

Determinant Factors Audit Delay: Evidence from Indonesia

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Abstract: *This study aims to examine the effect of profitability, solvability, company size, audit opinion, and size of a public accounting firm on audit delay. The population in this study are transportation sub-sector companies listed on the Indonesia Stock Exchange 2013 - 2017. The sampling technique uses purposive sampling, which is to select samples based on certain criteria in accordance with what is desired by the researcher. The number of samples used in this study were 21 companies with observations for five years so that there were 105 observational data selected. The data used are secondary data in the form of the company's annual financial statements obtained from the Indonesia Stock Exchange. Data analysis techniques in this study are descriptive statistics and multiple linear regression analysis. The software used for data processing is SPSS version 22 for Windows. The results of hypothesis testing show the results that simultaneously or partially, profitability, solvability, company size, audit opinion, and size of a public accounting firm influence audit delay.*

Keywords: *Audit Delay; Audit Opinion; Company Size; Profitability; Solvability.*

I. INTRODUCTION

Financial statements have a very important role in the process of measuring and evaluating a company's performance. Financial statements are a means used to communicate financial information of a company to parties outside the company [1]. The financial information must provide benefits for its users. Large companies that compete to become multinational companies require substantial capital to invest by registering their shares in the capital market. Public companies listed on the capital market are required to submit financial statements as a form of management responsibility to investors.

As the rapid development of companies that go public, the higher the demand for financial statement audits which become a source of information for investors, thus requiring useful financial information that meets the quality characteristics that are relevant, reliable, comparative, fast and precise. Characteristics of relevant information must have predictive value and be timely. According to [2] the value of

timeliness of financial reporting is an important factor for the benefit of financial statements. Timeliness in presenting financial statements is an important qualitative attribute in financial statements [3]. Therefore, financial statements will be more useful if presented accurately and on time [4].

In the capital market, audited financial statements may be the only reliable source of information compared to other sources of information available in the market [5]. For this reason, the company will use the services of an independent auditor to conduct audits of its financial statements. The auditor must carry out an examination of the financial statements in accordance with the SPAP 2001 established by IAI [6]. This audit activity will require a relatively long time because the auditor must perform various audit procedures to gather evidence that supports the opinion that will be given.

Audit delay is a delay in the completion of an audit which can be calculated through the difference between the date of the signing of the independent auditor's report and the closing date of the annual financial statement book [7]. Financial Services Authority Regulation Number 29 / POJK.04 / 2016 Article 7 concerning the submission of an annual report Issuers or Public Companies must submit an Annual Report to the Financial Services Authority no later than the end of the fourth month after the fiscal year ends. Timeliness of the publication of accounting information can be influenced by audit delay. The longer the auditor completes his audit work, the longer the audit delay. If the audit delay is longer, the possibility of delay in submission of financial statements will be even greater. It can be concluded that the timeliness of financial reporting can also affect the value of the company which leads to public decisions (investors). So, by obtaining the financial statements of a company, will be able to know the overall financial condition [8].

The fulfillment of audit standards by the auditor can have an impact on the length of the audit report completion. The length of the completion of this audit can affect the timeliness of the information published so that the impact on the loss of relevance of the financial statements [9]. The sooner the financial statement information is made public, the more useful the information is for decision making. Conversely, if there are undue delays, the information produced will lose its relevance in terms of making a decision. Information must be submitted as early as possible to be used to help in economic decision making [10].

PT Indonesia Stock Exchange (IDX) noted there are still companies that do not submit financial statements for the first half of 2018, in total there are 36 companies that have not yet reported.

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Of the 632 companies that are required to submit financial statements, only 519 companies have carried out according to the time requirements. There are 113 companies that have not submitted their first semester of 2018 financial statements. IDX reports from a total of 113 companies, 44 companies reported to IDX to submit their financial statements, which are currently being reviewed by public accountants and 33 companies reported to submit financial statements audited by public accountants. Of the total 113 companies, 77 companies have reported company conditions, while 36 companies have not reported to the IDX. In accordance with IDX regulations, the submission of financial statements for the first semester of 2018 or the period of 30 June at the latest 1 month after that. For those who are late in submitting financial statements will be subject to warnings to fines. [11].

PT Indonesia Stock Exchange (IDX) temporarily suspended securities (suspension) trading on the regular market and cash market by 16 and IDX has suspended two issuers since July 31, 2017 including PT Energy Mega Persada Tbk and PT Steady Safe Tbk. The IDX also extended the suspension of securities trading to 14 issuers namely PT Borneo Lumbung Energi and Metal Tbk, PT Berau Coal Energy Tbk, PT Bakrie Telecom Tbk, PT Eterindo Wahanatama Tbk, PT Citra Maharlika Nusantara Corpora Tbk, PT Inovisi Infracom Tbk, PT Capitalinc Investment Tbk, PT Permata Prima Sakti Tbk, PT Skybee Tbk, PT Sigmagold Intiperkasa Tbk, PT Evergreen Invesco Tbk, PT Garda Tujuh Buana Tbk, PT Merck Sharp Dohme Pharma Tbk, and PT Zebra Nusantara Tbk. IDX is a suspension of 16 issuers because as of July 29, 2017 has not submitted an interim financial report as of March 31, 2017, and has not yet paid the fine for submitting the financial statements. [12].

According to [13], delays in the publication of financial statements are very detrimental to investors because they can increase asymmetric information in the market, insider trading, and raise rumors that make the market uncertain. Seeing the importance of the time period for completing an audit of financial statements as a factor influencing the timeliness of financial statement submission as well as the informative value of financial statements for users of financial statements, the authors assume that audit delay is an object that still needs further investigation.

Many factors affect and do not affect audit delay in a company that has been studied by previous researchers, such as [14] who examine the relationship between audit delay with several independent variables consisting of profitability, leverage, company size, auditor opinion and KAP size. [15] examined the relationship between audit delay with several independent variables consisting of company size as a moderating effect of auditor opinion, profitability, and debt to equity ratio.

[16] examined the relationship between audit delay with several independent variables consisting of company size, operating profit, solvency, and audit committee. [17] examined the relationship between audit delay with several independent variables consisting of company size, audit committee, implementation of the International Financial Reporting Standards and public ownership. [4] examine the relationship between audit delay with several independent variables consisting of company size, subsidiaries, leverage

and KAP size.

[18] examined the relationship between audit delay with several independent variables consisting of profitability, solvency of company size, firm size and age of the firm. [7] examined the relationship between audit delay with several independent variables consisting of profitability, leverage, operating complexity, KAP reputation and audit committee.

[19] examined the relationship between audit delay with several independent variables consisting of auditor change from the audit organization to the private audit firm, auditor change from a private audit firm to another private audit firm, profitability, financial leverage, firm size, and audit report type. [5] examined the relationship between audit delay with several independent variables consisting of the type of auditor, financial company, profitability, company size and leverage.

The number of studies that have been reviewed above are like those who support and do not support audit delay. Research conducted by [18] examined the relationship between audit delay with 5 independent variables, namely profitability, solvency of company size, firm size and age of the company. The results of the study stated both simultaneously and partially that profitability, solvency of company size, firm size and age of the company affect the audit delay.

Profitability ratios measure the ability of a company to generate profitability at a certain level of sales, assets and share capital [20]. According to [21], the company will not delay the delivery of information that contains good news. Therefore, companies that are able to generate profits will tend to experience a shorter audit delay, so that good news can be immediately conveyed to investors and other interested parties, as a rationale that the profit rate is used as a way to assess success company effectiveness, of course related to the final results of various policies and decisions that have been implemented by the company in the current period. Profitable companies have an incentive to inform the public of their superior performance by issuing annual reports quickly.

Solvency or debt ratio is the ratio used to measure the extent of the company's assets financed by debt [8]. This means that the large amount of debt used by companies to finance their business activities when compared with using their own capital. The research of [16], [5] shows that solvency affects audit delay, whereas in [19] solvency does not affect audit delay.

[22] states that companies that have larger total assets will complete the audit longer than companies that have smaller total assets.

This is because the number of samples that must be taken is greater and more audit procedures must be taken. Property owned by the company has a negative influence on audit delay, where this effect is indicated by the greater the value of the assets of a company, the shorter the audit delay and vice versa. [23] argue that large-scale companies tend to be timely in the delivery of financial statements, because the company is closely monitored by investors, employees, creditors and the government so that large-scale companies tend to face higher pressures to announce an

earlier audit report.

An audit opinion is a standard statement of the auditor's conclusions obtained based on the conclusions of the audit process [24], in the audit report there are auditor findings that are expressed through the form of an opinion audit regarding the reasonableness of the financial statements. [25] research, audit opinion has an effect on audit delay, whereas [14] show that audit opinion has no effect on audit delay.

Audit opinion is the auditor's opinion regarding the audited financial statements [26]. In the transportation subsector company, the auditor gives a different opinion in each issuer. PT. Adi Sarana Armada Tbk. (ASSA) obtained an unqualified audit opinion on the 2017 financial statements, while PT. Arpeni Ocean Line Tbk. (APOL) was declared Disclaimer by KAP Kosasih Nurdiyaman, Tjahjo and Partners. The diversity of audit opinions given by auditors to the transportation subsector company makes the audit opinion variable worth researching.

Next KAP quality factors in [27], [4], [18], and [25] research show that KAP size influences audit delay while research conducted by [14] shows that KAP size does not affect audit delay.

A public accounting firm is a form of organization that obtains permits in accordance with statutory regulations that seek to provide professional services in the practice of public accounting. In the transportation subsector, there are issuers of PT. Adi Sarana Armada Tbk. (ASSA) which is audited by auditors affiliated with KAP the big four. In other issuers, such as PT. Cardig Aero Service Tbk. (CASS) and National Shipping Bina Buana Raya Tbk. (BBRM) is audited by the KAP not big four.

Based on the description in the background, the problem in this study can be formulated: Are profitability, solvency, company size, audit opinion and the size of the Public Accounting Firm partially or simultaneously affect audit delay?

II. HYPOTHESIS DEVELOPMENT

A. Effect of Profitability on Audit Delay

Profitability ratios measure the ability of a company to generate profitability (profitability) at a certain level of sales, assets, and share capital (Hanafi and Halim 2014). According to Kartika (2011), the company will not delay the delivery of information that contains good news. Therefore, companies that are able to generate profits will tend to experience a shorter audit delay, so that good news can be immediately conveyed to investors and other interested parties. As a rationale that the level of profit is used as a way to assess the success of the company's effectiveness, of course related to the final results of various policies and decisions that have been implemented by the company in the current period.

Profitable companies have an incentive to inform the public of their superior performance by issuing annual reports quickly. The results of research conducted by [15] found that the higher the profitability, the shorter the time needed for the auditor to publish the audited report.

H1: Profitability affects audit delay

B. Effect of Solvency on Audit Delay

Solvency or debt ratio is the ratio used to measure the extent of the company's assets financed by debt [8]. This means that the large amount of debt used by companies to finance their business activities when compared with using their own capital.

Company solvency can be seen from the comparison of total corporate liabilities with total company assets. High solvency is bad news for investors, so company management is trying to prolong the auditor to conduct audits, so that the delivery of financial statements will be longer. The increasingly high level of solvency of the company will make the audit delay longer. [28]. High solvency ratios will tend to have a longer time span of financial statement presentation, so the information presented contains elements of good news or bad news from financial statements [18].

H2: Solvency affects audit delay

C. Effect of Company Size on Audit Delay

Company size can be seen based on total company assets, equity, company value, and so on. Property owned by the company has a negative influence on audit delay, where this effect is indicated by the greater the value of a company's assets, the shorter the audit delay and vice versa. This is because the larger the company, the company has a good internal control system so that it can reduce the error rate of financial statements so that auditing of financial statements can be done more quickly. In addition, large companies are overseen by investors and government capital supervisors, have more resources and can pay higher audit fees to auditors so that audit reports can be completed more quickly [4].

[25] states that large-scale companies tend to be given incentives to speed up publishing their financial statements. That is because large-scale companies are closely monitored by investors, creditors and the government so they tend to face higher external pressure to submit audited financial statements early.

H3: Firm size influences audit delay

D. The Effect of Audit Opinion on Audit Delay

An audit opinion is a standard statement of the auditor's conclusions obtained based on the conclusions of the audit process [24], in the audit report there are auditor findings that are expressed through the form of an audit opinion on the reasonableness of the financial statements. The audit report there are auditor findings that are expressed through the form of an audit opinion on the reasonableness of the financial statements. Audit opinion is the auditor's opinion regarding the audited financial statements [26].

According to [29] in [7], companies that did not receive unqualified opinion standard audit opinions were estimated to experience longer audit delays because the companies that received these opinions viewed as bad news and would slow down the audit process.

In addition, acceptance of a qualified opinion is an indication of a conflict between the auditor and the company, which in turn prolongs the audit delay. Thus, companies that do not receive unqualified opinion audit opinions have long audit delays. Based on the theoretical description above, according to [29] states that companies that receive other than unqualified opinions tend to have a longer audit delay, because logically it can be said that the auditor needs time and effort to look for audit procedures when confirming audit qualifications and is indicative of negotiations with clients, consultation with more senior audit partners or technical staff with an expanded audit scope. Companies that do not accept standard unqualified opinions are expected to experience a longer audit delay because the companies that accept these opinions view bad news and will slow down the audit process.

H4. Audit opinion affects audit delay

E. The Effect of the Size of a Public Accounting Firm on Audit Delay

KAP size variables are divided into two, namely the existence of ties of cooperation with big four KAP and not big four KAP an international standard KAP or commonly known as the big four, is a KAP that has a high reputation in completing its audits on time. In addition, auditors who are owned by KAP big four have a high level of professionalism through the results of audited reports. To maintain that reputation, the big four auditors will improve his workings more thoroughly, efficiently and effectively and protect client trust. The size of the KAP hired by the company to audit the financial statements will affect the trust of the public regarding the credibility of the financial statements produced by the company. This is because large KAPs have a stronger push to complete their audits more quickly in order to maintain their reputation.

H5: The size of the Public Accounting Firm influences audit delay

III. METHOD

A. Population and Sample

The population in this study consists of 35 transportation companies listed on the Indonesia Stock Exchange (IDX) in 2013-2017. The sampling technique that will be used in this study is a purposive sampling technique.

Based on the above criteria, there are 21 companies that can be sampled in this study, with a total data of 21 companies multiplied by 5 (five) years of research, namely 105 financial statement data.

B. Definition of Variable Operations

Audit delay is a delay in the completion of an audit that can be calculated through the difference between the date the independent auditor's report is signed and the closing date of the annual financial statement book [7].

Profitability is a measure of a company's ability to generate profits for a certain period [20].

Solvency is the company's ability to fulfill all its obligations (both long-term and short-term liabilities) of the company's assets [20].

Company size is a company that is audited by KAP and is calculated using natural log total assets owned by the company or total client assets listed in the end of period financial statements that have been audited using log size [22].

Audit Opinion is the auditor's opinion regarding the company's financial statements that have been audited [26].

Public Accountant Firm is a form of public accounting organization that obtains permits in accordance with the laws and regulations that seek to provide professional services in the public accounting proctic [30].

C. Descriptive Statistics

Descriptive statistics is a process of transforming research data in tabular form so that it is easy to understand and interpret. Descriptive statistics are generally used to provide information about the characteristics of the main research variables. The measurements used in this study are minimum, maximum, mean, and standard deviation [31].

D. Data Analysis Model

In this study, testing is done by multiple linear regression analysis, which is a statistical method commonly used to examine the relationship between a dependent variable with several independent variables. Multiple linear regression analysis will be conducted if the number of independent variables is at least 2 (Sugiyono, 2015). The regression model used is as follows:

$$Y = \beta_0 + \beta_1.X_1 + \beta_2.X_2 + \beta_3.X_3 + \beta_4.X_4 + \beta_5.X_5 + \varepsilon$$

IV. RESULT AND DISCUSSION

A. Descriptive Statistical Analysis

Descriptive statistical results from the variables of this study were processed using SPSS 22 which can be seen in table 1 below:

Table 1. Descriptive Statistical

	N	Minimum	Maximum	Mean	Std. Deviation
Ln Audit Delay	105	3.40	5.79	4.4677	.35013
ROA	105	-.53	2.19	.0221	.31574
DAR	105	.01	8.31	.9633	1.49634
SIZE	105	9.15	17.75	14.1518	1.62011
Opinion	105	.00	1.00	.3143	.46646
KAP	105	.00	1.00	.4762	.50183
Valid N (listwise)	105				

Source: Research Data

Based on the results of the processed data that has been done contained in table 1, shows that the amount of research data (N) amounted to 105 data. The audit delay variable (Y) in this study uses a natural logarithm (Ln) in order to reduce the data fluctuations that are too high. The audit delay variable (Y) has a minimum value of 3.40 and a maximum value of 5.79. The average value of audit delay is 4.4677 with a standard deviation of 0.35013. The profitability variable (ROA) has a minimum value of -0.53 and a maximum value of 2.19. The average value of



ROA of 0.0221 with a standard deviation of 0.31574.

The solvency variable (DAR) has a minimum value of 0.01 and a maximum value of 8.31. The average value of DAR is 0.9633 with a standard deviation of 1.49634. The company size variable (SIZE) has a minimum value of 9.15 and a maximum value of 17.75. SIZE value is 14.1518 with a standard deviation value of 1.62011.

The audit opinion variable has a minimum value of 0.00 and a maximum value of 1.00. The average value of audit opinion is 0.3143 with a standard deviation value of 0.46646. KAP variable has a minimum value of 0.00 and a maximum value of 1.00. The average value of KAP is 0.4762 with a standard deviation value of 0.50183.

B. Classic assumption test

The data normality test results with the p-plot normal graph test show that the data is spread around the diagonal line and moves in the direction of the diagonal line, so it is said that the residual data is normally distributed.

Multicollinearity test results with the calculation of tolerance values show that all independent variables have a tolerance value of more than 0.10. The results of the calculation of the Variance Inflation Factor (VIF) value also showed that all independent variables had a VIF value <10, so it can be concluded that there is no multicollinearity between the independent variables in the regression model.

Based on heteroskedasticity test with scatter plot, it is seen that the points spread randomly and spread both above and below the number 0 on the Y axis, so it can be concluded that there is no heteroskedasticity problem in the regression model.

The autocorrelation test in this study can be seen by looking at the DW value obtained of 0.647. DW value is greater than value -2 and smaller than value +2 (-2 <DW <+2) [32], so it can be concluded that autocorrelation does not occur.

C. Hypothesis test

F Test (Simultaneous)

F test results of the effect of profitability, solvency, company size, audit opinion and KAP size simultaneously on audit delay are presented in table 2 below:

Table 2. Results of F Test

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	9.647	5	1.929	61.556	.000 ^b
Residual	3.103	99	.031		
Total	12.749	104			

a. Dependent Variable: Ln Audit Delay
b. Predictors: (Constant), KAP, SIZE, Opinion, DAR, ROA

Based on table 2 above, the results of the F Test above show that the value of F count > F table where 61.556 > 2.31 (df = 105 - 6 = 99; k = 6 - 1 = 5) and the significance value of the above test amounted to 0,000 < 0.05 (α = 5%). This proves that the variables of profitability, solvency, company size, audit opinion and KAP size simultaneously influence audit delay (H1 accepted).

T Test (Partial)

The results of the t-test or partial test of the effect of profitability, solvency, company size, audit opinion and KAP variables partially on audit delay are presented in Table 3 below:

Table 3. Result t test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.463	.178		30.773	.000
	ROA	-.633	.063	-.570	-10.070	.000
	DAR	.053	.013	.229	4.272	.000
	SIZE	-.067	.012	-.308	-5.490	.000
	Opini	-.107	.041	-.143	-2.639	.010
	KAP	-.118	.038	-.170	-3.124	.002

Source: Research Data

The second hypothesis states that profitability affects audit delay. Based on the results of the regression analysis in table 4, the t-value of the profitability variable against audit delay is -10,070 smaller than -t-table -1,98422 (df = 105 - 6 = 99; α = 5%) and the significance value is 0,000 < 0.05 (α = 5%). These results explain that profitability (ROA) affects audit delay (H2 received).

Profitability has a negative effect on audit delay. This shows that if the company's profitability increases, the audit delay will decrease. According to [21], the company will not delay the delivery of information that contains good news. Therefore, companies that are able to generate profits will tend to experience a shorter audit delay, so that good news can be immediately conveyed to investors and other interested parties.

The results of this study are supported by research [7], [33], and [15], who found that the higher the profitability, the shorter the time needed by the auditor to publish the auditing report. However, it is inversely proportional to the research of [14]

which states that profitability has no effect on audit delay.

The third hypothesis states that solvency affects audit delay.

The t-value of the solvability variable against audit delay is 4.272 greater than t-table 1.98422 (df = 105 - 6 = 99; α = 5%) and the significance value is 0.000 < 0.05 (α = 5%). These results explain that solvency (DAR) affects audit delay (H3 accepted).

Solvency has a positive effect on audit delay. The solvency ratio is the company's ability to fulfill its liabilities. If the company has a high solvency ratio, the risk of loss will increase. Therefore, to gain confidence in the company's financial statements, the auditor will increase his prudence so that the audit delay range will be longer.



The results of this study are in line with research conducted by [18] which shows that solvency affects audit delay. A high solvency ratio will tend to have a longer time span of financial statement presentation, so the information presented contains elements of good news or bad news from the financial statements. This is not in line with research conducted by [33] which states that solvency does not affect audit delay.

The fourth hypothesis states that firm size influences audit delay. The t-value of the firm size variable (SIZE) against audit delay of -5.490 is smaller than -t-table -1.98422 (df = 105 - 6 = 99; $\alpha = 5\%$) and the significance value is 0.000 < 0.05 ($\alpha = 5\%$). These results explain that company size (SIZE) influences audit delay (H4 received).

Company size has a negative effect on audit delay. This shows that the larger the size of the company, the shorter the audit delay time. This is because the larger the company, the company has a good internal control system so that it can reduce the error rate of financial statements so that auditing of financial statements can be done more quickly. In addition, large companies are overseen by investors and government capital supervisors, have more resources and can pay higher audit fees to auditors so that audit reports can be completed faster [4].

The results of this study are consistent with Kartika's (2009) research, large-scale companies tend to be given incentives to speed up publishing their financial statements. That is because large-scale companies are closely monitored by investors, creditors and the government so that they tend to face higher external pressure to submit audited financial statements early. The results of this study are different from the research by [33] which found that company size has no effect on audit delay.

The fifth hypothesis states that audit opinion influences audit delay. The t-value of the audit opinion variable against audit delay of -2.639 is smaller than -t-table -1.98422 (df = 105 - 6 = 99; $\alpha = 5\%$) and the significance value is 0.010 < 0.05 ($\alpha = 5\%$). These results explain that audit opinion influences audit delay (H5 accepted).

Audit opinion has a negative effect on audit delay. An audit opinion is a standard statement of the auditor's conclusions obtained based on the conclusions of the audit process [24]. The audit report there are auditor findings that are expressed through the form of an audit opinion on the reasonableness of the financial statements. Audit opinion is the auditor's opinion regarding the audited financial statements [26].

[25] shows that audit opinion influences audit delay. Companies that receive unqualified opinions have a faster audit time than companies that accept fair opinions with qualified (qualified opinions). This is not in line with research conducted by [33] which states that audit opinion has no effect on audit delay.

The sixth hypothesis states that the KAP size affects audit delay. The t-value of the variable size of the public accounting firm against audit delay of -3,124 is smaller than t-table -1,98422 (df = 105 - 6 = 99; $\alpha = 5\%$) and the significance value is 0.002 > 0.05 ($\alpha = 5\%$). These results explain that the KAP size affects audit delay (H6 received).

The size of a public accounting firm has a negative effect on audit delay. This research is supported by [4] research which states that the size of the Public Accounting Firm

influences audit delay. This shows that the Big Four KAP office requires a shorter time in completing the audit efficiently and has the flexibility of a higher time schedule to complete the audit on time besides they have more human resources and have more experience than other KAP.

This is in line with the research by [33] which says that the size of the Public Accounting Firm influences audit delay. The size of the KAP hired by the company to audit the financial statements will affect public confidence in the credibility of the financial statements produced by the company because large KAPs have a stronger drive to complete the audit more quickly in order to maintain their reputation. This is not in line with research conducted by [34] showing that KAP size does not affect audit delay.

Coefficient of Determination

From the determination test the adjusted R² value is obtained as can be seen in table 4 as follows:

Table 4. Result of Determinations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.870a	.757	.744	.17704

Source: Research Data

Table 4 above shows the results of the determination test that the R square value of 0.744 implies that 74.4% of the amount of audit delay can be explained by profitability, solvency, company size, audit opinion and public accounting firm size while the remaining 25.6% (Other 100% - 74.4%) are explained by other variables outside the model, such as the complexity of operations and audit committees [7], and public ownership [17].

V. CONCLUSION

Based on the results of an analysis of the effect of profitability, solvency, company size, audit opinion, and the size of public accounting firms on audit delay on transport companies listed on the Indonesia Stock Exchange in 2013-2017,

it can be concluded: Profitability, solvency, company size, audit opinion and the size of the Public Accounting Firm simultaneously and each partially influences the audit delay.

This study has several limitations, namely: The use of a less extensive sample, is only limited to the transportation subsector so that the results of the study cannot be used as a reference for other sectors and the study period is only 5 years, it is felt that it does not adequately describe the influence of variables.

Investors and creditors are expected to influence management policies in accelerating the delivery of audited financial statements so that important information does not lose benefits. Investors and creditors are able to influence management policies through share ownership and debt contracts with companies.

Further researchers are expected to add other independent variables related to audit delay such as the complexity of operations and audit committees [7], as well as public ownership [17]. Future



studies can extend the study period by more than 5 years in order to obtain more accurate research results, and can use different test equipment to obtain comparable research results, such as panel data regression.

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