



The Effect of Company Size, Liquidity, Profitability, Solvability, And Audit Firm Size on Audit Delay

Bambang Leo Handoko, Hery Harjono Muljo, Ang Swat Lin Lindawati

Abstract: Audit delay is the lag in completing an audit report by the auditor. Audit delay causes financial statements to be inhibited for publication. This causes the users of financial statements to wait longer to be able to use financial statements as a tool in decision making. The purpose of this research is to empirically examine the effect of company size, liquidity, profitability, solvability, and audit firm size towards audit delay on property and real estate companies that listed on Indonesia Stock Exchange (IDX) in 2014-2018. This research is a quantitative study that tests the hypothesis, whether there is the influence of independent variables on the dependent variable. This study uses the ordinary least square method. Statistical test used is the coefficient of determination test, partial t test and simultaneous f test. The selection of research samples using purposive sampling method. The sample of this research consists of 46 companies with 5 years of research so total of the research objects amounting 230 data. The data analysis method used in this research is panel data regression analysis using E-views version 10. Based on the results of partial test, profitability and audit firm size have significant effect on audit delay. Company size, liquidity, and solvency do not have a significant effect on audit delay. Simultaneous test result showed that company size, liquidity, profitability, solvability, and audit firm size simultaneously affect audit delay. The results of this study indicate that if the auditor wants to minimize audit delay, they must pay more attention to clients' profitability and consider the size of the company, the size of the audit's scope of work

Keywords : Company size, Liquidity, Profitability, Solvability, Audit Firm Size

I. INTRODUCTION

In this globalization era, rapid development encourages companies to develop their businesses following the civilization of the times in order to be able to survive the competition. Innovation and cutting-edge technology is

needed for the development of the company's business. For this reason, the company needs investors and creditors to provide corporate funding. The existence of those who need funding and those who are excess funds become the background of the capital market. In the capital market, there are transactions of buying and selling of financial instruments between those who need funds and the funders. Companies that have offered financial instruments on the capital market are known as going public.

Companies going public are obliged to conduct annual reports, where one of the annual reports that must be reported is the company's financial statements as a form of management responsibility to investors [1]. According to [2] in [3], financial statements are the media used to communicate corporate financial information to external parties. These financial statements are used by investors and creditors as the main indicator to predict the condition of the company in the future in high uncertainty about the company's activities [4]

Audit or examination of the financial statements is carried out, so that the communication media can be relied upon and trusted. In providing audit services, auditors obtain reasonable assurance (reasonable assurance) that the audited financial statements are free from material misstatements, whether caused by errors / mistakes or by manipulation / fraud through audit procedures or collecting audit evidence [5], [6]. The auditor's guideline in examining the company's financial statements is the Professional Standards of Public Accountants. The results of providing audit services in the form of auditor opinion will provide confidence that the information in the financial statements can be trusted, credible, and the presentation is in accordance with the conceptual framework and applicable standards.

The accuracy of the delivery of financial statements is crucial for the company. The importance of timeliness of financial reporting makes it a very important factor. That is because the financial statements submitted on time, will affect decision making. One of the factors that is considered as a consideration of users of financial statements to assess whether the financial statements are useful, is measured by the speed of publication of the financial statements. The timeliness of the publication of financial statements can be measured by calculating the time span of financial reporting starting from the closing date of the company's financial statement book until the independent auditor's report date.

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The time interval illustrates the length of time the financial statement audit process is completed by the auditor. The time difference between the date of the financial statements with the date of the independent auditor's report is called audit delay [7].

The object of this research is the property and real estate industry sector. The property and real estate industry sector provides the need for shelter which is one of the primary human needs. This industrial sector is one of the sectors that experienced a fairly rapid development in the 21st century. Growth in the property and real estate sector in 2014-2018 experienced an increase seen from the index of commercial property prices which increased by 4.24 points from the 1st quarter of 2014 to quarter 4 of 2018. This also supports the statement of Isharm Chandra as the CEO of Sinarmas Land Strategic Development and Services. Through www.marketeers.com, he stated that although the growth rate of the property and real estate sector fell, the property price index never dropped [8]. In 2017, the property and real estate sector experienced high performance growth, measured by marketing sales.

The rise of investment in the property and real estate sector by investors from various foreign countries and Indonesia can encourage economic growth. Foreign investment in the property sector is greater than domestic. The average foreign investment in the property sector reaches 70 percent [9]. In this industrial sector, the element which is the basis for housing development is land. However, when viewed from the quantity, land is a limited resource because it cannot increase or decrease in quantity. The increase in demand for boards that is not accompanied by an increase in quantity causes the value of land to continue to move up from time to time which affects the increase in property and real estate prices. The existence of perfect inelastic conditions is used by investors to profit from the difference between the purchase price and the sale price of property.

II. LITERATURE REVIEW AND HYPOTHESIS

A. Audit Delay

Delays in the delivery of financial statements have a negative impact on the company itself. According to [7], the delay in the publication of financial statements can be influenced by audit delay. Delay in publication due to audit delay will cause a negative market reaction [10]. The longer it takes to publish an annual financial statement since the end of a company's client's financial year, the more likely it is that the information will leak to certain users of the financial statements so that it can cause insider trading and other rumors on the stock market. The existence of this information distribution gap is known as information asymmetry. When this happens, it can be said that the market is not running efficiently and optimally.

There are various factors that influence audit delay. In this study, the authors examined the 5 factors that influence audit delay, namely: company size, liquidity, profitability, solvency, and the size of the public accounting firm. Firm size factors have a significant negative effect on audit delay [11]. The greater the size of the company, the audit delay that

occurs will be smaller. However, the results of the study are not in line with research conducted by [12]. The results of [11] that company size affects audit delay positively so that the conclusion is that the larger the size of the company, the longer the audit delay will occur. In addition, research conducted by [12] states that company size does not affect audit delay.

B. Company Size

The size of the company is seen from the total assets owned. Large scale companies have large total assets that are managed with the aim of generating income. The greater the value of a company's assets, the company also has good internal control in managing its assets so that the level of financial statement errors can be minimized.

Based on agency theory, agency conflicts can be minimized by the existence of a control system that can be a monitoring scheme conducted by external and internal auditors, incentive plans, penalties, and risk transfers. The existence of good internal control can shorten the time needed to conduct an audit. In addition, large companies also have other characteristics such as being overseen by investors and the government; have a lot of resources, and can pay higher audit services so that audit reports can be completed quickly.

Research conducted by [3] results that company size has a significant negative effect on audit delay. The greater the size of the company, the audit delay that occurs will be smaller. The results of the study are also consistent with research conducted by [12], and [7]. However, these results are not consistent with the results of research conducted by [13]. The study has the result that the company size variable does not have a significant effect on audit delay even though the effect is still negative.

Following is the formula used in calculations to determine company size:

$$\text{Company Size} = \ln(\text{total assets})$$

Based on the discussion above, the hypothesis development in this study is:

H1: Company size has a significant negative effect on audit delay.

C. Liquidity

Liquidity is a parameter used to measure a company's ability to pay off its short-term debt. In this study, the liquidity variable is measured using the current ratio, which is the ratio between current assets and current debt.

Following is the formula used in the calculation to determine liquidity:

$$\text{Current ratio: } \frac{\text{Current Asset}}{\text{Current Liabilities}}$$

Liquidity has a negative effect on audit delay [14]. The higher the level of liquidity, the management will submit financial statements quickly to show that the company is able to pay off short-term liabilities well so that the audit delay period is shorter. However, research conducted by [15] shows that liquidity does not significantly influence audit delay.

Based on the discussion above, the hypothesis development in this study is:

H2: Liquidity has a significant negative effect on audit delay.

D. Profitability

Profitability has a significant negative effect on audit delay [10]. The higher the level of profitability of the company, the audit delay that occurs will be lower. The high level of profitability illustrates that the company has used its assets effectively and efficiently so that it can generate maximum profits and is also good news for management to be announced to investors. However, these results are not in line with research conducted by [16] which states that profitability has a significant positive effect. While [17] research results that profitability has no significant effect on audit delay.

The profitability variable is measured using the Return on Asset (ROA) ratio. Following is the formula used in the calculation to determine profitability.

$$\text{Return on Asset: } \frac{\text{Net Profit}}{\text{Total Asset}}$$

Based on the discussion above, the hypothesis development in this study is:

H3: Profitability has a significant positive effect on audit delay

E. Solvability

Solvability or leverage has a significant positive effect on audit delay [18]. The higher the level of solvency, the greater the audit delayed range.

Solvability is a parameter used to measure a company's ability to manage all of its debts, both long-term and short-term debt. The solvency variable is measured using a Debt to Equity (DER) ratio. Following is the formula used in calculations to determine solvability:

$$\text{Debt to Equity Ratio: } \frac{\text{Total Debt}}{\text{Total Equity}}$$

The high level of solvency reflects the high financial risk, which indicates that the company is experiencing financial difficulties, thus slowing down financial statements; which causes a long audit delay. However, the results of the study are not consistent with the results of research conducted by [19]. [19] stated that solvency did not have a significant effect on audit delay.

Based on the discussion above, the hypothesis development in this study is:

H4: Solvability has a significant positive effect on audit delay

F. Audit Firm Size

The size of the Public Accounting Firm has a significant negative effect on audit delay [20]. This shows that the big four requires faster time in completing the audit. Large offices have more and more experienced human resources so that they can audit efficiently and effectively. Pressure to maintain audit firm reputation is also a driving factor for auditors completing audits quickly and on time [21]. In addition, large audit firm have a higher incentive than small audit firm to carry out audits quickly. However, these results are not consistent with the results of research conducted by [18] and [22]. The results of his study concluded that the audit firm size did not have a significant effect on audit delay.

In this study, audit firm size variables will be measured using dummy variables. For companies that use audit firm services affiliated with the big four, it will be given code 1. Whereas for companies that use local audit firm affiliated with non big four, it will be given code 0.

Based on the discussion above, the hypothesis development in this study is:

H5: Audit firm size has a significant negative effect on audit delay.

III. RESEARCH METHODOLOGY

This type of research is quantitative research that is comparative causal in which this research examines the nature of the causal relationship between the independent variable and the dependent variable. Comparative causal research is a type of research with problem characteristics in the form of a causal relationship between two or more variables. This research is a type of ex post facto research because this study uses data collected after the occurrence of a fact or event.

A. Population and Sample

The type of data used in this study is quantitative and qualitative data. The data source used in this study is secondary data. Secondary data which are the objects of this research are the financial statements of property and real estate companies in the 2014-2018 period obtained through the Indonesia Stock Exchange website at www.idx.co.id and the website www.idnfinancials.com.

The number of property and real estate companies registered in 2018 is 51 companies so that the data population is 255 data reports. Sampling uses a purposive sampling technique, which is sampling based on certain criteria or goals. There were 3 companies that were delisted in mid-2017 and 2 companies whose financial reports were not found completely so that the number of samples that met the criteria was 46 companies with a total sample of 230 financial data.

B. Data Analysis Method

The method of data analysis in this study uses statistical methods with multiple regression analysis of panel data models using the application tool for e-views version 10. Multiple regression analysis of panel data models is used to determine the relationship between several independent variables and the dependent variable whether it has a positive or negative relationship and to predict the value of the dependent variable if the value of the independent variable increases or decreases. Panel data which is also known as pooled data is a combination of time series data and cross-sectional data based on its structure [12]. It can be concluded, the multiple regression analysis panel data model is an analytical method used to determine the relationship between the dependent variable and the independent variable where the data is collected individually over a certain period of time. The steps of methodology in our research is as follow: the analysis that was first performed was descriptive statistical analysis. Then proceed; with the estimation of panel data regression models using common effects, fixed effects, and random effects.

The panel data regression model selection uses the chow test, the hausman test, and the Lagrange multiplier test. Then the classic assumption test will be carried out consisting of 4 tests, namely: normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. Finally, it will describe the results of the hypothesis test.

C. Regression Model

Panel data regression models in this study are as follows:
 $AUDY (Y) = \alpha + \beta1.ASSET + \beta2.CR + \beta3.ROA + \beta4.DER + \beta5.AUSZ + \epsilon$

Information:

AUDY: Time span of completing the audit calculated from the closing date of financial year or financial reporting date until the auditor's report date independent

α : Constant

β : Regression Coefficient

ASSET: Natural logarithm of total assets that shows the size of the company

CR: Current ratio that shows liquidity

ROA: Return on asset ratio that shows profitability

DER: Debt to equity ratio which shows solvency

AUSZ: Audit firm size which indicates the size of a public accounting firm

ϵ : Standard of Error

IV. ANALYSIS AND DISCUSSION

A. Descriptive Statistic

Descriptive statistics are statistics that describe or describe data into information that is clearer and easier to understand [23]. Following are the results of descriptive statistical analysis using the e-views application:

Table-I : Descriptive Statistic

	Mean	Median	Std. Dev.	Max	Min
Y_AUDY	76,25385	82,00000	18,51851	161,00000	41,00000
X1_ASSET	29,01468	29,19366	1,388224	31,45860	25,16169
X2_CR	2,966160	1,909912	3,081590	19,06741	0,376734
X3_ROA	0,056089	0,039437	0,074461	0,372298	-0,055099
X4_DER	0,738664	0,585729	0,577516	2,585991	0,034693
X5_AUSZ	0,230769	0,000000	0,422955	1,000000	0,000000

Audit delay variable obtained a mean value of 76.25 days with a standard deviation of 18.52 days. The company size variable obtained a mean value of 29.01 with a standard deviation of 1.39. The liquidity variable obtained a mean value of 2.97 with a standard deviation of 3.08. The profitability variable obtained a mean value of 0.06 with a standard deviation of 0.07. The solvency variable obtained a mean value of 0.74 with a standard deviation of 0.59. Debt to equity ratio (DER) numbers of 0.03 in 2016. The variable size of the public accounting firm obtained a mean value of 0.23 with a standard deviation of 0.42

B. Selection of Data Panel Regression test

In order to choose the right panel data analysis model, it is necessary to do some of these tests.

C. Chow test

The Chow Test aims to determine the best model between the Common Effect approach or the Fixed Effect approach

which will be used to perform panel data regression. The following are the results of the Chow test

Table-II : Chow Test

Redundant Fixed Effects Tests

Equation: Untitled

Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	7.996917	(45,79)	0.0000
Cross-section Chi-square	222.91562	0	45 0.0000

Chow Test results show the value of the chi-square cross-section probability of 0.0000. This value is under 0.05. Based on the chow test decision-making criteria described before, the model chosen is the fixed effect approach.

D. Hausman Test

The Hausman test aims to determine the best model between the random effect approach and the fixed effect method which should be used in modeling panel data. The basis for decision making in the hausman test is seen from the probability of a random cross-section. The following are the results of the Hausman test:

Table-III : Hausman Test

Correlated Random Effects - Hausman Test

Equation: Untitled

Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	10.464601	5	0.0631

The Hausman Test results show a random cross-section probability value of 0.0631. This value is above 0.05. Based on the decision-making criteria, the model chosen is the random effect approach.

E. Lagrange Multiplier Test

The Lagrange Multiplier test aims to determine the model or panel data analysis technique between the random effect approach and the fixed effect approach. The following are the results of the Lagrange Multiplier test:



Table-IV : Lagrange Multiplier Test

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	30.69559 (0.0000)	0.590044 (0.4424)	31.28563 (0.0000)
Honda	5.540360 (0.0000)	-0.768143 --	3.374467 (0.0004)
King-Wu	5.540360 (0.0000)	-0.768143 --	0.394229 (0.3467)
Standardized Honda	6.045931 (0.0000)	-0.456540 --	-1.204012 --
Standardized King-Wu	6.045931 (0.0000)	-0.456540 --	-1.878313 --
Gourierioux, et al. *	--	--	30.69559 (< 0.01)

*Mixed chi-square asymptotic critical values:

1%	7.289
5%	4.321
10%	2.952

The Lagrange Multiplier Test results show a Breusch-Pagan probability cross-section value of 0.0000. This value is under 0.05. Based on the Lagrange multiplier test decision making criteria described, the model chosen is the random effect approach.

F. Classic Assumption Test

Before conducting a regression test to testing the hypotheses, it is necessary to test classical assumptions aimed at ensuring that the regression model is in accordance with the criteria [24]. The classic assumption test consists of a normality test, a multicollinearity test, a heteroscedasticity test, and an autocorrelation test.

G. Normality Test

Normality test in this study uses statistical tests with the Jarque-Bera normality test method. The Jarque-Bera test measures the difference in skewness and kurtosis data values.

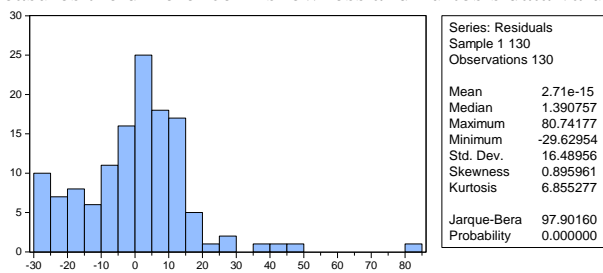


Fig 1. Normality Test

The normality test results using the Jarque-Bera test showed a Jarque-Bera value of 97.90 and a probability value of 0.00. The probability value is under 0.05. Based on the criteria explained in chapter 3, it can be concluded that the data are not normally distributed. According to [25], research that uses a fairly large sample size, violations of the assumption of normality have almost no effect. In accordance with the central limit theorem, statistical tests will follow the appropriate distribution even if they do not meet the normality assumption test.

H. Multicollinearity Test

Multicollinearity test is where in the regression model found a perfect or almost perfect correlation between independent variables. A good regression model is a

regression model that does not contain correlations between independent variables [23].

Table-V : Multicollinearity Test

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
X1_ASSET	1.530715	593.5708	1.345294
X2_CR	0.271098	2.270185	1.174030
X3_ROA	417.4625	1.659118	1.055546
X4_DER	8.299209	3.343394	1.262316
X5_AUSZ	14.12417	1.497953	1.152271
C	1230.289	565.4113	NA

The multicollinearity test results showed that all Centered Variance Inflation Factor values on all independent variables showed a value < 10 . This shows that there is no multicollinearity between independent variables.

I. Heteroscedasticity Test

The statistical test used to detect the presence of heteroscedasticity in this study is the White test. White test is done by regressing squared residuals as the dependent variable with the dependent variable plus the square of the independent variable, then adding it to the multiplication of two independent variables [23].

Table-VI : Heteroscedasticity Test

Heteroscedasticity Test: White

F-statistic	1.550201	Prob. F(5,124)	0.1792
Obs*R-squared	7.647992	Prob. Chi-Square(5)	0.1767
Scaled explained SS	20.37143	Prob. Chi-Square(5)	0.0011

Heteroscedasticity test results using the White test showed a chi-square probability value of 0.1767. This value is above 0.05. Based on the criteria outlined, it can be concluded that there is no heteroscedasticity in the data.

J. Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between the error of the intruder in this period and the error of the intruder in the previous period. If there is a correlation, then there is an autocorrelation problem. A good regression model is a model that does not have autocorrelation problems [26].

Table-VII : Autocorrelation Test

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	7.540888	Prob. F(2,122)	0.0008
Obs*R-squared	14.30264	Prob. Chi-Square(2)	0.0008

Autocorrelation test results using the Breusch-Godfrey test (LM Test) showed a probability chi-square value of 0.0008. This value is under 0.05. Based on the criteria outlined in chapter 3, it can be concluded that there is an autocorrelation problem in the regression model. According to [26], the consequences of ignoring the existence of autocorrelation are similar to the consequences of ignoring the existence of heteroscedasticity. The estimated coefficient values obtained using OLS are still unbiased and consistent, but are inefficient.

K. Hypothesis Testing

Based on the results of the chow, hausman, and Lagrange multiplier tests, it was found that the right approach used was the random effect approach. The results of regression with a random effect approach

Table-VIII : Hypothesis Testing

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	101.9546	50.89241	2.003336	0.0473
X1_ASSET	-1.053230	1.784331	-0.590266	<u>0.5561</u>
X2_CR	0.741752	0.593456	1.249886	<u>0.2137</u>
X3_ROA	-44.69283	19.35108	-2.309577	<u>0.0226</u>
X4_DER	4.423175	3.933161	1.124585	<u>0.2629</u>
X5_AUSZ	10.23747	4.817125	2.125225	<u>0.0356</u>

Effects Specification		S.D.	Rho
Cross-section random		14.64158	0.7284
Idiosyncratic random		8.940057	0.2716

Weighted Statistics			
R-squared	0.089550	Mean dependent var	26.00062
Adjusted R-squared	<u>0.052838</u>	S.D. dependent var	10.16168
S.E. of regression	9.382945	Sum squared resid	10916.92
F-statistic	2.439276	Durbin-Watson stat	1.726376
Prob(F-statistic)	<u>0.038046</u>		

L. Determination Coefficient Test

The results of the calculation of the coefficient of determination or adjusted R-square using e-views aids show the number 0.052838. That is, the independent variable in this study affected audit delay by 5.28%. While the remaining 94.72%, explained by other variables.

M. Partial T Test

The results of the t test show that there are 2 variables that have a significance value below 0.05, namely the profitability variable with a significance value of 0.0226 and the size of a public accounting firm with a significance value of 0.0356. It can be concluded that the profitability and size of public accounting firms have a significant influence on audit delay. While firm size, liquidity, and solvency variables do not significantly affect audit delay as seen from the overall significance value above 0.05. This result is in line with previous study conducted by [10] and [11], but opposite the result conducted by [22]

N. Simultaneous F Test

The results of the f test produce a probability value (F-statistic) of 0.038046, where the value < 0.05 so that it can be concluded that all independent variables simultaneously influence the dependent variable. It can be concluded that, the size of the company, liquidity, profitability, solvency, and the size of the public accounting firm jointly affect audit delay. This result support previous study by [11], [10]

Based on the hypothesis testing that has been done, the equation of the panel data regression model equation is as follows:

$$AUDY = - 101.9546 - 1.053230.ASSET + 0.741752CR - 44.69283ROA + 4.423175.DE + 10.23747AUSZ + \epsilon$$

The constant that shows the number -101.9546 means that when the value of all independent variables is 0, the audit delay value is -101.9546. Coefficient β_1 which shows the number -1.053230 means that when the variable liquidity, profitability, solvency, and the size of the public accounting firm is 0 or constant, then each increase in 1 unit of company

size will reduce the audit delay of 1.053230. Coefficient β_2 which shows the number 0.741752 means that when the variable size of the company, profitability, solvency, and the size of a public accounting firm is 0 or constant, then every 1 unit increase in liquidity will add an audit delay of 0.741752. Coefficient β_3 which shows the number -44.69283 means that when the variable size of the company, liquidity, solvency, and the size of the public accounting firm is 0 or constant, then every 1 unit increase in profitability will reduce audit delay by 44.69283.

The coefficient β_4 which shows the number 4.423175 means that when the variable size of the company, liquidity, profitability, and the size of the public accounting firm is 0 or constant, then each increase of 1 solvency unit will add an audit delay of 4.423175. The coefficient β_5 which shows the number 10.23747 means that when the variable size of the company, liquidity, profitability, and solvency is 0 or constant, then when the financial statements are audited by the big four, will add an audit delay of 10.23747. Standard error is the influence of independent variables not examined in this study for audit delay.

V. CONCLUSION

From the test results, there are 2 variables that significantly influence audit delay, namely profitability and public accounting firm size. The effect of profitability on audit delay is negative. The higher the level of profitability, the audit delay range experienced by the company will be lower because of the high profitability is good news for users of financial statements so that companies tend to do financial reporting faster, and vice versa, the lower the level of profitability, the company will postpone its financial reporting.

In order to minimize the long audit delay, the solution offered to the company is to maintain or increase the company's profitability ratio. This can be done by making business plans and strategies regarding the effectiveness and efficiency of the use of assets for generating revenue and impact profit.

The influence of audit firm size on audit delay is positive. An audit conducted by the big four audit firm will take longer than a non big four audit firm. Audit conducted by big four has high complexity and has better quality than non big four because the big four has demands to maintain the reputation or good name of audit firm.

The length of audit delay can have a negative impact on decision making by users of financial statements such as shareholders or lenders. To minimize the length of audit delay, the solution offered by researchers is to increase cooperation and communication between the company and the auditor. Clients are expected to support and not complicated the auditor in doing his work. For auditors, conducting interim audits may be considered to determine risk assessments, audit planning, and audit strategies at the end of the period. During the interim audit period, the auditor conducts an assessment of the company's internal controls to determine the level of audit risk. The higher the audit risk, the auditor needs more and complex audit procedures.



If the client has used a computerized system, an IT auditor is needed to assess the security and suitability of the system in the company's operations.

Conducting audits in the interim period is also useful for completing part of the work so that the auditor can focus on doing other work at the end of the year such as preparing an independent auditor's report.

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