International Journal of Research on Financial & Business (IJRFB) ISSN: 3046-4609 (Online)
Vol 2, No 1, 2024, pp. 149 -164 ISSN: 3032-7806 (Print)

THE EFFECT OF PROFITABILITY, SOLVENCY, LIQUIDITY, COMPANY SIZE AND AUDITOR OPINION ON AUDIT DELAY

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Abstract. This research aims to determine the effect of profitability, solvency, liquidity, firm size, and auditor opinion on audit delay, involving the samples of 98 all sector companies listed on the Indonesia Stock Exchange (IDX) between 2019 and 2022, selected through purposive sampling. The hypotheses are tested by multiple linear regression analysis utilizing SPSS 25 software. Simultaneously, this research suggests that profitability, solvency, liquidity, firm size, and auditor opinion have a significant effect on audit delay; and partially, profitability represented by Return on Assets (ROA) has a significant negative effect on audit delay. Solvency represented by Debt-to-Equity Ratio (DER), and firm size represented by total assets have a significant positive effect on audit delay. However, liquidity represented by the current ratio, and auditor opinion do not have a significant effect on audit delay.

Keywords: Profitability (ROA), Solvency (DER), Liquidity (current ratio), Firm Size (total assets), Auditor Opinion, Audit Delay

I. INTRODUCTION

Significant developments in the capital market can be seen from the increasing number of companies conducting Initial Public Offering (IPO), which is the first time a company sells its shares to the public. Launching IDX data, there were 157 IPO companies from 2019-2022. The increase in the number of companies going public has an impact on the increase in public demand for audited financial reports. Referring to POJK Number 29 / PJOK.04 / 2016, it is stated that companies listed on the IDX are required to submit annual reports to the OJK no later than the end of the fourth month after the financial year ends.

One of the characteristics of quality financial reports is that they are published on time. Timeliness affects the use of information by users of financial statements before the information loses its usefulness in making decisions (Srimindarti, 2008). The period of time to complete the audit process calculated from the closing date of the book until the issuance of the independent auditor's report is called audit delay (Ashton et al., 1987). A shorter audit delay indicates that the company is in a stable condition. Conversely, the longer the financial statements are published, the higher the likelihood of negative rumors about the company's condition (Istiqomah, 2010).

In POJK Number 14/POJK.04/2022, it is stated that the audited financial statements must be submitted by the issuer no later than the end of the third month after the closing of the financial period. In addition, the IDX also issued provisions regarding sanctions contained in Kep-307/BEJ/07-2004 where there are four sanctions ranging from written warnings, fines of 50 million to 150 million to suspensions for issuers that exceed the deadline for submitting

audited financial reports. However, in fact, launching from the IDX website, there are still many companies that are late in submitting financial reports which are presented in table 1 below.

Table 1 List of Industry Sectors That Are Late in Submitting Annual Reports

Industry Type	Year of Financial Statements				Total
	2019	2020	2021	2022	
Non-Primary Consumer Goods	8	20	21	12	61
Property & Real Estate	9	16	16	12	53
Primary Consumer Goods	4	8	7	6	25
Industry	5	5	9	6	25
Raw Goods	4	8	7	8	27
Energy	5	12	13	7	37
Infrastructure	3	6	6	2	17
Technology	1	6	5	4	16
Finance	1	2	3	3	9
Transportation & Logistics	1	5	2	1	9
Health	1	1	1	0	3
Total	42	89	90	61	282

Source: Research Data (2024)

Based on this phenomenon, an analysis is needed regarding the factors that can affect audit delay. Studies conducted by Gaol and Duha (2021), Aprilia and Cahyonowati (2022), and Sumarni et al. (2022) show that companies with high profitability as reflected in ROA tend to submit financial reports on time. This supports the signal theory relationship with audit delay because management considers high ROA as positive news that it wants to release to the public immediately. Conversely, according to Saputra et al. (2020) high and low profitability does not affect audit delay because audits conducted for companies will use the same audit procedures.

In addition to the profitability aspect, research results from Indriani (2020), Sumarni et al. (2022) and Anggraeni et al. (2022) explain that high solvency in the DER ratio indicates the risk of company debt which is significant. So that auditors need additional audit procedures on liability accounts and will have an impact on the length of the audit delay duration. The connection with signal theory is that management tends to delay financial reporting to the

public because it considers high DER values as bad news. Conversely, according to Aprilia and Cahyonowati's research (2022) there is no relationship between solvency and audit delay.

Furthermore, based on research from Artaningrum et al. (2017) and Imelda (2023) explain that liquidity projected by the current ratio has an effect on shortening audit delay. The connection with signal theory is that a high current ratio value indicates the company's ability to pay off its current debt on time so that management believes that it is positive news that must be released immediately. Conversely, according to Sumarni et al. (2022) a high or low current ratio value in a company has no effect on audit delay.

Another factor that affects audit delay is company size. Company size is reflected in the financial position report by looking at the total assets owned by the company. According to Boyten and Kell (1996) audit delay tends to increase with company size growth due to more complex transactions, more audit samples and more extensive audit procedures. This is in line with the studies of Gaol and Duha (2021), Saputra et al. (2020) and Sibarani (2022), it is explained that the larger the company size affects the length of audit delay. However, Aprilia and Cahyonowati's research (2022) shows that the size of the company has no effect on audit delay.

Furthermore, another factor that affects audit delay is audit opinion. Based on research from Gaol and Duha (2021) and Aprilia and Cahyonowati (2022), it is explained that companies that obtain an unqualified opinion (WTP) have a faster audit process because based on the relationship with signal theory that the entity will consider the auditor's opinion or opinion as good news that must be released to the public immediately. A different opinion was conveyed by Anggraeni et al. (2022) which explains that the audit opinion given by the auditor to the company has no effect on audit delay.

Although there have been many studies that discuss audit delay, there are inconsistencies and contradictions in the results. And the audit delay phenomenon is also always a trend every year. So according to researchers, this topic is still relevant to study. The difference between this study and previous research lies in the sample of companies used, namely from all industrial sectors because the audit delay phenomenon is almost evenly distributed across all industrial fields. In addition, according to Primantara and Rasmini's (2015) research, whatever type of company industry, whether from the financial or non-financial sector, does not make the audit process run faster or slower.

By conducting this research, it is hoped that it can provide practical benefits for companies, namely providing an understanding of the factors that can speed up or slow down the audit process to improve the efficiency and effectiveness of the company's internal control. For regulators, the results of this study are expected to be input and consideration in designing policies and regarding the deadline for submitting audited financial reports by taking into account audit delay factors. For auditors, the results of this study are expected to be taken into consideration in increasing the effectiveness and efficiency of conducting audits and selecting audit procedures, so as to reduce the occurrence of audit delay.

Based on the background description that has been explained, this study aims to see the effect of profitability (ROA), solvency (DER), liquidity (current ratio), company size (total assets), and auditor opinion on the duration of audit delay. Researchers used a sample of public companies that experienced audit delays of more than 90 days or had passed the deadline according to POJK Number 14 / POJK.04 / 2022. The companies used as samples are all industrial sectors listed on the IDX from 2019-2022. The title of this study is "The Effect of

Profitability, Solvency, Liquidity, Company Size and Auditor Opinion on Audit delay (Empirical Study of All Industrial Sector Companies Listed on the IDX for the 2019-2022 Period)".

II. LITERATURE REVIEW

A. Agency Theory

Agency theory proposed by Jensen and Meckling (1976) is a framework used to analyze the relationship between principals and agents. The agent in question is the management of the company, while the principal is the shareholder or owner of the company. The principal will hire and give authority to the agent to make decisions that can maximize profits on behalf of the principal's interests (Jensen & Meckling, 1976).

The existence of interests between the two parties will form information asymmetry, namely a condition where the agent has more information than the principal (Scott, 2003). To be able to overcome agency problems, namely with agency costs, one of which is an audit fee. The auditor acts as an independent party that bridges the interests between shareholders and company management by auditing the issuer's financial statements. Information in the audited financial statements will provide confidence to shareholders and users of financial statements on the performance of the company's management.

B. Signaling Theory

Signal theory was proposed by Michael Spance (1973) which explains the relationship between the sender and receiver of the signal, where the sender will determine how to communicate information to the receiver and the receiver will interpret the information by reacting positively, neutrally, or negatively. One of the actions of company management to signal to external parties is by publishing financial reports. The information in the financial statements will be evaluated and receive a response as positive information (good news) or negative information (bad news) from external parties or stakeholders.

Signal theory is related to the timeliness of submitting financial reports to the public. Companies with stable financial conditions tend to give positive signals by submitting financial reports on time, open and transparent. Conversely, companies with longer audit delays give bad signals to shareholders so that insecurity arises and can affect stakeholders' investment decisions in these entities (Natalie, 2017).

C. Audit Delay

Audit delay is the period of time required to complete the audit, calculated from the end of the annual book period to the date of issuance of the independent auditor's report (Ashton et al., 1987). Audit delay is the length of the financial statement audit process which includes data collection and analysis, examination of records and evidence documents, as well as the company's suitability and compliance with applicable accounting standards.

Delays in the publication of financial reports cause a negative response in the form of speculation that the company's financial condition is unstable (Aprilia and Cahyonowati, 2022). Shortening audit delay is an important effort in maintaining the reliability and quality contained in financial statements for the decision-making process by users of financial statements.

D. Profitability

Profitability is a ratio that shows the company's capability to generate profit or profit within a certain period of time (Kasmir, 2016). One indicator of profitability to measure company performance is ROA. Return On Asset (ROA) provides an overview of how efficiently and

effectively the company utilizes assets to generate profits. According to Lestari et al. (2007), a higher ROA value reflects optimal and efficient company performance in utilizing assets to achieve net income. Conversely, a negative ROA indicates the company's loss condition, indicating that the assets owned have not been able to generate profits.

E. Solvency

Solvency is a financial ratio that reflects the company's ability to pay all its obligations if the company is liquidated (Kasmir, 2016). The solvency ratio is measured through the Debt To Equity Ratio (DER), which indicates the proportion of debt to equity used by the company to support its operations (Kasmir, 2016). A high DER ratio indicates that the company is more dependent on external funding so that the risk is higher if the company cannot fulfill its debt payment obligations and interest (Kasmir, 2016). Conversely, if the DER ratio is low, it indicates that the company is more dependent on its own capital in funding its operations.

F. Liquidity

Liquidity is a financial ratio that evaluates a company's ability to meet its maturing short-term obligations (Hendra, 2009). Current Ratio is used as a liquidity indicator that reflects the company's ability to pay off short-term debt using its current assets (Kasmir, 2016). A current ratio that is considered optimal is at 1 or more, but does not exceed 3. This figure shows that the company is able to effectively manage its assets and can pay short-term liabilities according to the deadline that has been set (Juwita, 2023).

G. Company Size

Company size refers to the dimensions or size of a company based on certain criteria, such as asset value, market capitalization, total sales, number of employees, and other parameters (Gaol & Duha, 2021). Ananda et al. (2021) state that company size can be classified into three categories based on total assets, namely:

1. Large firm: assets of more than 10 billion and annual revenue of more than IDR 50 billion.
2. Medium firm: assets between IDR 1 billion and IDR 10 billion, and revenues between IDR 1 billion and IDR 50 billion annually.
3. Small firm: net assets below IDR 200 million, excluding land and building assets, and revenue less than IDR 1 billion annually.

H. Auditor Opinion

According to Gaol & Duha (2021) audit opinion is a statement of the auditor's opinion in assessing the fairness of the presentation of the company's audited financial statements. Based on the 2013 Public Accountant Professional Standards (SPAP), audit opinions consist of five types, including unqualified opinion, unqualified opinion report with explanatory language, qualified opinion, adverse opinion, and disclaimer of opinion.

I. Research Framework

According to Gaol & Duha (2021) audit opinion is a statement of the auditor's opinion in assessing the fairness of the presentation of the company's audited financial statements. Based on the 2013 Public Accountant Professional Standards (SPAP), audit opinions consist of five types, including unqualified opinion, unqualified opinion report with explanatory language, qualified opinion, adverse opinion, and disclaimer of opinion.

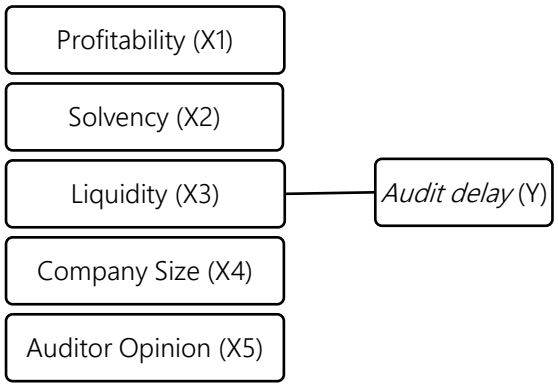

Figure 1 Research Framework

J. Hypothesis Development

1. Effect of Profitability on Audit Delay
   The relationship between profitability and signaling theory occurs when companies with high profits tend to complete their financial statement audits more quickly. This is done because management has a desire to immediately announce the company's positive performance to external parties (Ananda et al., 2021). Conversely, if profitability has a low or even negative value, it indicates that the company is experiencing losses. This is in line with the research of Gaol & Duha (2021), Aprilia & Cahyonowati (2022), and Sumarni et al. (2022) which states that the higher the value of company profitability projected by ROA, the shorter the audit delay duration will be. Based on this argument, the proposed hypothesis is:
   H1: Profitability projected by ROA has a negative effect on audit delay.

2. Effect of Solvency on Audit Delay
   The relationship between solvency and signal theory is that when the DER ratio is higher, auditors will tend to audit more thoroughly because the company is at high risk of experiencing losses which can cause a longer audit delay period (Sumarni et al., 2022). The bad news makes management tend to delay the delivery of news to investors and other external parties (Putri & Samin, 2016). This opinion is supported by research from Indriani (2020), Sumarni et al., (2022) and Anggraeni et al., (2022) which states that if the solvency ratio projected by DER is higher, the longer the audit delay duration. Based on these arguments, the hypothesis is proposed, namely:
   H2: Solvency projected by DER has a positive effect on audit delay.

3. Effect of Liquidity on Audit Delay
   Liquidity shows the company's capability to pay off short-term financial obligations on time (Tumanggor & Lubis, 2022). When the liquidity level of a company rises, this condition indicates that the entity is considered good because it can quickly and punctually pay off maturing debts using available assets (Tumanggor & Lubis, 2022). Therefore, companies with high liquidity levels have a tendency to immediately announce their financial statements. This is in line with research from Artaningrum et al. (2017) and Imelda (2023) which explain that the higher the level of liquidity estimated through the current ratio, the shorter the audit delay tends to be. Based on these arguments, the hypothesis is proposed as follows:
   H3: Liquidity has a negative effect on audit delay.

4. Effect of Company Size on Audit Delay
   Company size is reflected in the financial position report by looking at the total assets owned by the company. According to Boyten and Kell (1996) audit delay tends to increase with company size growth due to more complex transactions, more audit samples and more extensive audit procedures. This is in line with the studies of Gaol and Duha (2021), Saputra et al. (2020) and Sibarani (2022), it is explained that when the size of the company is getting bigger, which is reflected in total assets, the possibility of audit delay that occurs in the company is getting longer. However, research by Aprilia and Cahyonowati (2022) shows that the size of the company has no effect on audit delay. Based on these arguments, the hypothesis is proposed as follows:
   H4: Company size projected by total assets has a positive effect on audit delay.
5. Effect of Auditor Opinion on Audit Delay
   The relationship between audit opinion and signal theory is that companies that are given an unqualified opinion tend to complete the audit process faster, because the company considers this opinion as a positive signal that needs to be announced to the public immediately. Conversely, companies that get an opinion other than unqualified indicate a potential conflict between management and auditors. In this situation, management tries to achieve the desired opinion so that the time required for the publication of financial statements becomes longer. These findings are reinforced by research by Gaol & Duha (2021) and Aprilia & Cahyonowati (2022), which state that public companies with unqualified opinions will have a shorter audit delay period than companies with opinions other than unqualified. Based on this argument, the hypothesis:
   H5: Auditor opinion has a negative effect on audit delay

III. RESEARCH METHODOLOGY

A. Type of Research

The type of research used in this study is quantitative. The reason researchers use quantitative research is to determine the influence or causal relationship of a phenomenon with certain factors that can be measured and then test the hypothesis.

B. Population and Sample

The population used by researchers is companies in all industrial sectors listed on the Indonesia Stock Exchange (IDX) for the period 2019 - 2022 that experience audit delays of more than 90 days or have passed the deadline according to POJK Number 14 / POJK.04 / 2022. The sample in this study were 98 companies selected using purposive sampling technique.

C. Type and Sources of Data

The data used in this study is secondary data. The type of data used in this study based on its source is secondary data. The data used in this study comes from secondary data, namely annual financial reports of companies from various industrial sectors listed on the IDX and have submitted financial reports that have been audited by independent auditors during the 2019-2022 period. The data can be accessed through the official IDX website, www.idx.co.id.

D. Operational Definition and Variable Measurements

The dependent variable of this research is audit delay and the independent variables of this research are profitability, solvency, liquidity, company size, and auditor opinion. The operational definition and variable measurements are described in the table 2 below:

Table 2 Operational Definition and Variables Measurement

Variables	Operational Definition	Measurements	References
Audit Delay (Y)	Audit delay is projected by measuring the difference in days between the closing date of the financial statements and the date of issuance of the audit report	Audit delay = Date of closing the financial statements book to Date of issuance of the audit report	(Ananda et al., 2021).
Profitability (X_1)	The company's profitability will be estimated using ROA.	ROA = Net Income/Total Assets	(Kasmir, 2016).
Solvency (X_2)	The solvency ratio can be estimated using the Debt to Equity Ratio (DER)	DER = Total Debt/Total Equity	-
Liquidity (X_3)	Liquidity is projected by the current ratio value (CR)	CR = Current Assets/Short-term Debt	-
Company Size (X_4)	Company size can be assessed using total assets which are converted into natural logarithms.	Company Size = Ln (Total Assets)	(Ananda et al., 2021).
Auditor Opinion (X_5)	Auditor opinion is projected with a dummy variable.	0: Opinions other than WTP 1: WTP Opinion	(Gaol & Duha, 2021).

IV. RESULT AND DISCUSSION

A. Sample Characteristics

The criteria that have been determined by researchers in taking samples are:

1. Companies listed on the IDX and released audited financial reports in the period 2019-2022.
2. Companies whose audit delay is more than 90 days or past the deadline according to POJK Number 14 / POJK.04 / 22.
3. Companies that use rupiah currency in presenting their financial statements.

Table 3 Sample Selection Process

Sample Selection Process		
No.	Criteria	Total
1.	Companies whose *audit delay* is more than 90 days (or past the	282

	deadline according to POJK Number 14 /POJK.04/2022)	
2.	Companies that do not use rupiah currency in presenting their financial statements	(26)
3.	Companies that did not publish financial reports in the study period	(97)
Sample Quantity		159
Outlier Data		(61)
Final Sample Size		98

Source: Research Data (2024)

B. Data Analysis Results

1. Descriptive Statistics Test

The total sample size was 98 companies from various industry sectors including primary and non-primary consumer goods, property & real estate, raw materials, energy, transportation & logistics, technology, infrastructure, industry, health, and finance.

Table 4 Descriptive Statistics

Descriptive Statistics					
	N	Min	Max	Mean	Std. Dev
ROA	98	-4,11	0,61	-0,11	0,54
DER	98	-18,75	17,30	0,15	4,45
CR	98	0,01	40,52	3,10	7,01
UP	98	23,76	30,54	27,21	1,23
OA	98	0,00	1,00	0,75	0,43
Audit Delay	98	112	188,00	151,06	17,20

Source: Research Data (2024)

2. Normality Test

Table 5 One-Sample K-S Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		98
Normal Parameters[a,b]	Mean	0,0000000
	Std. Deviation	15,72071418
Most Extreme Differences	Absolute	0,074
	Positive	0,074
	Negative	-0,061
Test Statistic		0,074
Asymp. Sig. (2-tailed)		0,200[c,d]

Source: Research Data (2024)

Based on table 4 shows the value of Asymp. Sig. (2-tailed) value of 0.200, which is greater than 0.05, it can be concluded that the residual normality assumption is met. Furthermore, based on the P-Plot graph below, it forms a straight diagonal line and the points spread around the diagonal line and follow the direction of the diagonal line, it can be said that the residuals are normally distributed.

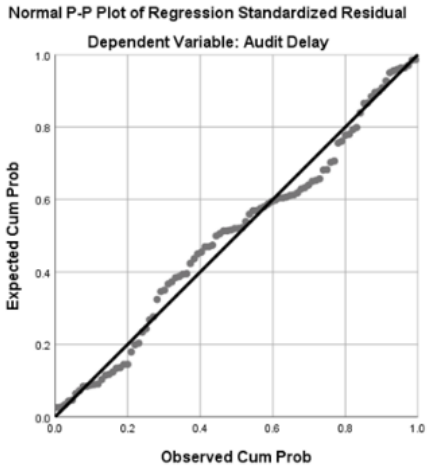

Figure 2 P-Plot Graph

3. Multicollinearity Test

Based on table 6, all independent variables show a collinearity tolerance value of more than 0.1 and VIF less than 10, it can be concluded that the independent variables are free from multicollinearity symptoms.

Table 6 Multicollinearity Test

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
	(Constant)		
1	Profitability (ROA)	0,828	1,208
	Solvency (DER)	0,978	1,022
	Liquidity (CR)	0,969	1,032
	Company Size	0,842	1,188
	Auditor Opinion	0,883	1,132

Source: Research Data (2024)

4. Heteroscedasticity Test

By referring to the scatter plot graph below, there is no specific pattern and the points spread above and below zero on the y-axis, it can be concluded that heteroscedasticity does not occur.

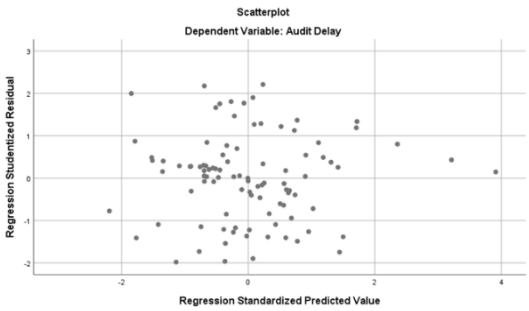

Figure 3 Scatter Plot Graph

5. Autocorrelation Test

Based on the Durbin-Watson table, for the number of data (n) = 98 and the number of independent variables (k) = 5, the dU number is 1.7795, the 4-dU value is 2.2205. The autocorrelation test results show a Durbin-Watson value of 1.974, which is between 1.7795 (dU) and 2.2205 (4-dU). So it can be concluded that the regression model meets the criteria dU < dW < (4-dU). This means that there is no indication of autocorrelation in the data, which means that the variables are independent of each other.

Table 7 Durbin Watson Test

Model Summary[b]	
Model	Durbin-Watson
1	1.974

Source: Research Data (2024)

6. Test Coefficient of Determination (R^2 Test)

Based on the data in table 8, the adjusted R square result is obtained at 0.120. This value indicates that together, the variables of profitability (ROA), solvency (DER), liquidity (CR), company size (total assets), and auditor opinion have an influence of 12% on audit delay. Meanwhile, the remaining 88% is influenced by other variables outside the study.

Table 8 Test The Coefficient Of Determination (R^2)

Model Summary[b]			
R	R Square	Adjusted R Square	Std. Error of the Estimate
0,407[a]	0,165	0,120	16.142

Source: Research Data (2024)

7. Simultaneous Test (F-Test)

Based on table 9, the sig. value of 0.005 is smaller than 0.05, which means these results indicate that together or simultaneously, all independent variables, namely profitability (ROA), solvency (DER), liquidity (CR), company size (total assets), and auditor opinion, have a significant effect on the audit delay (dependent) variable.

Table 9 F Test (Simultaneous Test)

ANOVA[a]					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	4748,970	5	949,794	3,645	0,005[b]
Residuals	23972,663	92	260,572		

Total	28721,633	97

Source: Research Data (2024)

8. Regression Coefficient Test (T-Test)

Table 10 Regression Coefficient Test

Coefficients[a]				
Model	Unstandardized Coefficients		t	Sig.
	B	Std. Error		
(Constant)	58,722	39,198	1,498	0,138
Profitability (ROA)	-9,067	3,296	-2,751	0,007
Solvency (DER)	0,825	0,372	2,214	0,029
Liquidity (CR)	0,313	0,237	1,319	0,190
Company Size	3,504	1,444	2,427	0,017
Auditor Opinion	-6,884	4,034	-1,706	0,091

Source: Research Data (2024)

C. Hypothesis Testing

1. The Effect of Profitability on Audit Delay

The results of this study indicate a significant negative effect between profitability and audit delay. Therefore, the research hypothesis H1 which states that profitability projected by ROA has a significant negative effect on audit delay can be accepted. This finding is in line with the results of research conducted by Gaol and Duha (2021), Aprilia and Cahyonowati (2022) and Sumarni et al. (2022) which states that profitability shown through high ROA has an influence on shortening the audit delay period.

The results of this study support the concept of signal theory, in which companies that achieve high levels of profitability, especially through high levels of Return on Assets (ROA), tend to have shorter audit delays. Therefore, optimal profit or profit information contained in the financial statements tends to be conveyed immediately by company management.

This financial report tends to be conveyed immediately by company management to investors or other interested parties. This can be explained
by the fact that an ideal ROA value reflects the ideal financial condition of the company. financial condition of the company.

2. The Effect of Solvency on Audit Delay

The results of the study concluded that solvency has a significant positive effect on audit delay. Therefore, the research hypothesis H2 is accepted, which states that solvency projected by DER has a significant positive effect on audit delay. These findings get support from previous studies, such as those conducted by Indriani (2020), Sumarni et al. (2022) and Anggraeni et al. (2022), which states that a high solvency ratio or where the company is in an insolvable condition makes the duration of audit delay in the company longer.

The results of this study can answer the relationship between solvency and signal theory, namely when the Debt to Equity Ratio (DER) ratio is higher. Signal theory, namely when the Debt to Equity Ratio (DER) ratio is higher, the auditor tends to conduct a more careful audit because the company has a higher debt to equity ratio (DER) tend to conduct audits more carefully because the company has a high risk of experiencing losses, especially due to greater dependence on external financing to fund the company's operations on external financing to fund the company's operations risk.This risk can increase if the company cannot fulfill its debt payments along with interest, which can then extend the company's debt.

3. The Effect of Liquidity on Audit Delay

The results showed that there was no negative influence between liquidity on audit delay. These results reject the hypothesis (H3) which states that liquidity projected through the Current Ratio (CR) has a significant negative effect on audit delay. This finding is in line with the research of Sulmi et al. (2020), Tumanggor and Lubis (2022), and Sumarni et al. (2022), which state that liquidity has no significant effect on audit delay.

The results of this study do not support the concept of the relationship between signaling theory and liquidity with the audit delay period, because both entities with low and high levels of liquidity still try to minimize the time in the audit delay period. Both entities with low and high liquidity levels still try to minimize the time in preparing the audit report to convince creditors and shareholders that the audit period is delayed. Preparing the audit report in order to convince creditors and shareholders that the company's financial condition is stable and good as well as that the auditor's professional attitude is in accordance with the standards set by the IAI. However, this finding is not in line with the studies of Artaningrum et al. (2017) and Imelda (2023) which states that liquidity has a significant negative effect on audit delay.

4. The Effect of Company Size on Audit Delay

The results of this test conclude that company size has a significant positive effect on audit delay. So the H4 hypothesis which states that company size has a significant positive effect on audit delay is accepted. This is also in line with studies conducted by Gaol and Duha (2021), Saputra et al. (2020) and Sibarani (2022) which state that company size has a significant effect on the audit delay period. This means that the larger the size of the company, which is reflected through total assets, makes the audit delay longer, because transactions in large companies become more complex and have an impact on the breadth of audit procedures.

According to Boynton and Kell (1996), audit delay tends to increase with company size along with the growth of company size, this is attributed to the complexity of transactions, larger sample sizes, and more complicated audit procedures that auditors must follow procedures that must be followed by the auditor. This finding is also consistent with research conducted by Gaol & Duha (2021), which states that company size has a significant positive effect on audit delay. This is due to the higher complexity of transactions in companies with large total assets, so that the audit process becomes longer. Conversely, small companies tend to have a shorter audit delay.

5. The Effect of Auditor Opinion on Audit Delay

   The results of this study reject the hypothesis (H5) which states that auditor opinion has a significant negative effect on audit delay. The perspective of this study is in line with the findings revealed by Saputra et al. (2020), Sulmi et al. (2020), and Anggraeni et al. (2022), which show that the opinion given by the auditor has no impact on the duration of the audit delay.

   The explanation is that the auditor still uses the same procedures, both in giving a qualified opinion and an unqualified opinion in giving a qualified opinion or an unqualified opinion, in conducting the audit. This means that the link between signaling theory and audit opinion cannot be proven in the context of this study because auditors carry out their duties with professionalism, so that the type of opinion given has no effect on the length of time to complete the audit.

   Nevertheless, the findings of this study is not in line with the results found by Gaol & Duha (2021) and Aprilia & Cahyonowati (2022), which indicate that audit opinion has a significant negative effect on audit delay.

V. CONCLUSION

From the results of data analysis regarding the effect of profitability, solvency, liquidity, company size, and auditor opinion on audit delay in companies in all industrial sectors listed on the Indonesia Stock Exchange (IDX) during the period 2019 to 2022, this study concludes as follows:

1. Profitability projected by ROA has a significant negative effect on audit delay, meaning that the higher the company's profitability, the shorter the audit delay.
2. Solvency projected by DER has a significant positive effect on audit delay, meaning that the higher the company's solvency, the longer the audit delay.
3. Liquidity projected by the current ratio has a negative but insignificant effect, so a high or low current ratio value does not make the audit delay shorter or longer.
4. Company size is indicated by the total assets of the company which is simplified by the formula L(n) has a significant positive effect on audit delay, meaning that the larger the size of the company, the longer the audit delay.
5. The auditor's opinion is projected with a dummy variable, namely 1 for an unqualified opinion and 0 for an opinion other than unqualified. The results show that the auditor's opinion has a negative and insignificant effect, meaning that neither an unqualified opinion nor an unqualified opinion makes the audit delay duration shorter or longer.

ACKNOWLEDGEMENT

The author would like to express gratitude to all the people who have helped in the completion of this study.

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