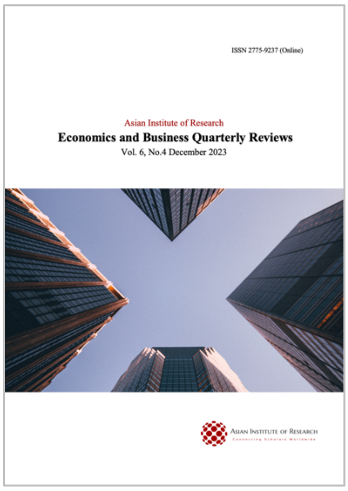

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Audit Delay: Complexity of Company Operations as Moderation Variable

Karlina Johansyah[1], Firda Ayu Amalia[2], Novitasari Agus Saputri[3], Agung Prasetyo Nugroho Wicaksono[4]

[1,2,3,4] Accounting Department, University of Muhammadiyah Malang, Malang, Indonesia

Correspondence: Firda Ayu Amalia, Accounting Department, University of Muhammadiyah Malang, Malang, Indonesia. Tel: +62 822-3225-7943. E-mail: firdaayu@umm.ac.id

Abstract
Financial statements are the most critical information for the company. Therefore, the submission of financial statements must be timely so that the information provided remains reliable and appropriate. Data on the Indonesia Stock Exchange shows that many companies still submit their financial statements yearly late. This study aims to empirically determine the effect of financial distress, company size, and audit opinion on audit delay, as well as the complexity of company operations as moderating the effect of financial distress, company size, and audit opinion on audit delay. The research method used is the quantitative method. This research was conducted on manufacturing companies listed on the Indonesia Stock Exchange (IDX) from 2018-2022. Samples were taken by 285 companies using purposive sampling techniques. Data collection techniques are using literature study and documentation. The data analysis technique used is a panel data regression model using STATA 14.2 as a data analysis tool. The results of the analysis stated that financial distress and auditor opinion did not affect audit delay, while company size had an impact on audit delay. The complexity of the company's operations can moderate the relationship between audit opinion and audit delay. In contrast, the complexity of the company's operations cannot moderate the relationship between financial distress and company size to money delay.

Keywords: Audit Delay, Financial Distress, Company Size, Audit Opinion, Complexity of Company Operations

1. Introduction

1.1 Introduce the Problem

Public listed companies in Indonesia listed on the Indonesia Stock Exchange (IDX) are required to submit audited financial statements annually and publish the financial reports. Financial statements themselves can provide information that is utilized by decision-makers well. Therefore, information about financial statements must be submitted promptly. This timeliness is also a form of responsibility given by the company's management to the information user. However, there are still many companies in Indonesia that experience delays in completing their audited financial statements; companies submit their financial statements beyond the predetermined submission deadline, which is a maximum of 120 days; this is explained according to the Financial Services Authority regulation Number 29 / POJK / 2016 (Sihombing, 2021).

In data published by IDX on April 1 2019, 64 companies had not published their financial statements as of December 31, 2018. The Indonesia Stock Exchange stated that as of June 2, 2020, 63 companies had not published financial statements ending December 31, 2019. The Indonesia Stock Exchange, through an announcement dated June 10, 2021 stated that as of May 31, 2021, 88 listed companies had not published financial statements as of December 31, 2020. Then, on May 13, 2022, which was also quoted from cnbcindonesia.com stated, "Based on IDX monitoring until May 9, 2022, there are 785 listed companies, of which 668 companies have submitted their financial statements ending December 31, 2021 on time. Then, based on data published by the IDX on May 2, 2023, it was explained that 61 companies had not submitted audited financial statements ending December 31, 2022. In research conducted by (Hilal Al Ambia et al., 2022), the phenomenon of audit delay itself is not new in Indonesia, but this phenomenon occurs every year.

(Sihombing, 2021) States that audit delays impact the submission of information to users of financial statements. Suppose the financial statements are published promptly. In that case, the information submitted is more reliable. However, if there is a delay in issuing financial statements, the information presented does not reflect the company's actual state. Audit delay is the length of days or time it takes the auditor to complete his audit work. So, the longer an auditor completes his audit work, the longer the audit is delayed. However, delays in publishing financial statements in a company can be influenced by factors such as financial distress, company size, audit opinions, and the complexity of company operations.

(Indrayani & Wiratmaja, 2021) Explained that financial distress is when the company experiences financial difficulties and is considered bad news that can affect the length of the audit delay. (Fatimah & Wiratmaja, 2018) Research states that financial distress positively and significantly affects audit delay. This is because financial distress can increase audit risk, which makes auditors take a long time to conduct audits and impacts the length of audit delays. However, this research is inversely proportional to the results of research conducted by (Pingass & Dewi, 2022), which state that financial distress does not influence the occurrence of audit delays.

Audit opinions are given to the company by the auditor regarding the fairness of presenting the company's financial statements after the audit. On (Sihombing, 2021), Audit opinion affects audit delay. Suppose the company gets an audit opinion other than unqualified (such as qualified, adverse, and disclaimer). In that case, it indicates that some significant findings need to be discussed between the auditor and company management, so it will take longer and cause delays in issuing the company's financial statements. This research was also conducted by (Pingass & Dewi, 2022) with the same independent variable, namely audit opinion, where the results of the research state that audit opinion negatively affects audit delay.

The complexity of the company's operations can be seen from the existence of child ownership. Research conducted by (Hilal Al Ambia et al., 2022) states that the complexity of operations tends to affect the time required by auditors to complete audit assignments and the timely submission of financial statements by the company. This is in line with the research of (Dewi & Wahyuni, 2021), which states the positive and significant influence of the company's complexity on audit delay. However, these studies are inversely opposed to the research (Manajang & Yohanes, 2022), which states that the company's complexity does not affect audit delay.

This study will examine the factors that cause audit delays. The object chosen is a manufacturing company listed on the IDX in 2018-2022. This is because many manufacturing companies listed on the IDX experience delays in submitting their financial reports or audit delays. PT Eterindo Wahanatama Tbk, PT Central Proteina Prima Tbk, and PT Golden Flower Tbk are manufacturing companies that experience lag in submitting financial statements to the IDX.

The phenomenon of completing audit delays has long been a problem in Indonesia. Many factors cause financial statements in companies in Indonesia to be problematic. Therefore, I again examine the factors that affect audit delay. The selection of variables, namely financial distress, company size, audit opinion, and complexity of company operations, refers to several previous studies. Audit delay research has been done quite a lot, but many differences in results are contrary between one study and another researcher. Therefore, this research is still very feasible and exciting to be reviewed again. This study aims to find the effects of financial distress, company size ownership, and audit opinions on audit delays. Placing a moderation variation, namely the complexity of company operations, aims to find other influences that can make financial distress variables, ownership of company size, then the existence of audit opinions allows the company to be more untimely in publishing its financial statements.

1.2 Theoretical Framework

1.2.1 Theory Obedience

Obedience theory was first introduced by Stanley Milgram in 1963. Milgram (1963) states that individuals are generally more likely to be submissive to other individuals in positions of authority. The point is that most individuals will follow the orders of someone with authority. Every individual must follow the rules because the rules are necessary and suitable, but some individuals follow the rules or orders because of a compulsion. This theory relates to audit delays, arguing that companies will try their best so that their financial statements do not cause delays because they can be subject to sanctions and warnings for violating regulations. By (Indrayani & Wiratmaja, 2021) Compliance theory can be the basis for a company to comply with laws that are considered by the company's internal normalities. Related financial reporting has been regulated in Law Number 8 of 1995 related to capital market challenges OJK regulation Number 29 / POJK.04 / 2016, which requires all issuers and publicly listed companies on the IDX to submit annual financial statements to OJK no later than four months starting from the date and year of the financial end.

1.2.2 Agency Theory

The theory of Keagenan was first introduced by Alchian and Demsetz in 1972 and Jensen and Meckling in 1976. (Jensen & Meckling, 1976) Declare the existence of an agency relationship if one or more people hire others to provide services, then delegate decision-making authority to a company. Supriyono (2018:63) in (Sihombing, 2021), states that agency theory is a concept where there is a contractual relationship between two parties, namely principals (shareholders) and agents (management). The difference in interests between the principal and this agent can cause information asymmetry. Agents who access company information have more freedom because agents (management) are more active in managing and management in the field.

According to (Fatimah & Wiratmaja, 2018), Audit delay has a very close relationship with the timeliness of financial statement publication. This is because the benefits of financial statements will decrease in value if the submission is not made on time. Reduced value of information that reaches the principal will cause asymmetric information, because the agent can commit fraud by manipulating data because of the large amount of internal information known by the agent in detail compared to the private party, which only knows company information from the results made by the agent (management). Therefore, the importance of timeliness is to reduce asymmetric information between agents and principals, so that financial statements at the company can be submitted transparently to the principal.

1.3 Hypotheses Development

1.3.1 The Effect of Financial Distress on Audit Delay

Compliance theory states that with the rules and attitudes of obedience to each company entity, it aims to avoid delays in submitting audit financial statements. In addition, there is also agency theory stating the existence of a form of chronological relationship between the agent and the principal. The agent has more information related to the company because the agent runs a company entity. The agent is obliged to provide information to the principal regarding the company's condition, and it is essential to provide excellent and timely information from the agent to the principal so that asymmetric information does not occur.

In journal research, (Fatimah & Wiratmaja, 2018) State that financial distress positively and significantly affects audit delays. The condition of companies that experience financial distress can increase audit risks for independent auditors, especially control risks and detection risks. Then, in research, (Sawitri & Budiartha, 2018) state the effect of financial distress on audit delay, because there is an increased audit risk in the company due to financial distress, which makes auditors have to check the risks that cause audit delays. From the concepts that have been described, hypotheses can be formulated:

H1: Financial distress affects audit delay.

1.3.2 The Effect of Company Size on Audit Delay

Every company must comply with all regulations, including the period for submitting audited financial statements. Compliance theory states that there are rules made to prevent audit delays. Agency theory states that the agency has an important task in conveying information related to things that occur in a company to the principal. The difference in the interests of the agent and the private party raises a problem related to information that cannot be trusted because the agent can manipulate information related to the company for its interests, both in terms of company wealth and the system that runs in it because the agent plays a more critical role in running the company. The company's size explains how big or small a company is as measured by the value of assets owned by the company (Darma Saputra et al., 2020). The company's size related to the assets owned by the company is important information that aims to be used in decision-making for principal parties such as investors in investing in the company. Therefore, the information from the agent can be delivered on time with the aim that there is no information gap or fraud in the delivery of information.

In the research conducted by (Simatupang et al., 2018) and (Oktaviani & Ariyanto, 2019), the company's size negatively affects the audit delay. This is because, in addition to internal control in large companies, large companies also tend to publish their financial statements earlier than small companies because large companies are more closely monitored by investors, creditors, and also the government, so large-scale companies must experience higher pressure to announce his audit report earlier. However, research by (Darma Saputra et al., 2020) Shows that the company's size positively affects audit delay. Companies with large sizes will increase the possibility of audit delays, while companies with small sizes tend to minimize the possibility of audit delays. From the concepts that have been described, hypotheses can be formulated:

H2 : Company size affects Audit delay

1.3.3 The Effect of Audit Opinion on Audit Delay

Compliance theory states that there are rules made to avoid audit delays, the existence of regulations related to the submission of financial statements makes companies obliged to obey them. Even though the company is in a condition that is not good, it still has to submit its financial statements on time. In agency theory, there is a difference in interests between the principal and the agent, where the delay in providing information from the agent to the principal can lead to asymmetric information. The audit opinion is one of the important pieces of information that must be in the company's report so that the recipients of information or the principal know well whether the financial statements in the company are created properly and by existing regulations. Companies that have obtained opinions other than fair without exception (unqualified opinion) will cause a longer audit delay because the auditor takes much time to collect the opinion issued (Pingass & Dewi, 2022).

The research conducted by Sihombing (Sihombing, 2021) Stated that audit opinions affect audit delays. The results of his research explain that companies that get unqualified opinions indicate that there are no significant findings that need to be discussed between the auditor and company management so that the company can publish its financial statements promptly. Meanwhile, if companies that get audit opinions other than unqualified indicate some significant findings that need to be discussed between the auditor and company management, it takes longer and causes the issuance of the company's financial statements to be late. This is in line with research by (Pingass & Dewi, 2022), (Indrayani & Wiratmaja, 2021), and (Puryati, 2020), which states that audit opinion affects audit delay. In addition, the auditor also needs time to renegotiate the opinions given to clients. From the concepts that have been described, hypotheses can be formulated:

H3: Audit opinion affects audit delay

1.3.4 The Effect of Financial Distress on Audit Delay with the role of moderating the complexity of company operations

The theory of preaching states that companies will try their best to promptly follow the rules of reporting time because if delays occur, even though the company is experiencing unfavorable conditions, including financial difficulties, the company must still obey the predetermined rules. Financial distress will impact the greater level of audit risk for independent auditors, especially control and detection risks. The increased risk experienced by the company due to financial distress causes a longer investigation process and results in an increase in audit delays or delays in the publication of financial statements. The relationship has been supported by research by (Oktaviani & Ariyanto, 2019), who state that financial distress has a positive and significant effect on audit delay because companies that experience these conditions can increase audit risk to independent auditors, especially in control risk and detection risk. From the concepts that have been described, hypotheses can be formulated:

H4 : Financial distress affects audit delay by being reinforced by the complexity of the company's operations.

1.3.5 The Effect of Company Size on Audit Delay with the role of moderating the complexity of company operations

The existence of rules that the OJK has set regarding the timing of audit financial reporting requires all companies to comply with them. This is related to compliance theory, where companies will try their best to ensure that their financial statements do not cause delays, and so they are not subject to sanctions and warnings for violated regulations. The company's size can be seen from the large or small value of the company's ownership assets. The tendency to have many assets makes auditing take a short time and delays audit. This is supported by research conducted by (Darma Saputra et al., 2020), which states that the company's size has a positive and significant effect on audit delay but differs from the research conducted by (Oktaviani & Ariyanto, 2019). The size of the company negatively and significantly affects audit delay. Then, in opinion, (Manajang & Yohanes, 2022) states that the size of the company does not influence audit delay.

There are various research results on the effect of company size on audit delay. The inconsistency in the previous study could be caused by other factors that can affect the relationship between company size and audit delay. Therefore, the complexity of company operations is used as a moderation variable to strengthen or weaken the company's size variable against audit delay. The existing research conducted by (Fatimah & Wiratmaja, 2018) Regarding the moderation variable, namely the complexity of the company's operation, stated that the complexity of the company's operation was chosen because the number of children owned by the company tends to have a large number of operating units and the need for checks for each activity or transaction, which means that the asset value is also included in the inspection which will make the auditor take longer to audit.

The company's size can be one of the causes of audit delays. Suppose there are complex operations in large companies with a tillering company. In that case, it can make the auditor increase time in the adjudication process because the scope of the audit is wider, which will cause audit delays. From the concepts that have been described, hypotheses can be formulated:

H5: The size of the company affects the audit delay by being reinforced by the complexity of the company's operations.

1.3.6 The Effect of Audit Opinion on Audit Delay with the role of moderating the complexity of company operations

Some conditions that occur in companies can be an obstacle to the submission of financial statements, but in Indonesia, they have been regulated and must be obeyed by every company. Compliance theory explains that companies must be able to comply with every regulation that has been made, including timeliness related to the submission of financial statements, even though the company is in a bad condition. Every company expects an unqualified opinion from the auditor because the opinion shows that the company's financial statements have been presented following accounting standards and do not require much correction. In the research conducted by (Sihombing, 2021), which states that audit opinion influences audit delay, the study results are also in line with (Hilal Al Ambia et al., 2022), which states that audit opinion affects audit delay. However, it is different from the research conducted by (Adiraya & Sayidah, 2018), (Isnaeni & Nurcahya, 2021). The results of their research stated that there was no significant effect on audit delay.

Judging from the research, there are inconsistencies in research results, which could happen because other factors, such as the complexity of company operations, can cause audit delays. Therefore, there is an addition of variables in the complexity of company operations that act as moderation. According to (Fatimah & Wiratmaja, 2018), the placement of the complexity of company operations as a moderation variable due to the ownership of subsidiaries causes the scope of audits to be audited by auditors, which will have an impact on the time needed by auditors in the process of completing their audit tasks.

Opinions expressed in a company if there are errors will be corrected, where the correction treatment carried out by this auditor causes the publication time of a financial statement to be late (audit delay). The complexity of the Company's operations can be affected because if an error occurs, the improvement or correction to the financial statements made by the auditor with the company being audited will be more complex. After all, some subsidiaries make the scope of the audit wider, and this causes an increase in audit delays. From the concepts that have been described, hypotheses can be formulated:

H6 : Audit opinion affects audit delay by being reinforced by The complexity of the company's operations.

2. Method

2.1 Operational Variable Definition

This research is a type of research with quantitative methods. This study has three variables: the dependent variable of audit delay, the independent variable of financial distress, company size and audit opinion, and the moderation variable of the complexity of the company's operations. Here are the measurements of each variable

2.1.1. Audit delay

The quantitative measurement is included in the interval scale design, namely from the end date of the company's financial year (December 31) to the date of publication of the independent report, with the following formula.

Audit Delay = Independent Audit Report Deadline – Financial Statement Submission Date

2.1.2. Financial Distress

Financial distress is measured using the Altman Z Score method. According to (Sanjaya, 2018), Z-Score is a score determined from standard calculations showing the possibility of company bankruptcy or financial difficulties. Five financial ratios were used Working Capital to Total Assets, Retained Earnings to Total Assets, Earnings Before Interest and Taxes to Total Assets, Market Value of Equity to Book Value of debt, and Sales to Total Assets. According to Toto Prihadi 2010: 336 in (Sanjaya, 2018), the Altman Z-Score equation can be formulated as follows.

$$Z = 1{,}2X1 + 1{,}4X2 + 3{,}3X3 + 0{,}6X4 + 1{,}0X5$$

Information:
X1: Working Capital to Total Asset
X2: Retained Earnings to Total Assets
X3: Earnings Before Interest and Taxes to Total Assets
X4: Market Value of Equity to Book Value of Debt
X5: Sales to Total Assets

According to (Sudrajat & Wijayanti, 2019) stated that the criteria for predicting the company's bankruptcy rate based on the Z-Score model include:

Table 1: Company bankruptcy rate based on Z-Score model

If Z-Score > 2,60	The company is categorized as a healthy company.
If 1,10 < Z-Score < 2,60	The company is in a gray area, which means the company can potentially go bankrupt or not go bankrupt.
If Z-Score < 1,10	The company has the potential to go bankrupt.

Source: Sudrajat & Wijayanti 2019

2.1.3. Company Size

In this variable, Log Natural is used in calculating assets worth hundreds or trillions and will be simplified, without changing the proportion of the actual number of assets owned by the company. Therefore, the calculation formula for the company size variable is as follows.

$$\text{Company size} = \text{Ln (Total Assets)}$$

2.1.4. Opini Audit

Audit opinions are calculated or measured using an ordinal scale where a value of 4 is given for unqualified fair opinions, a value of 3 for unqualified fair opinions with explanatory language, a value of 2 for fair with exception opinions, a value of 1 for unfair opinions and a value of 0 for unqualified opinions.

2.1.5. The complexity of the company's operations

Measurement of the variable complexity of company operations uses a dummy variable where the number "1" is for companies with subsidiaries or branches, while "0" is for companies that do not have subsidiaries or branches of the company.

2.2 Participant (Subject) Characteristics and Sampling Procedures

The population in this study is all companies in the manufacturing sector listed on the Indonesia Stock Exchange in 2018-2022. This is because quite a lot of manufacturing companies experience audit delays. The sampling technique used in this study itself is purposive sampling. Purposive sampling is a technique in which samples are selected by making certain considerations or samples have entered into criteria that have been made and determined (Sugiyono, 2018). Data sources can be obtained from the official website of the Indonesia Stock Exchange (www.idx.co.id) or the company's website.

The sample criteria in this study are as follows.

1. Manufacturing Company in 2018-2022 listed on the Indonesia Stock Exchange.

2. Companies that have audited annual financial statements that ended on December 31 in the 2018-2022 period.
3. Companies that have experienced delays for the 2018-2022 period.
4. Manufacturing companies not subject to suspension from 2018-2022 from the Indonesia Stock Exchange.

2.3 Data Analysis Technique

An analysis method was used with the Panel Data Regression model to analyze each variable in the study. The tool used to assist data processing in this study is STATA 14.2. According to (Gujarati & Porter, 2009), Panel data is a combination of time series and individual data, which means an observation or data collected from time to time on a subject who experiences various conditions or circumstances.

The panel data regression model in this study is as follows:

$$AD_{it} = \alpha + \beta_1 FD_{it} + \beta_2 UP_{it} + \beta_3 OA_{it} + \beta_4 KOP_{it} + \beta_5 FD_{it}{*}KOP_{it}$$
$$+\beta_5 FD_{it}{*}KOP_{it} + \beta_6 UP_{it}{*}KOP_{it} + \beta_7 OA_{it}{*}KOP_{it} + e$$

Information:

AD_{it} = Audit Delay company i in year t (dependent variable)
α = Constanta
β = Coefficient
FD_{it} = Financial Distress company i in year t
UP_{it} = Company Size of company i in year t
OA_{it} = Company Audit Opinion I in year t
KOP_{it} = Complexity of the company's operations i in year t (moderation variable)
e = Error

In analyzing the data, descriptive statistics will first be carried out to determine the characteristics of the sample data. Furthermore, a model determination test will be carried out with several tests, namely the Chow test, the Hausman Test, and the Multiplier Lagrange Test to determine the panel data regression model that best suits CEM, FEM or REM. Then, proceed with the classical assumption test consisting of a normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. After that, a hypothesis test will be carried out.

3. Results

3.1 Recruitment

This research uses the object of manufacturing companies listed on the Indonesia Stock Exchange (IDX) in the 2018-2022 period with 167 companies. In this study, purposive sampling is used by researchers in sample selection with certain criteria. Based on the criteria that have been made, the number of objects obtained is 57 companies, with a total of 285 samples during 2018-2022.

The following is a table of the results of the selection of samples obtained according to the criteria.

Table 2: Sampling Results

No	Sample criteria	Sum
1	Manufacturing companies listed on the IDX in 2018-2022	(167)
2	Companies that have not published the 2018-2022 Annual Report	(0)
3	Companies that did not experience delays in 2018-2022	(107)
4	Companies affected by the 2018-2022 suspension	(3)
	Company sample count	**57**
	Number of Observations (57 × 5 years)	**285**

3.2 Statistics and Data Analysis

Table 3: Descriptive Statistical Results

Variable	Obs	Mean	Std. Dev.	Min	Max
Audit Delay	285	110.2526	38.35278	44	401
Financial Distress	285	5.451463	25.96039	-11.35042	314.1852
Company Size	285	28.07972	1.547589	24.42849	31.76208
Opini Audit	285	3.515789	.6256798	0	4
The complexity of the company's operations	285	.6491228	.4780841	0	1

Source: STATA 14.2

3.4 Hypothesis Testing

Table 5: Panel Regression Model Estimation Results

Variable	CEM		FEM		REM		Conclusion
	Coef.	Prob.	Coef.	Prob.	Coef.	Prob.	
Constanta	270,555	0,000	307,2053	0,000	270,555	0,000	The model selected based on model selection is CEM. However, the existing data did not pass the classical assumption test, so the method used Generalized Least Squares (GLS) and not Ordinary Least Squares (OLS)
Financial Distress	-0,8577309	0,450	-0,5795678	0,574	-0,8577309	0,449	
Company Size	-5,220728	0,052*	-4,882605	0,043**	-5,220728	0,051*	
Audit Opinion	-5,129806	0,497	-18,24112	0.011**	-5,129806	0,497	
Complexity of the company's operations	5,916995	0,948	-12,43931	0,879	5,916995	0,948	
Complexity of Company Operations*Financial Distress	0,8026653	0,480	0,569008	0,582	0,8026653	0,480	
Complexity of Company Operations*Company Size	2,50666	0,426	2,505955	0,377	2,50666	0,425	
Complexity of Company Operations*Audit Opinion	-19,72306	0,021**	-14,65717	0,059*	-19,72306	0,020**	
F-test	7,52		13,85		52,66		
Prob. F	0,0000		0,0000		0,0000		
Adj R-squared	0,1385		0,1531		0,1597		
Chow test	0,0578*						*Models selected CEM
Hausmant test	-356,79*						*Models selected FEM
BP/Lagrange Multiplier test	1,000*						*Models selected CEM

*Note. * sig at the level < 10%; ** sig at the level <5%; ***sig at the level 1% Source :STATA 12.4*

3.4.1. Simultaneous Test (Test - F)

The F statistical test aims to test the feasibility of a fit or unfit model for testing. A model is considered fit if the significance value is < 0.05. Based on Table 5, regression results were obtained with a significance value of 0.000, a calculated F value of 52.66, and a table F value of 2.64. It states that the value of F count is greater than F table (F count > F Table) and the significance value is less than 0.05, then it can be concluded that the regression model fit is tested (feasible to use to test the hypothesis).

3.4.2. Test Coefficient of Determination (R2)

The Coefficient of Determination (R2) test aims to measure the percentage of influence of all independent variables on the dependent variable. Based on Table 5, the adjusted value of R-Square is 0.1597. This value shows that the variables of financial distress, company size, and audit opinion, as well as moderation variations in the complexity of company operations, can affect audit delay by 15.97%, while other factors outside this study influence the remaining 84.03%.

4. Discussion

4.1 The Effect of Financial Distress on Audit Delay

The results of this study were unable to prove the effect of financial distress on audit delay. Indrayani & Wiratmaja (2021) stated that financial distress conditions in the company could increase audit risk for auditors, especially in control risk and detection risk, which causes an increase in audit delays. However, in contrast to the results found in the study, which showed evidence that companies predicted to experience bankruptcy or financial difficulties were not related to audit delays and delays in publishing their financial statements. This research supports the compliance theory where all companies must report their annual audit finances on time by applicable regulations even though the company's condition is not good enough.

Good or bad financial conditions in the company also cannot affect the length or absence of time for the company to publish its financial statements as long as the cash flow in the company is still running and the process of production activities in the company is still carried out. This is in line with research conducted by Pingass & Dewi (2022), which states that even though the financial condition of a company worsens, the most important thing is that cash flow can continue so that the production process at the company does not stop and this will not affect the date of issuance of the audited financial statement. This research is also supported by Frimmantuti & Julianto (2022), where the results of the study state that there is no effect of financial distress on audit delay because companies in healthy conditions, prone to bankruptcy, will not cause the financial statement audit process by auditors to be more extended or even delayed. In addition, these conditions will also not cause bad news, such as giving a bad reaction to the market and shareholders. Bani Adam et al. (2022) also stated that there is no effect of financial distress on audit delay because of the form of professional attitude possessed by auditors that can overcome various obstacles that arise during the audit process with predetermined procedures by company conditions that can reduce the time needed to complete the audit process.

4.2 The Effect of Company Size on Audit Delay

The results showed that the company's size significantly negatively affected audit delay. According to Darma Saputra et al. (2020), Companies with large sizes will increase the possibility of audit delay and vice versa. Small companies will have a low chance of audit delay. This happens because of the assets owned by the company. If the assets owned by the company are many, it will tend to increase the time in the audition process. The results of this study support the agency theory that agents can hire to provide services whose results are used as a company's decision-makers. This also happens because there are differences in goals between agents and principals who manage the presence of other parties in helping to make decisions; differences in plans between the two cause delays in providing information. In this study, the company's size has a negative influence, which indicates that a large company can better complete the audit process on time.

Large companies always try to ensure there is no loss of control related to all company activities and reduce monitoring costs by creating a good internal audit system so that external auditors are more dependent on the existing system as a whole to reduce the audit work required and cause the audit time needed to be shorter. This research is also in line with research conducted by Oktaviani & Ariyanto (2019) and research conducted by Adiraya & Sayidah (2018), which states that total assets have a significant influence on the length of auditing time, this is because large companies have good control systems that cause low error rates in presenting reports making it easier for auditors to conduct audits. Ebaid (2022) also states that there is a negative relationship between company size and audit delay. Companies with large sizes must have more resources and better information systems and control systems than small companies, thus giving large companies a better ability to publish financial statements quickly. This also aligns with research (Astuti et al., 2022) and (Hanif & Ariani, 2023). Large companies also tend to get higher pressure from external parties, so management will try to publish audited financial statements on time.

4.3 The Effect of Audit Opinion on Audit Delay

Based on the results of this study, it shows that audit opinion does not affect audit delay. This means that the opinion received by the company from the auditor in the form of both unqualified and qualified opinions has no influence on the audit time gap and will not affect the sooner or later the company submits its report. In research, Apriani & Suharti (2019) state that the type or form of audit opinion issued by the auditor cannot affect the time the audit report is published. This is because an agreement has been made regarding the completion time related to the audit process between the auditor and the company, so the revenue earned by the auditor, whether the income is good news or bad news related to company performance, is not a determining factor in timeliness in terms of audit reporting. The results of this study support the theory of compliance, where the existence of regulations related to the period of audit financial reporting makes companies, both those with unqualified opinions and qualified opinions, must continue to report their audited financial statements on time.

The results of the study are similar to the results of research conducted by (Isnaeni & Nurcahya (2021) and Darma Saputra et al., (2020), which state that the audit opinion does not influence the audit delay. This research is also in line with research that has been conducted by Adiraya & Sayidah (2018), who state that there is no influence of the audit opinion on the audit delay because the auditor has the authority to give an opinion or statement in the form of an opinion in which the management must accept the results of the audit. This research also aligns with (Nurhasanah & Meldawati, 2022) in (Sugiyanto, 2022). There is no influence of Aduit's opinion on audit delay, and this is because an auditor, in determining an opinion, must already have sufficient evidence to support in making decisions related to the fairness or impropriety of the presentation of financial statements so that if the company gets other than an unqualified opinion and negotiations are held between the auditor and the company's management does not take a long time and giving an opinion is the last decision in auditing so that it will not interfere with audit financial reporting.

4.4 The Role of Company Operation Complexity as Financial Distress Moderation to Audit Delay

The research results show that complexity cannot moderate the relationship between financial distress and audit delay. This indicates that the company is experiencing financial distress, coupled with the company having complex operations characterized by the ownership of this subsidiary, which cannot affect the time in the auditing process, causing audit delays. This can happen even though the company has complex operations due to the establishment of a good accounting information system and internal control, and this will help the process of making and submitting audit reports promptly even though the company has complexity in all forms of activities within the company due to the existence of subsidiaries. This research supports the theory of compliance with the applicable rules that every company listed on the IDX must report its audit report promptly and under unqualified conditions, including companies experiencing financial difficulties and in complex company operating environments. This research is also supported by research conducted by Fatimah & Wiratmaja (2018), which states that the complexity of the company's operations has no role in strengthening the relationship of financial distress to audit delay because the auditor has in advance anticipated if the company has a subsidiary by looking at the readiness of existing resources so that the audit process is expected to be completed on time.

4.5 The Role of Company Operation Complexity as a Moderation of Company Size Against Audit Delay

The study results show that the complexity of the company's operations cannot moderate the relationship of company size to audit delay. This means that the large size of the company, by looking at the number of assets ownership in the company, accompanied by the ownership of subsidiaries that make the complexity of operations in the company, does not affect sooner or later the company reports its audit report. According to research conducted by Fatimah & Wiratmaja (2018), Companies with subsidiaries, on average, will choose auditors with a good reputation and ability so that they can complete the auditing process promptly. This condition also supports compliance theory because all forms of companies, both large and small companies, and complex and irregular companies, are required to collect audit reports on time. In this condition of the company, the auditor, before conducting the audit process, has carried out audit preparation and planning so that the complexity of operations in the company, as seen from the maintenance of subsidiaries, will not affect the period of the auditing process and will not affect the sooner or later the audit report is reported. Large companies have high complexity in their operations, which will not affect the time to complete the audit.

4.6 The Role of Company Operation Complexity as Moderating Audit Opinion Against Audit Delay

The research results show that the complexity of the company's operations can moderate audit opinions on audit delays. It can be interpreted that the existence of an audit opinion given by the auditor to the company can impact audit delay if the company has a subsidiary company, so this study can prove that companies with complex operations can potentially experience audit delays. This research supports agency theories where there are differences in the interests of agents and principals, making audit opinions very important for both parties. Audit opinions other than unqualified indicate that several findings need to be discussed and will expand the audit process so that it takes time to carry out the process with the complex operation of a company in the form of ownership of tillering companies will cause an increase in the audit process and cause audit delays. The complexity of operations in the company also makes the auditor sample room wider, which will impact the audit completion period and can affect the occurrence of audit delays. In addition, companies that have tillering companies that then get audit opinions other than unqualified indicate that there are findings that make auditors have to conduct audit checks on more complex posts so that the time to complete the audit process will last longer than companies that do not have subsidiaries.

5. Conclusion

This study aims to determine the factors that cause audit delays in manufacturing companies for 2018-2022. 3 variables are used as independent variables in this study, namely financial distress, company size, and audit opinion. The difference in the results of these various studies makes the study review related to variables suspected to be factors causing audit delays. In addition, moderation variables, namely the complexity of company operations, may have a role in influencing the relationship between independent and dependent variables.

Based on the results of the hypothesis test that has been carried out, results state that there is no significant effect on financial distress and audit opinion on audit delay. However, there is a significant influence on the size of the company on audit delay. Then, related to moderation variables, the complexity of company operations can moderate the relationship between audit opinions and audit delays, but the complexity of company operations cannot moderate the effect of financial distress and company size on audit delay.

The narrowness of information related to moderation variables is one of the limitations of this study because there is still a lack of research that makes the complexity of company operations a moderation variable. In addition, the scope of research is quite limited, and this is because this research is only carried out in the manufacturing sector, which publishes a small sample. Then, it is recommended for future research to add or use other independent variables, such as audit quality, profit management, and auditor switching, while still using the variable complexity of company operations as a moderation variable. It is also expected that further researchers will add a wider scope of research not only in one sector, with the aim that more samples will be obtained.

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