International Journal of Current Economics & Business Ventures, 1 (3) 2023, 183-203
International Journal of Current Economics & Business Ventures
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THE EFFECT OF PROFITABILITY AND *LEVERAGE* ON *AUDIT DELAY* WITH COMPANY SIZE AS A MODERATION VARIABLE IN MANUFACTURING COMPANIES LISTED ON THE INDONESIAN STOCK EXCHANGE IN 2019-2021

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Abstract
This study aims to determine the effect of Profitability and Leverage on Audit Delay with Company Size as a Moderating Variable in Manufacturing Companies listed on the Indonesia Stock Exchange in 2019 – 2021. The research method used is quantitative with secondary data derived from the financial reports of manufacturing companies listed on the Indonesia Stock Exchange with a total sample of 70 companies using simple random sampling. The data analysis technique used is descriptive statistical analysis, requirements analysis test, classical assumption test, multiple linear regression analysis, Moderated Regression Analysis (MRA), and hypothesis testing. The t test results show that profitability has no effect on audit delay, leverage has a significant positive effect on audit delay, company size cannot moderate the effect of profitability on audit delay, and company size can moderate the effect of leverage on audit delay.

Keywords: Profitability, Leverage, Company Size, Audit Delay

INTRODUCTION

Go Public companies have the opportunity to raise funds through a stock offering. This will attract investors to invest in company shares and make it easier. Every *Go Public* company listed on the Indonesia Stock Exchange (IDX) must submit periodic financial reports to the Financial Services Authority (OJK) and announce them to the public. Financial statements that have been audited on time can help investors make decisions to invest in company shares.

Based on PSAK No. 1 (2009), financial reports provide information about the financial status, results and cash flows of the company, which will be useful for users of financial statements in making financial decisions. Presentation of financial statements can provide relevant, reliable, comparable, and easy to understand information. Timeliness is also important in submitting financial reports. If the submission of financial reports is timely, it will result in financial reports becoming less reliable and relevant (IAI, 2009) .

In submitting periodic financial reports, *Go Public* companies are required to include an Accountant's report in order to audit the financial statements and then publish it no later than the end of the third month (90 days), this is by the Decree of the Chairman of the Capital Market and Financial Institution Supervisory Agency Number: KEP-346/BL /2011 Rule Number XK2 concerning Submission of Periodic Financial Reports of Issuers or Public Companies (BAPEPAM, 2011) .

OJK Regulation (POJK) Number 14/POJK.04/2022 concerning Submission of Periodic Financial Reports of Issuers or Public Companies is a refinement of the Decree of the Chairman of the Capital Market and Financial Institution Supervisory Agency Number: KEP-346/BL/2011 Regulation Number XK2. Based on POJK Number 14/POJK.04/2022, public companies are required to submit periodic financial reports to OJK and submit them to the public through the OJK electronic reporting system (OJK Capital Market, 2022) .

Submission of annual financial reports and semi-annual reports must be audited by a public accountant registered with the OJK. Submission of the report is submitted at the end of the third month after the date of the annual financial statements. If the company does not submit and publish financial reports in a timely manner, it will be subject to administrative sanctions by the OJK.

The time span required by the auditor in completing an audit of the performance of a company's financial statements is called *audit delay.* The occurrence of *audit delays* can cause negative reactions from capital market players and create a bad corporate image because the length of time for audit completion can affect the level of relevance of financial statement information to doubt. Delays in the publication of financial reports can also have an impact on problems in the financial statements, so that it takes the auditor longer to complete the audit (Puryati, 2020) .

The phenomenon of *audit delay* is related to the company's timeliness in publishing audited financial reports. Quoted from Intan & Laoli (2020) , in 2019, the IDX noted that 64 companies had not submitted financial reports. Quoted from Wareza (2021) **,** in 2020, the IDX noted that 88 companies had not submitted financial reports. Furthermore, quoted from Purwanti (2022) , in 2021, the IDX noted that 91 companies had not submitted financial reports. It can be concluded, the phenomenon of *audit delay* within 3 years, namely 2019 – 2021 has increased.

Factors that can affect *audit delay* are company size, profitability, and solvency (Liwe et al., 2018) . Profitability is a financial ratio that assesses a company's ability to generate profit from sales and investment (Sihombing, 2021) . When the company's profitability is low, the auditor will complete the audit more carefully due to higher business risks and result in delays in the audit process and issuance of audited reports (Ayu & Nursasi, 2021) .

another factor that affects *audit delay* is solvency. The solvency ratio can also be called *the leverage ratio. The leverage ratio* is a measure of a company's ability to meet both short-term and long-term obligations (Ayu & Nursasi, 2021) . Companies with high *leverage ratios have a high risk of loss.* In obtaining confidence in the company's financial statements, the auditor will be more careful so that *the audit delay range* will be longer.

This study uses a moderating variable, namely company size. According to Putra & Wiratmaja (2019) , company size was chosen as a moderating variable because theoretically a company that has large assets will convey more detailed information than a small company.

Research conducted by Lapinayanti & Budiartha (2018) , states that profitability and *leverage* have a significant positive effect on *audit delay.* In addition, it is concluded that firm size weakens the interaction between profitability and *leverage* on *audit delay* . Meanwhile, research conducted by Pratiwi (2018) , states that profitability and *leverage* have a significant negative effect on *audit delay.* In addition, it is concluded that firm size strengthens the effect of profitability and *leverage* on *audit delay.*

Based on the research background above, the purpose of this study was to determine the effect of Profitability and *Leverage* on *Audit Delay* with Company Size as a Moderating Variable in Manufacturing Companies listed on the Indonesia Stock Exchange in 2019 – 2021.

LITERATURE REVIEW

Agency Theory *(Agency Theory)*

Agency theory was first coined by Jesen and Meckling in 1976. According to Jesen and Meckling, it states that agency theory explains the relationship between company owners (principals) and company management (agents) (Abdillah et al., 2019) . In Lapinayanti & Budiartha's research (2018) , states that *Agency Theory* explains the existence of conflicts of interest, agency costs, and information asymmetry.

Information asymmetry is an imbalance of information between principals and agents, where the company management (agent) as a party that has more detailed information about the company to provide information that is not true to shareholders (principals) because it will be more profitable for the company management (agent) . In minimizing the emergence of information asymmetry, it is necessary for an auditor to carry out an audit of the company's financial statements and be able to provide an audit opinion on the correctness of the presentation of the financial statements.

Audit Delays

Audit delay is the time period between the date of the financial report's fiscal year and the date of signing the independent audit report to identify the length of time it takes to complete the audit conducted by the auditor (Liwe et al., 2018) .

According to Dyer & McHugh (1975) , there are three criteria for late submission of financial reports , namely:

- *Preliminary lag* , calculated based on the range of the end of the financial year until the date it is accepted by the capital market.
- *Auditors' signature lag* , calculated based on the range of the end of the financial year to the date stated in the auditor's report.

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- *Total lag,* calculated based on the number of days from the end date of the book until the receipt of the published annual report.

Audit completion time can be measured from the number of days from the company's book year closing (December 31) to the date stated in the independent auditor's report. *Audit delay* can be formulated as follows:

Audit Delay = Audit report date - Company book closing date

Profitability

Profitability analysis focuses on the ability of a company to generate profits. This ability can be seen from the results of the company's operational activities reported in the income statement. The company's ability to generate profits also depends on the assets available for the company's operational activities which are reported in the statement of financial position. Thus, the relationship between the income statement and the statement of financial position is often used in evaluating profitability (Warren et al., 2018) . In this study, profitability is measured by ROA *(Return On Assets).*

$$ROA = \frac{\text{Laba Bersih Setelah Pajak}}{\text{Total Aset}}$$

leverage

Leverage is a financial analysis to assess a company's ability to meet its maturing obligations. If the company cannot pay its debts, the company will experience difficulties in obtaining credit from creditors. This will make it difficult for companies to buy inventory or develop companies which will then lead to a decrease in company profitability (Warren et al., 2018) . In this study *Leverage* is measured by DER *(Debt to Equity Ratio).*

$$DER = \frac{Total\ Hutang}{Total\ Modal}$$

Company Size

According to Sihombing & Chan (2021) , company size is a scale for categorizing companies that can be measured based on *total assets, log size, stock market value,* and others. This is used to identify the size of a company because the regulatory system in general companies will also increase the invested capital. According to Yanasari et al. (2021) & Ginanjar et al. (2019) , company size is the size of a company as measured by the total assets it owns. In this study, company size is measured by the total assets owned by the company.

Company Size = Ln *Total Assets*

Framework

In this study, the constellation of relationships between variables X, Y, and Z can be described as follows:

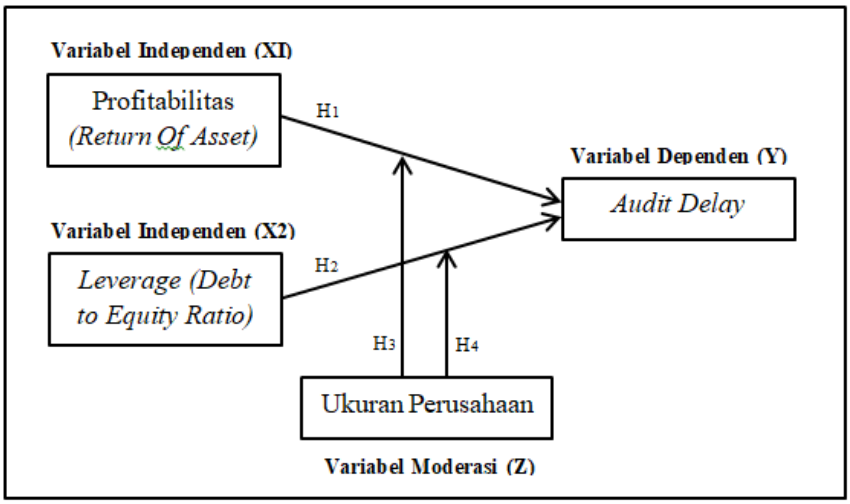

Figure 1 Thinking Framework

Source: Author (20 2 3)

Hypothesis Development

Effect of Profitability on *Audit Delay*

Profitability is the ratio used to measure a company's ability to generate profit (profit) within a certain period. If the profitability ratio is good, the company's ability to make profits will also be better (Liwe et al., 2018) . Profitability is the result of most of the policies and management decisions in using the company's funding sources . In research by Yanasari et al. (2021) , stated that profitability has a positive effect on *audit delay* . This is because the greater the value of profitability, the smaller the company's delay in publishing its financial statements. Likewise, Asmedi & Kurniati's research (2022) states that profitability has a significant effect on *audit delay* . Companies that have a high level of profitability tend to have good company management and are *good news* for stakeholders so that the issuance of financial reports will soon be completed and announced to the public.

H $_1$: Effect of Profitability on *Audit Delay*

Effect of *Leverage* on *Audit Delay*

Leverage is a ratio used to measure a company's ability to pay all of its obligations. If the level of *leverage* in a company is high, it tends to experience a longer *audit delay* . This is because the auditor will be more careful in carrying out the audit completion process so that *the audit delay range* becomes longer. In a study by Fitri et al. (2021) stated that *leverage* has an effect on *audit delay* . Thus, the higher the level of *leverage* , the company must take a long time to complete the audit and affect the timeliness of submitting the company's financial statements.

H $_2$: Effect of *Leverage* on *Audit Delay*

Firm size moderates the effect of Profitability on *Audit Delay*

Company size is the size of a company that can be seen from the level of total assets owned by the company. In research by Yani et al. (2021) stated that company size moderates the effect of profitability on *audit delay.* Company size is a description of how big or small a company is. Companies that have large assets tend to be noticed by investors and the public. Large companies that have high profitability will usually submit their financial statements more quickly and ask the auditor to complete the audit more quickly because this will be *good news* so as to increase the value of the company and will not experience *audit delay.*

H $_3$: Firm size moderates the effect of Profitability on *Audit Delay*

Firm size moderates the effect of *Leverage* on *Audit Delay*

Large-scale companies tend to require more funds in carrying out the company's operational activities compared to small-scale companies. In Pratiwi's research (2018) it states that company size strengthens in moderating the effect of *leverage* on *audit delay.* Companies with high total assets can be caused by funding in the form of debt. Funding the company in the form of debt will make the audit completion process take longer. This is because the company must carry out confirmation and other audit procedures.

H $_4$: Firm size moderates the effect of *Leverage* on *Audit Delay*

RESEARCH METHOD

This research uses quantitative research methods. According to Sugiyono (2017) , the quantitative research method is a research method based on the philosophy of positivism to examine certain populations or samples, collect data using research instruments, analyze data that is quantitative/statistical in nature which aims to test predetermined hypotheses. According to Purwohedi (2022) , quantitative research aims to prove a conceptual theory/model can explain problem phenomena in the unit of analysis to be studied. The quantitative method uses research data in the form of numbers and statistical analysis.

RESEARCH RESULT

Descriptive Statistical Analysis

Descriptive statistical analysis aims to provide an overview or description of a data regarding the average value *(mean)* , standard deviation, variance, minimum, maximum, sum, *range* , *kurtosis* , and *skewness.* Researchers describe the data of each variable studied, where this description contains information from the calculation of each variable.

Audit Delays

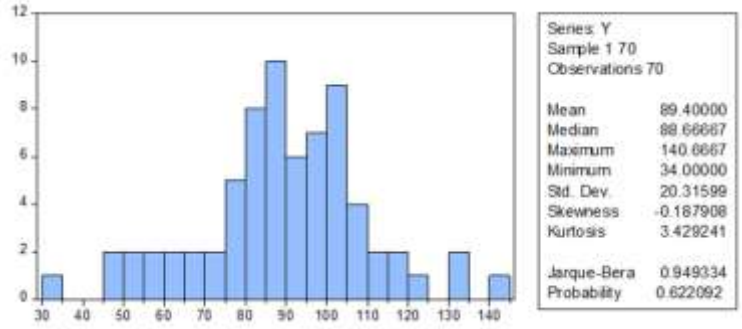

Figure 2 Histogram *Audit Delay*

Source: EViews 10 Data Processing

Audit Delay (Y) data has a maximum value of 140,667 and a minimum value of 34,000. Based on the results of data processing, it is known that the mean value is 89,400 with a standard deviation value of 20,315, which means that the mean value is greater than the standard deviation value so that it can be concluded that the audit delay data is relatively low and avoids data deviation.

For in-depth descriptive analysis, data tabulation was carried out with a data size of 70 and 8 the number of classes calculated from the Sturges formula (K = 1 + (3 .3) log n) with a class length of 13.33. The following is the frequency distribution table for the *audit delay variable* :

Table 1 Frequency Distribution *of Audit Delay*

Class Intervals	Lower limit	Upper limit	Absolute Frequency	Relative Frequency
34.00 - 47.33	33,995	47,325	1	1%
47.34 - 60.67	47,335	60,665	6	9%
60.68 - 74.01	60,675	74,005	5	7%
74.02 - 87.35	74015	87,345	20	29%
87.36 - 100.69	87,355	100,685	18	26%
100.70 - 114.03	100,695	114,025	14	20%
114.04 - 127.37	114,035	127,365	3	4%
127.38 - 140.71	127,375	140,705	3	4%
Amount			**70**	**100%**

Source: Data processed by Researchers (2023)

Based on the table above shows the interval 34.00-47.33 there is 1 sample (1%), the interval 47.34-60.67 there are 6 samples (9%), the interval 60.68-74.01 there are 5 samples (7%), the interval 74, 02-87.35 there are 20 samples (29%), interval 87.36-100.69 there are 18 samples (26%), interval 100.70-114.03 there are 14 samples (20%), interval 114.04- 127.37 there were 3 samples (4%), the interval from 127.38 to 140.71 there were 3 samples (4%). From these data it can be concluded that the class with the most frequency is the fourth class which has 20 samples with a percentage of 29% of the total sample. Meanwhile, the class with the smallest frequency is first class with 1 sample or 1%. From these data can be described with a histogram graph, as follows:

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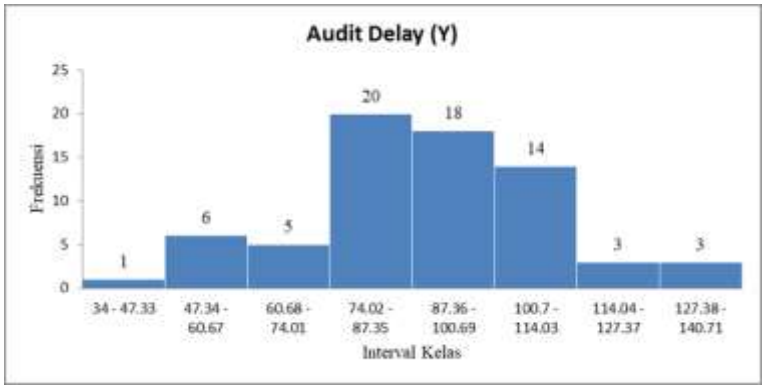

Figure 3 Histogram *Audit Delay*

Source: Data processed by Researchers (2023)

Profitability

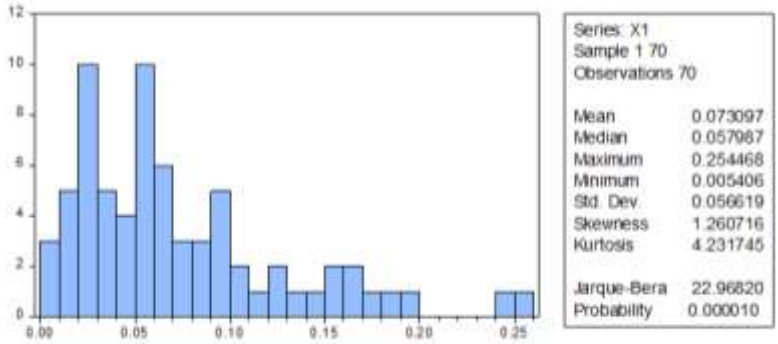

Figure 4 Profitability Histogram

Source: EViews 10 Data Processing

Profitability data (X1) through the value of *Return on Assets* (ROA) has a maximum value of 0.254 while a minimum value of 0.005. Based on the results of data processing, it is known that the mean value is 0.073 with a standard deviation value of 0.056, which means that the mean value is greater than the standard deviation value so that it can be concluded that the profitability data is classified as low and data irregularities are avoided.

For in-depth descriptive analysis, data tabulation was carried out with a data size of 70 and 8 the number of classes calculated from the Sturges formula (K = 1 + (3 .3) log n) with a class length of 0.03. The following table shows the frequency distribution of the profitability variable:

Table 2 Profitability Frequency Distribution

Class Intervals	Lower limit	Upper limit	Absolute Frequency	Relative Frequency
0.01 - 0.04	0.005	0.035	23	33%
0.05 - 0.08	0.045	0.075	23	33%
0.09 - 0.12	0.085	0.115	11	16%
0.13 - 0.16	0.125	0.155	6	9%
0.17 - 0.20	0.165	0.195	5	7%

0.21	-	0.24	0.205	0.235	0	0%
0.25	-	0.28	0.245	0.275	2	3%
0.29	-	0.32	0.285	0.315	0	0%
Amount					**70**	**100%**

Source: Data processed by Researchers (2023)

Based on the table above shows the interval 0.01-0.04 there are 23 samples (33%), the interval 0.05-0.08 there are 23 samples (33%), the interval 0.09-0.12 there are 11 samples (16%), interval 0.13-0.16 there are 6 samples (9%), interval 0.17-0.20 there are 5 samples (7%), interval 0.21-0.24 there are 0 samples (0%), interval 0.25-0.28 there are 2 samples (3%), interval 0.29-0.32 there are 0 samples (0%). From these data it can be concluded that the class with the most frequency is class one and class two, there are 23 samples with a percentage of 33% of the total sample. Meanwhile, the class with the smallest frequency is class six and class eight with 0 sample or 0%. From these data can be described with a histogram graph, as follows:

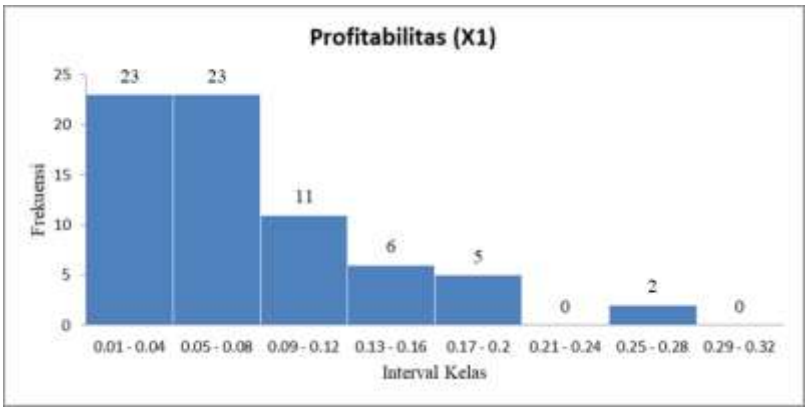

Figure 5 Profitability Histogram

Source: Data processed by Researchers (2023)

Leverage

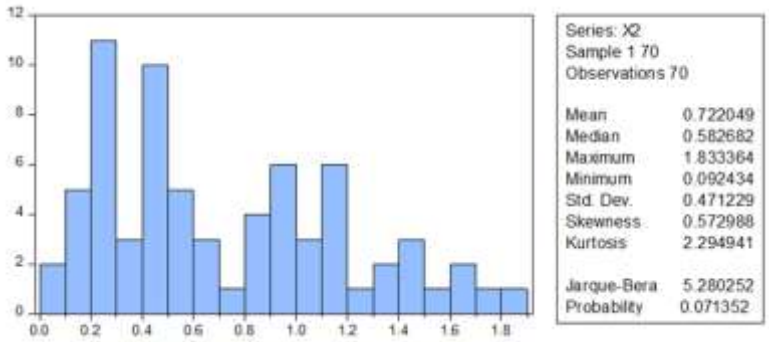

Figure 6 Histogram *Leverage*

Source: EViews 10 Data Processing

Leverage data (X2) through the *Debt Equity Ratio* (DER) value has a maximum value of 1,833 and a minimum value of 0,092. Based on the results of data processing, it is known that the mean value is 0.722 with a standard deviation value of 0.471, which means that the mean value is greater

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than the standard deviation value so that it can be concluded that data *leverage* is classified as low and data irregularities are avoided.

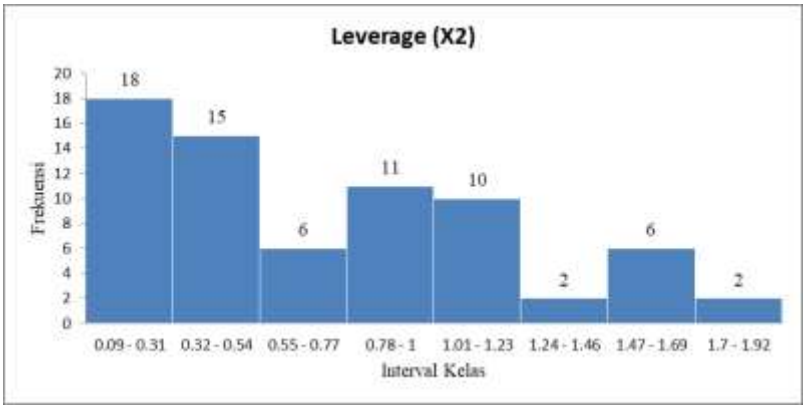
For in-depth descriptive analysis, data tabulation was carried out with a data size of 70 and 8 the number of classes calculated from the Sturges formula (K = 1 + (3 .3) log n) with a class length of 0.22. The following table shows the frequency distribution of the *leverage variable* :

***Leverage* Frequency Distribution**

Class Intervals	Lower limit	Upper limit	Absolute Frequency	Relative Frequency
0.09 - 0.31	0.085	0.305	18	26%
0.32 - 0.54	0.315	0.535	15	21%
0.55 - 0.77	0.545	0.765	6	9%
0.78 - 1.00	0.775	0.995	11	16%
1.01 - 1.23	1.005	1225	10	14%
1.24 - 1.46	1235	1,455	2	3%
1.47 - 1.69	1,465	1685	6	9%
1.70 - 1.92	1695	1915	2	3%
Amount			**70**	**100%**

Source: Data processed by Researchers (2023)

Based on the table above shows the interval 0.09-0.31 there are 18 samples (26%), the interval 0.32-0.54 there are 15 samples (21%), the interval 0.55-0.77 there are 6 samples (9%), interval 0.78-1.00 there are 11 samples (16%), interval 1.01-1.23 there are 10 samples (14%), interval 1.24-1.46 there are 2 samples (3%), interval 1.47-1.69 there are 6 samples (9%), interval 1.70-1.92 there are 2 samples (3%). From these data it can be concluded that the class with the most frequency is first class with 18 samples with a percentage of 26% of the total sample. Meanwhile, the class with the smallest frequency is grade six and grade eight with 2 samples or 3%. From these data can be described with a histogram graph, as follows:



***Leverage* Histogram**

Source: Data processed by Researchers (2023)

Company Size

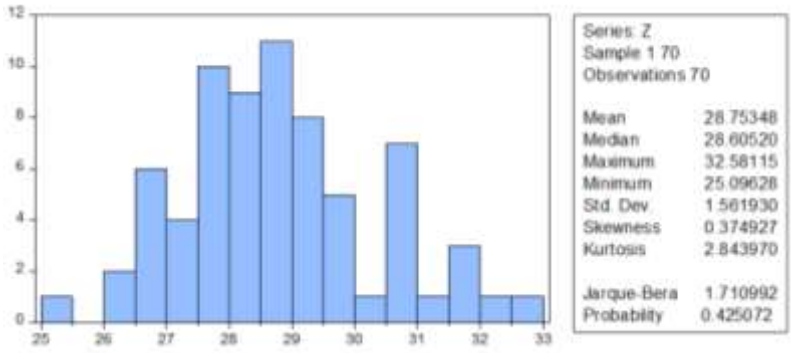


Figure 8 Company Size Histogram

Source: EViews 10 Data Processing

Company Size Data (Z) has a maximum value of 32,581 and a minimum value of 25,096. Based on the results of data processing, it is known that the mean value is 28,753 with a standard deviation value of 1,561, which means that the mean value is greater than the standard deviation value so that it can be concluded that company size data is classified as low and avoids data deviation.

For in-depth descriptive analysis, data tabulation was carried out with a data size of 70 and 8 the number of classes calculated from the Sturges formula (K = 1 + (3 .3) log n) with a class length of 0.94. The following table shows the frequency distribution of company size variables :

Table 4 Frequency Distribution of Company Size

Class Intervals	Lower limit	Upper limit	Absolute Frequency	Relative Frequency
25.10 - 26.04	25,095	26,035	1	1%
26.05 - 26.99	26,045	26,985	8	11%
27.00 - 27.94	26,995	27,935	13	19%
27.95 - 28.89	27,945	28,885	21	30%
28.90 - 29.84	28,895	29,835	12	17%
29.85 - 30.79	29,845	30,785	7	10%
30.80 - 31.74	30,795	31,735	4	6%
31.75 - 32.69	31,745	32,685	4	6%
Amount			**70**	**100%**

Source: Data processed by Researchers (2023)

Based on the table above shows the interval 25.10-26.04 there is 1 sample (1%), the interval 26.05-26.99 there are 8 samples (11%), the interval 27.00-27.94 there are 13 samples (19%), interval 27.95-28.89 there are 21 samples (30%), interval 28.90-29.84 there are 12 samples (17%), interval 29.85-30.79 there are 7 samples (10%), interval 30 .80-31.74 there are 4 samples (6%), the interval 31.75-32.69 there are 4 samples (6%). From these data it can be concluded that the class with the most frequency is the fourth class which has 21 samples with a percentage of 30% of the total sample. Meanwhile, the class with the smallest frequency is first class with 1 sample or 1%. From these data can be described with a histogram graph, as follows:

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Figure 9 Company Size Histogram

Source: Data processed by Researchers (2023)

Test Requirements Analysis

Normality test

The normality test aims to determine whether a variable regression model has a normal distribution.

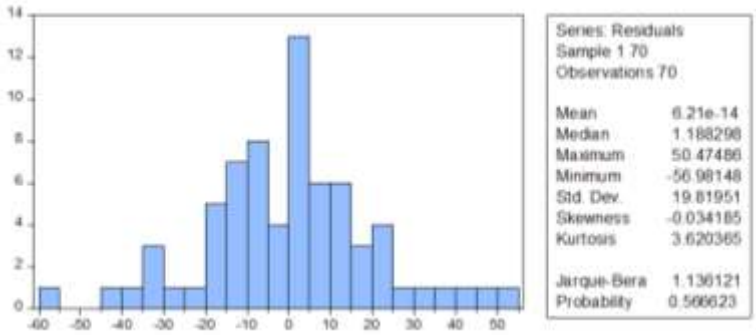

Figure 10 Normality Test Results

Source: EViews 10 Data Processing

Based on the histogram graph of the normality test, it obtains a probability value of 0 .56 ≥ 0.05 and a jarque-bera value of 1.13 ≥ 0.05. So it can be concluded that the data is normally distributed and can be used for further tests.

Linearity Test

In obtaining the results of the linearity test with *the Ramsey Reset Test,* it can be done by looking at the p value in the column probability line F-statistic > 0.05, which means that the independent variable is linear with the dependent variable.

Ramsey RESET Test
Equation: UNTITLED
Specification: Y C X1 X2 Z
Omitted Variables: Squares of fitted values

	Value	df	Probability
t-statistic	1.399098	65	0.1665
F-statistic	1.957476	(1, 65)	0.1665
Likelihood ratio	2.076932	1	0.1495

F-test summary:

	Sum of Sq.	df	Mean Squares
Test SSR	792.3778	1	792.3778
Restricted SSR	27104.10	66	410.6681
Unrestricted SSR	26311.72	65	404.7957

Figure 11 Linearity Test Results

Source: EViews 10 Data Processing

Based on the results of the linearity test above, the p value is shown in the F-statistic column of 0.1665 > 0.05 so it can be concluded that the independent variable is linear with the dependent variable.

Classic assumption test

Multicollinearity Test

The multicollinearity test aims to determine whether there is a relationship between the independent variables in the regression model using *the Variance Inflation Factor* (VIF).

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	2103.060	358.4748	NA
X1	2137.015	3.097365	1.151039
X2	33.13767	4.181201	1.236359
Z	2.693748	380.7206	1.104176

Figure 11 Multicollinearity Test Results

Source: EViews 10 Data Processing

Based on the results of the multicollinearity test with VIF above, the value of Centered VIF <10 can be concluded that the independent variables in this study are free from the influence of multicollinearity.

Heteroscedasticity Test

Heteroscedasticity test to detect the presence or absence of heteroscedasticity in the regression model.

Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	0.813216	Prob. F(3,66)	0.4911
Obs*R-squared	2.495269	Prob. Chi-Square(3)	0.4761
Scaled explained SS	2.906304	Prob. Chi-Square(3)	0.4063

Figure 12 Heteroscedasticity Test Results

Source: EViews 10 Data Processing

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Based on the results of the heteroscedasticity test above, it shows the Prob value. Chi- Square (3) is 0.4761 > 0.05, which means that the regression model in this study fulfills homoscedasticity or does not have heteroscedasticity.

Autocorrelation Test

The autocorrelation test aims to detect whether there is a correlation between the disturbing errors of this period and the previous period's disturbing errors by looking at the *Durbin-Watson* values between -2 to 2 so that the data is free from autocorrelation.

R-squared	0.123397	Mean dependent var	89.40000
Adjusted R-squared	0.054913	S.D. dependent var	20.31599
S.E. of regression	19.75031	Akaike info criterion	8.886032
Sum squared resid	24964.79	Schwarz criterion	9.078760
Log likelihood	-305.0111	Hannan-Quinn criter.	8.962586
F-statistic	1.801824	Durbin-Watson stat	1.425653
Prob(F-statistic)	0.125102		

Figure 13 Autocorrelation Test Results

Source: EViews 10 Data Processing

Based on the results of the autocorrelation test above, it shows a DW value of 1.425 so that it can be concluded that the data in this study are free from serial autocorrelation problems.

Multiple Linear Regression Analysis and Moderation

Multiple Linear Regression Analysis

Multiple linear regression analysis aims to see a linear relationship between two or more independent variables with the dependent variable. The results of multiple linear regression analysis in this study can be seen in the following table :

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	94.15859	6.505100	14.47458	0.0000
X1	-12.57290	46.13654	-0.272515	0.7861
X2	-5.317576	5.543383	-0.959265	0.3409

Figure 14 Multiple Linear Regression Analysis

Source: EViews 10 Data Processing

Based on the table above, the data obtained for the regression equation include; a constant of 94 .15859 , profitability (X1) of -12.57290, and *leverage* (X2) of -5.317576. From these data, the following equation is obtained :

$$Y = 94\ .15859 - 12.57290X1 - 5.317576X2$$

***Moderated Regression Analysis* (MRA)**

Moderation regression analysis aims to test the ability of the moderating variable to moderate the effect of the independent variable on the dependent variable. The results of the MRA test in this study can be seen in the following table :

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-34.03987	132.6142	-0.256683	0.7982
X1	128.8269	942.0180	0.136756	0.8917
X2	253.9047	114.2915	2.221554	0.0299
Z	4.494803	4.722103	0.951865	0.3447
M1	-5.310985	33.20795	-0.159931	0.8734
M2	-8.940902	3.993045	-2.239119	0.0286

Figure 15 Results of *Moderated Regression Analysis* (MRA)

Source: EViews 10 Data Processing

Based on the results of the MRA analysis above, the following equation can be obtained:

Y = -34 .03987 + 128.8269X1 + 253.9047X2 + 4.494803Z – 5.310985M1 – 8.940902M2

It can be concluded that the constant value is -34.03987, meaning that if the profitability and *leverage variables* are considered constant at a value of 0, it can be predicted that the *audit delay variable* will have a minus value of -34.03987.

The profitability variable (X1) has a coefficient value of 128 .8269 . This means that if profitability increases by 1 item and the others are constant, it is predicted that *audit delay* can increase by 128.8269, which means it has a positive effect.

leverage variable (X2) has a coefficient value of 253.9047 . This means, if *the leverage* increases by 1 item and the others are constant, it is predicted that *audit delay* can increase by 253.9047 , which means it has a positive effect.

Firm size as a moderating variable (Z) has a coefficient value of 4.494803. This means that if the size of the company increases by 1 item and the others are constant, it is predicted that *audit delay* can increase by 4.494803, which means it has a positive effect.

Moderation of the firm size variable (Z) on the profitability variable (X1) has a coefficient value of -5 .310985 . This means that if the size of the company increases by 1 item and the others are constant, it is predicted that the profitability of *audit delay* will decrease by 5.310985, which means it has a negative effect.

Moderating the firm size variable (Z) on the *leverage variable* (X2) has a coefficient value of -8 .940902 . This means that if the size of the company increases by 1 item and the others are constant, it is predicted that *the leverage* on *audit delay* will decrease by 8.940902, which means it has a negative effect.

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Hypothesis testing

Partial Test (t test)

The partial test in this study aims to measure how far the independent variables influence profitability and leverage on the dependent variable audit delay through the moderating variable firm size significantly or not.

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-34.03987	132.6142	-0.256683	0.7982
X1	128.8269	942.0180	0.136756	0.8917
X2	253.9047	114.2915	2.221554	0.0299
Z	4.494803	4.722103	0.951865	0.3447
M1	-5.310985	33.20795	-0.159931	0.8734
M2	-8.940902	3.993045	-2.239119	0.0286

Figure 16 Partial Test Results

Source: EViews 10 Data Processing

Based on the results of the t test in the table, the effect of profitability and leverage on audit delay with firm size as a moderating variable is explained as follows:

1. $_{\text{-count}}$ value of 0.136756 <1.996564 and a probability value of 0.8917 > 0.05 so it can be concluded that H $_0$ is accepted, meaning that the profitability variable **has no effect** on audit delay.
2. *leverage* variable shows a $_{\text{calculated}}$ t value of 2.221554 > 1.996564 and a probability value of 0.0299 <0.05 so it can be concluded that H $_0$ is not accepted, meaning the *leverage variable* **significant positive effect** on *audit delay* .
3. Moderation of the firm size variable on the profitability variable shows a t- $_{\text{count value}}$ of -0.159931 < 1.996564 and a probability value of 0.8734 > 0.05 so it can be concluded that H $_0$ is accepted meaning that company size **cannot moderate** the effect of profitability on audit delay.
4. *leverage* variable shows a t-value $_{\text{of}}$ -2.239119 < 1.996564 and a probability value of 0.0286 <0.05 so it can be concluded that H0 $_{\text{is}}$ not accepted, meaning that company size **can moderate** the effect of *leverage* on *audit delay* .

Determination Coefficient Test

The coefficient of determination test aims to measure how far the regression model describes the dependent variable in expressing the degree of determination seen from R^2 (R-squared).

R-squared	0.123397	Mean dependent var	89.40000
Adjusted R-squared	0.054913	S.D. dependent var	20.31599
S.E. of regression	19.75031	Akaike info criterion	8.886032
Sum squared resid	24964.79	Schwarz criterion	9.078760
Log likelihood	-305.0111	Hannan-Quinn criter.	8.962586
F-statistic	1.801824	Durbin-Watson stat	1.425653
Prob(F-statistic)	0.125102		

Figure 17 Test Results for the Coefficient of Determination

Source: EViews 10 Data Processing

Based on the test results of the coefficient of determination in this study, the R^2 value of 0.123397 means that profitability, *leverage* , company size can affect *audit delay* by 12.33 %.

DISCUSSION

Effect of Profitability on *Audit Delay*

Based on the results of the t test it can be concluded that profitability has no effect on *audit delay* . This indicates that a company that has a high or low level of profitability must strive to submit financial reports in a timely manner so as not to be subject to sanctions set by the OJK. Submission of financial reports in a timely manner to minimize information asymmetry between principals and agents.

The results of this study are in line with relevant research conducted by Stiefania et al. (2021) and Ayu & Nursasi (2021) with the results of profitability research that have no significant effect on *audit delay* . However, the results of this study differ from research conducted by Kristanti & Mulya (2021) and Liwe et al. (2018) with the results of the study namely profitability has a significant effect on *audit delay* .

Effect of *Leverage* on *Audit Delay*

Based on the results of the t test it can be concluded that *leverage* significant positive effect on *audit delay* . These results indicate that the higher the *leverage ratio* , the range of *audit delay* will be longer. In completing the audit of financial statements, the auditor will be more careful and require a longer time in the audit process, thereby increasing the range of audit delay.

The results of this study are in line with relevant research conducted by Lapinayanti & Budiartha (2018) and Ginanjar et al. (2019) which states that *leverage* has a positive effect on *audit delay* . However, the results of this study are different from the research conducted by Rani & Triani (2021) with the research results namely *leverage* no effect on *the audit delay* .

Firm Size Moderates the Effect of Profitability on *Audit Delay*

Based on the results of the t test, it can be concluded that company size cannot moderate the effect of profitability on *audit delay* . These results indicate that small or large-scale companies have different levels of profit or profitability. The size of the company does not determine how fast or slow the process of auditing financial statements is for companies that have high or low levels of profitability. This is because the auditor carries out an audit of financial statements in accordance with applicable regulations, audit procedures, and careful audit planning.

The results of this study are in line with relevant research conducted by Cahyati & Anita (2019) and Febisianigrum & Meidiyustiani (2020) which states that company size is unable to moderate the effect of profitability on *audit delay* .

Firm Size Moderates the Effect of *Leverage* on *Audit Delay*

Based on the results of the t test, it can be concluded that firm size has a negative effect in moderating the effect of *leverage* on *audit delay* . This shows that the size of a company that has many assets financed by debt will make the audit completion time span longer because the auditor will carry out many audit procedures, for example confirming debt to various creditors and other procedures and the auditor will be more careful in completing financial statement audits.

The results of this study are in line with relevant research conducted by Lapinayanti & Budiartha (2018) which states that company size has a negative effect in moderating the effect of *leverage* on *audit delay.* However, it is different from the research conducted by Cahyati & Anita (2019) with the results of the study, namely company size is not able to moderate the effect of *leverage* on *audit delay* .

CONCLUSION

Based on the results of the analysis of the data obtained and the discussion of the results of the study entitled "The Influence of Profitability and *Leverage* on *Audit Delay* with Company Size as a Moderating Variable in Manufacturing Companies Listed on the Indonesia Stock Exchange in 2019 - 2021", it can be concluded from this study that profitability no effect on *audit delay* . This means that *audit delay* is not affected by the level of profitability of a company. *Leverage* has a significant positive effect on *audit delay* . That is, the higher the *leverage ratio of a company, the audit delay* range will be longer. Firm size cannot moderate the effect of profitability on *audit delay* . That is, the size of the company does not determine how fast or slow the process of auditing financial statements is for companies that have high or low levels of profitability. Company size has a negative effect in moderating the effect of *leverage* on *audit delay* . That is, the size of the company is large and has many assets financed by debt, it will have an impact on audit completion which results in a longer *audit delay range.*

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