). In other words, the larger auditors will be more efficient that the smaller ones because they can count on superior audit technology (Williams & Dirsmith, 1988). This result corroborates those reported in the French context by Soltani (2002), Hitz et al. (2013) in German, and Khoufi and Khoufi (2018).

The coefficient of ACTREF5 appears to have a negative and significant effect on the audit delay at a level of 5%. Thus, the substitution hypothesis between the control exercised by the reference shareholders and that exercised by the external auditor is validated. This result corroborates those expected but not confirmed by Habib and Bhuiyan (2011) and Yaacob and Che-Ahmad (2012).

The audit delay is found to be longer for firms with a higher ratio of no current liabilities in the first model at a level of 10%. Thus, the higher the value of the ratio of long term debt to total assets, the higher the likelihood of failure and the weaker the company's financial condition. Companies with a weaker financial condition will expose the auditor to greater audit risk, thus increasing the audit delay (Habib &Bhuiyan, 2011).

The degree of diversification varied positively and significantly with audit time, which is again consistent with previous studies (Ng & Tai, 1994; Habib & Bhuiyan, 2011), and reflects the complexity of auditing such firms.

Finally, the rest of the variables analysed (INHRISQ, DURREL, LOSS and AUDITCOM) are not statistically significant, and therefore are not variables that can be considered to influence the audit delay.

**Table 9**
**Regression results of models 1 and 2**

| Explanatory Variables | Predicted Sign | Reference Model 1 (with xtgls)[11] | | Reference Model 2 (with xtgls) | |
|---|---|---|---|---|---|
| | | Coef. B | Z | Coef. B | Z |
| **Constant** | | 2.192 | 53.11*** | 2.214 | 51.23*** |
| **TRANSIFRS** | + | 0.006 | 0.74 | 0.012 | 1.38 |
| **ADOPIFRS** | + | 0.020 | 1.77* | 0.024 | 2.18** |
| **POSTIFRS06** | +/- | 0.003 | 0.28 | 0.007 | 0.65 |
| **POSTIFRS07** | +/- | -0.012 | -0.99 | -0.009 | -0.71 |
| **SIZE** | + | -0.037 | -9.94*** | | |
| **INHRISQ** | + | -0.013 | -0.34 | 0.030 | 0.80 |
| **NCLIAB** | + | 0.003 | 1.75* | 0.001 | 0.98 |
| **DIVERSITY** | + | 0.097 | 5.82*** | 0.100 | 5.73*** |
| **DURREL** | +/- | -0.002 | -0.32 | -0.004 | -0.67 |
| **AUDITCOM** | + | -0.017 | -1.37 | -0.017 | -1.32 |
| **ACTREF5** | +/- | -0.047 | -2.22** | -0.051 | -2.33** |

---

[11] This syntax corrects the problems of heteroscedasticity and autocorrelation of errors in the first and second model.

To be continued Table 9.

| | | | | | |
|---|---|---|---|---|---|
| **NBREBIG4** | + | -0.047 | -2.93*** | -0.022 | -2.54** |
| **LOSS** | + | -0.003 | -0.27 | 0.010 | 0.84 |
| **AUDFFES** | - | | | -0.042 | -7.99*** |
| **AN02** | +/- | -0.010 | -1.14 | -0.013 | -1.56 |
| **N** | | 414 | | 414 | |
| **$R^2$ (between)** | | 0.276 | | 0.256 | |
| **Chi2** | | 185.37*** | | 146.06*** | |

Notes: *, **, and ***: coefficients are significant at the level of 0.1, 0.05 and 0.01.
AUDIT DELAY= log10 of number of days from the financial year-end to the date of audit report; TRANIFRS= dummy variable given the value 1 if year of study is 2004 and 0 otherwise; ADOPIFRS= dummy variable given the value 1 if year of study is 2005 and 0 otherwise; POSIFRS06= dummy variable given the value 1 if year of study is 2006 and 0 otherwise ; POSIFRS07= dummy variable given the value 1 if year of study is 2007 and 0 otherwise ; SIZE= natural log of total assets ; INHRISQ= ratio of inventory and receivables to total assets; NCLIAB= ratio of non-current liabilities to total assets; DIVERSITY= natural log of a number of sectors in which the firm operates; DURREL= the root of the average length of relationship between company and the two auditors; AUDITCOM= a dummy variable taken the value 1 for the existence of an audit committee and 0 otherwise; ACTREF= cumulative percentage of the capital held by the reference shareholders of more than 5 % of the capital; NBREBIG4= a byte variable given the value 0 if the company hasn't one Big 4 among its auditors, the value 1 if the company has a one Big 4 auditor among its auditors, and 2 if the company has a two Big 4 auditor among its auditors ; LOSS= dummy variable given the value 1 if the company net result is negative and 0 otherwise; AUDFFES= natural log of audit fees; AN02= dummy variable given the value 1 if year of study is 2002 and 0 otherwise.

### 4.2.5. Additional analysis

This section reports the results of a number of sensitivity tests used to substantiate the main findings.

Habib and Bhuiyan (2011) studied the association between IFRS and audit report lag and whether audit specialisation affects such a relationship. They document that industry specialist auditors are capable of performing their audits sooner compared with their non-specialist counterparts as reflected in a shorter audit delay because of their significant industry-specific knowledge. They also reveal that although the adoption of IFRS in New Zealand has increased ARLs, that effect is mostly confined to non-specialist auditors. Along the same lines, we tested the moderating effect of auditor type; it means how auditor type may affect the association between the transition to IFRS and audit delays.

One new variable (NBREBIG4*ADOPIFRS) is then introduced to verify the moderating effect of auditor type[12].

The general forms of the models tested are the following[13].

Model 3:

$$\text{AUDIT DELAY}= \beta_0 + \beta_1\text{ADOPIFRS} + \beta_2\text{SIZE} + \beta_3\text{INHRISQ} + \beta_4\text{NCLIAB} + \beta_5\text{DIVERSITY} + \beta_6\text{DURREL} + \beta_7\text{AUDITCOM} + \beta_8\text{ACTREF5} + \beta_9\text{NBREBIG4} + \beta_{10}\text{LOSS} + \beta_{11}\text{NBREBIG4*ADOPIFRS} + \varepsilon \ \dots\dots\dots \ (3)$$

---

[12] Our coefficient of interest is $\beta_{11}$ and we predict him to be negative.
[13] We introduced only the variable ADOPIFRS because the coefficient of TRANSIFRS, POSIFRS06 and the coefficient of POSIFRS07 do not show a significant increase in audit delays.

Model 4:

$$\text{AUDIT DELAY} = \beta_0 + \beta_1 \text{ADOPIFRS} + \beta_2 \text{AUDIFEES} + \beta_3 \text{INHRISQ} +$$
$$\beta_4 \text{NCLIAB} + \beta_5 \text{DIVERSITY} + \beta_6 \text{DURREL} + \beta_7 \text{AUDITCOM} +$$
$$\beta_8 \text{ACTREF5} + \beta_9 \text{NBREBIG4} + \beta_{10} \text{LOSS} + \beta_{11} \text{NBREBIG4}*$$
$$\text{ADOPIFRS} + \varepsilon \ .......................................................................... \quad (4)$$

The following Table 10 provides the results of multivariate analysis of the two models.

First, with respect to the primary findings, results reveal that firms that are audited by a Big 4 enjoy a shorter ARL. The coefficient on NBREBIG4 is significant at a level of 1% (in model 3) and 5% (in model 4).

Second, the ARL increases significantly in France the year of the adoption of the IFRS, (coefficient, Z-statistic, significant at better than 1% level).

Finally, the interactive coefficient NBREBIG4*IFRS enters the regression equation with a negative sign and the coefficient is statistically significant at better than the 5% level (in model 3 and 4).

This implies that although the ARL has increased after the adoption of IFRS, firms audited by Big 4 auditors have not been affected, the effect is mostly confined to non-Big 4 auditors.

**Table 10**

**Regression Results of Models 3 and 4**

| Explanatory Variables | Predicted Sign | Reference Model 3 (with xtgls) | | Reference Model 4 (with xtgls) | |
|---|---|---|---|---|---|
| | | Coef. B | Z | Coef. B | Z |
| **Constant** | | 2.192 | 55.92*** | 2.209 | 54.14*** |
| **ADOPIFRS** | + | 0.044 | 3.06*** | 0.043 | 3.33*** |
| **SIZE** | + | -0.038 | -10.56*** | | |
| **INHRISQ** | + | -0.007 | -0.22 | 0.037 | 1.05 |
| **NCLIAB** | + | 0.003 | 2.27** | 0.002 | 1.31 |
| **DIVERSITY** | + | 0.104 | 6.34*** | 0.105 | 5.99*** |
| **DURREL** | +/- | -0.005 | -0.82 | -0.006 | -1.03 |
| **AUDITCOM** | + | -0.017 | -157 | -0.016 | -1.34 |
| **ACTREF5** | +/- | -0.056 | -2.89*** | -0.064 | -3.2*** |
| **NBREBIG4** | + | -0.020 | -2.58*** | -0.017 | -2.07** |
| **LOSS** | + | -0.009 | -0.91 | 0.006 | 0.56 |
| **AUDFFES** | - | | | -0.042 | -8.26*** |
| **ADOPIFRS*NBREBIG4** | +/- | -0.021 | -2.03** | -0.022 | -2.34** |
| **N** | | 414 | | 414 | |
| **Chi2** | | 205.38*** | | 156.16** | |

Notes: *, **, and ***: coefficients are significant at the level of 0.1, 0.05 and 0.01.

AUDIT DELAY= Log10 of number of days from the financial year-end to the date of audit report; ADOPIFRS= dummy variable given the value 1 if year of study is 2005 and 0 otherwise; SIZE= natural log of total assets ; INHRISQ= ratio of inventory and receivables to total assets; NCLIAB= ratio of non-current liabilities to total assets; DIVERSITY= natural log of a number of sectors in which the firm operates; DURREL= the root of the average length of relationship between company and the two auditors; AUDITCOM= a dummy variable taken the value 1 for the existence of an audit committee and 0 otherwise; ACTREF= cumulative percentage of the capital held by the reference shareholders of more than 5 % of the capital; NBREBIG4= a byte variable given the value 0 if the company hasn't one Big 4 among its auditors, the value 1 if the company has a one Big 4 auditor among its auditors, and 2 if the company has a two Big 4 auditor among its auditors ; LOSS= dummy variable given the value 1 if the company net result is negative and 0 otherwise; AUDFFES= natural log of audit fees; ADOPIFRS*NBREBIG4= the interaction term ADOPIFRSxNBREBIG4.

## V. CONCLUSION

We investigate the effect of the mandatory adoption of IFRS in France on the audit delays, the time spent between the reporting date and the date of the auditor's opinion. This impact is tested by working on a sample consisting of 414 observations over the period 2002-2007. As expected in the second hypothesis the results of the fixed effects models show a significant increase in the audit delays in the year of the adoption of IFRS (year, 2005). In fact, many professionals emphasize that the adoption of IFRS will increase audit risks[14], this increased risk will require more audit effort and time and hence a longer audit delay (Habib & Bhuiyan, 2011). The additional tests show that although the ARL has increased after the adoption of IFRS, this increase is mostly confined to firms audited by non-Big 4 auditors.

A few numbers of empirical studies have found that ARL has increased after the adoption of IFRS; this paper expands this stream of research by incorporating also the moderating effect of auditor type on the association between the transition to IFRS and the audit delays. Moreover, to the best of our knowledge, this is the first paper to study the impact of the mandatory adoption of IFRS on the audit delays in the French context, by taking advantage of access to proprietary data on audit delays and audit fees from annual reports. The findings reported in this study are expected to be generalisable to other developed capital market.

The findings from the study suffer from some limitations. The first limitation concerns the measurement of audit quality through the nature of the auditor (Big N versus non-Big N). Indeed, the discovery of numerous cases of accounting and financial manipulation in firms audited by the largest audit firms has affected this quality (Loukil, 2016).

Finally, some avenues of research can be proposed. For example, future researchers can use other measures of audit quality based primarily on the quality of the audit process. They can study the determinants of audit delays in a mandatory IFRS setting by introducing some variables that measure the accounting complexity after IFRS (e.g. proportion of goodwill, financials instruments...). They may examine how auditor's IFRS expertise, auditor's industry specialisation and audit tenure may affect the relationship between the adoption of IFRS and audit report lag. Indeed, examining the effect of the IFRS on audit delays and the impact of the presence of the Big 4 auditors on the association between audit delays and IFRS in other developing settings represents an important future research avenue given the low auditing and accounting infrastructure in these countries (Ebrahim, 2014).

Future researchers may also focus on experimental or survey methods; they can also conduct an international study or study the consequences of IFRS adoption on other agents such as chief financial officer and financial analysts. Briefly, a comprehensive analysis of the costs and benefits of IFRS is required in order to decide whether their benefits exceed their costs.

---

[14] Because auditors now have to verify increased managerial judgments because of the principles-based standard-setting approach pursued by the International Accounting Standards Board (Marden & Brackney, 2009).

# REFERENCES

Abd-Elsalam, O. H., & Weetman, P. (2003, December). Introducing international accounting standards to an emerging capital market: Relative familiarity and language effect in Egypt. *Journal of International Accounting Auditing & Taxation*, *12(1),* 63-84, 10.1016/S1061-9518(03)00002-8.

Amirul, S. M., & Salleh, M. F. Md. (2014). Convergence to IFRS and audit report lag in Malaysia. *Research Journal of Finance & Accounting*, *5*(23), 9-16.

Bartov, E., Goldberg, S. R., & Kim, M-. S. (2005, April). Comparative value relevance among German, U.S., and International Accounting Standards: A German stock market perspective. *Journal of Accounting, Auditing & Finance*, *20*(2), 95-119.

Bonson-Ponte, E., Escobar-Rodriguez, T., & Borrero-Dominguez, C. (2008, July). Empirical analysis of delays in the signing of audit reports in Spain. *International Journal of Auditing*, *12*(2), 129-140.

Broye, G. (2009). Honoraires d'audit et comités d'audit: Le cas de la France. *Comptabilité Contrôle Audit*, *15*(1), 199-225.

Carmona, S., & Trombetta, M. (2008). On the global acceptance of IAS/IFRS accounting standards: The logic and implications of the principles-based system. *Journal of Accounting & Public Policy*, *27*(6), 455-461.

Carslaw, C. A. P. N., & Kaplan, S. E. (1991, December). An examination of audit delay: Further evidence from New Zealand. *Accounting & Business Research*, *22*(85), 21-32.

Casta, J-F., & Escaffre, L. (2006). Existe-t-il un risque de non-conformité dans l'application des IFRS? *Option Finance*, 891, 33.

Covrig, V. M., DeFond, M. L., & Hung. M. (2007, March). Home bias, foreign mutual fund holdings, and the voluntary adoption of International Accounting Standards. *Journal of Accounting Research*, *45*(1), 41-70.

Daske, H., Hail, L., Leuz, C., & Verdi, R. (2008, October). Mandatory IFRS reporting around the world: Early evidence on the economic consequences. *Journal of Accounting Research*, *46*(5), 1085-1142.

Ebrahim, M. A. (2014). IFRS compliance and audit quality in developing countries: The case of income tax accounting in Egypt. *Journal of International Business Research*, *13*(2), 19-37.

Habib, A. (2015). The new Chinese accounting standards and audit report lag. *International Journal of Auditing*, *19*(1), 1-14.

Habib, A., & Bhuiyan, B. U. (2011). Audit firm industry specialization and the audit report lag. *Journal of International Accounting, Auditing & Taxation,* *20*(1), 32-44.

Haller, A. (2002, February). Financial accounting developments in the European union: Past events and future prospects. *The European Accounting Review*, *11*(1), 153-190.

Hausman, J. A. (1978, February). Specification test in econometrics. *Econometrica*, *46*(6), 1251-71.

Herdjiono, I., & Sutanti, N. (2018, August). Determinants of audit delay: Evidence from manufacturing sector of Indonesia. *Audit financier*, *16*(151), 373-381.

Hitz, J. M, Low, P., & Solka, M. (2013). Determinants of audit delay in a mandatory IFRS setting. *Die Betriebswirtschaft: DBW.*, *73*(4), 293-305.

Hoogendoorn, M. (2006). International accounting regulation and IFRS implementation in Europe and beyond experiences with first time adoption in Europe. *Accounting in Europe*, *3*(1), 23-26.

Jaggi, B., & Tsui, J. (1999). Determinants of audit report Lag: Further evidence from Hong-Kong. *Accounting & Business Research*, *30*(1), 17-28.

Khlif, H., & Achek, I. (2016, September). IFRS adoption and auditing: A review. *Asian Review of Accountig, 24*(3), 338-361.

Khlif, H., & Samaha, K. (2014, July). Internal control quality, Egyptian standards on auditing and external audit delays: Evidence from the Egyptian stock exchange. *International Journal of Auditing, 18*(2), 139-154.

Khoufi, N., & Khoufi, W. (2018, October). An empirical examination of the determinants of audit report delay in France. *Managerial Auditing Journal, 33*(8-9), 700-714.

Leventis, S., Weetman, P., & Caramanis, C. (2005). Determinants of audit report lag: Some evidence from the Athens stock exchange. *International Journal of Auditing*, 9, 45-58.

Loukil, L. (2016). The impact of IFRS on the amount of audit fees: The case of the large French listed companies. *Quarterly Journal of Finance & Accounting, 54*(1&2), 41-68.

Marden, R. E., & Brackney, K. S. (2009, June). Audit risk and IFRS: Does increased flexibility increase audit risk? *The CPA Journal, 79*(6), 32-36.

Montgomery, D. C., & Peck, E. A. (1982). *Introduction to linear regression analysis* (5th ed.). New York: Wiley

Ng, P. P., & Tai, B. Y. K. (1994, March). An empirical examination of the determinants of audit delay in Hong Kong. *British Accounting Review, 26*(1), 43-59.

Soltani, B. (2002). Timeliness of corporate and audit reports: Some empirical evidence in the French context. *The International Journal of Accounting, 37*(2), 215-46.

Stovall, D. C. (2010). Transition to IFRS: What can we learn? *The Business Review, 16*(1), 120-126.

Thomas, J. (2009, August). Convergence: Businesses and business schools prepare for IFRS. *Issues in Accounting Education, 24*(3), 369-376.

Tort, É. (2007, December). La contingence de la politique comptable des sociétés cotées: Le cas de la transition aux normes IFRS. *Comptabilité-Contrôle-Audit*, N° thématique, 171-194.

Walker, A., & Hay, D. (2013). Non-audit services and knowledge spillovers: An investigation of the audit report lag. *Meditari Accountancy Research, 21*(1), 32-51.

Williams, D. D., & Dirsmith, M. W. (1988). The effects of audit technology on auditor efficiency: Auditing and the timeliness of client earnings announcements. *Accounting, Organizations & Society, 13*(5), 487-508.

Yaacob, N. M., & Che-Ahmad, A. (2011). IFRS adoption and audit timeliness: Evidence from Malaysia. *The Journal of American Academy of Business, 17*(1), 112-118.

Yaacob, N. M., & Che-Ahmad, A. (2012, June). Audit fees after IFRS adoption: Evidence from Malaysia. *Eurasian Business Review, 2*(1), 31-46.

Zhu, K., & Sun, H. (2012, June). The reform of accounting standards and audit pricing. *China Journal of Accounting Research, 5*(2), 187-198.