The Effect of Company Size on Audit Delay: The Moderating Role of Kap's Reputation

Hidayatul Khusnah[1], Agus Achmad Faisal[2], Mardiyah Anugraini[3], Firdeana Fitrotul Ula[4], Wahidatul Husnaini[5]

[1234]Faculty of Business Economics and Digital Technology, Universitas Nahdlatul Ulama

[5]Universitas Mataram

Surabaya e-mail: hidayatul.khusnah@unusa.ac.id, agusachmad023.ac18@student.unusa.ac.id, mardiyah@unusa.ac.id, firdeanafitrotul025.ac19@student.unusa.ac.id, wahidatul.husnaini@unram.ac.id

Abstract: Financial statements as a form of management's responsibility to investors. Financial reports are a medium of communication between management and parties outside the company. The relevance of the information communicated will be lost if there is a slight delay in submission, therefore financial statements must be presented on time. Financial reports that have been published on the IDX are financial statements that have been audited. Investors in the capital market need financial reports that are reliable, relevant, speedy and timely, easy to understand and can be used as comparisons. Financial performance is used by investors as a basis for making decisions to buy or sell stock assets owned by investors. This study aims to empirically examine the moderating effect of KAP size on the effect of firm size on audit delay of manufacturing companies listed on the Indonesia Stock Exchange in 2016–2021. This study uses quantitative research and uses financial statement data for food and beverage sub-sector manufacturing companies on the Indonesia Stock Exchange from 2016–2021. The data analysis technique in this study used partial least squares (PLS). Based on the results of the study, shows that (1) firm size has a significant effect on audit delay and (2) KAP's reputation can moderate company size against audit delay.

Keywords: company size, audit delay, reputation of KAP

A. INTRODUCTION

Indonesia's economic condition is currently in the position of the biggest crisis that has ever happened. Since the pandemic that occurred in 2020, large companies have suffered enormous losses and have been forced to carry out layoffs (Termination of Employment) on a large scale. In the second year of the Covid-19 pandemic, the Indonesian economy is gradually improving, but that does not mean that large companies can escape the threat of an economic crisis.

On the other hand, public companies listed on the capital market must submit financial statements as a form of management's responsibility to investors. Financial reports are a medium of communication between management and parties outside the company. The relevance of the information communicated will be lost if there is a slight delay in submission, therefore financial statements must be presented on time. Investors in the capital market need financial reports that are reliable, relevant, speedy and timely, easy to understand, and can be used as comparisons.

As stated in the Statement of Financial Accounting Standards (PSAK: 2009), regarding the basic framework for the preparation and presentation of financial statements, "financial reports must meet four quality characteristics that make financial statement information useful for several users". The four characteristics are understandable, relevant, reliable and comparable. Attachment to the Decree of the Chairman of Bapepam (Capital Market Supervisory Agency) No. Kep-431/BL/2012 concerning submission of periodic financial statements of issu-

ers and public companies states that financial statements must be accompanied by an accountant's report in the context of auditing financial statements, and must be reported no later than the end of the fourth month after the closing date of the company's annual financial statements.

A company that has a good reputation can be seen from the timeliness in submitting its audited financial statements to the public. If there is a delay in the submission of financial statements, it can be said that the company is experiencing an audit delay. In 2019 as many as 24 issuers or companies listed on the Indonesia Stock Exchange (IDX) will receive sanctions from the stock exchange authorities for not submitting financial reports, there are still many companies that are absent from the obligation to submit and publish financial reports so that they comply with capital market regulations (CNBC Indonesia, 2019).

Kartika (2011) states that audit delay is the time span or length of audit completion from the closing of the company's financial year until the company issues an audit report. Delays in the publication of financial statements can indicate problems in the financial statements, thus requiring a longer time to complete the audit. The length of time for completion of the audit by the auditor is seen from the time difference between the date of the financial statements and the date of the audit opinion in the financial statements.

In this study, researchers took one of the factors that affect audit delay, namely company size. Ayu et al. (2015) state that company size is the large or small volume of a company seen from the total assets of the company or its total assets. Most large-scale companies tend to publish financial reports faster than small-scale companies because large companies usually have stronger internal controls than small-scale companies. Meanwhile, Apriyana (2018) states that company size is the size of a company measured using the total assets of the company or the total assets of the company listed in the audited financial statements using logarithms.

DeAngelo (1981) stated that KAP (Public Accounting Firm) is a business entity that has obtained permission from the Minister of Finance as a forum for public accountants to provide their services. The speed and accuracy of the auditor in detecting a violation depend on the technological capabilities possessed, audit procedures, the size of the sample, and the experience of the auditor. The big KAPs are KAPs that have a large number of clients, in DeAngelo's research (1981) KAPs are divided into two groups, namely big four KAPs and non-big four KAPs. With the large number of clients they have, the big four KAP revenue is more than the small KAP. With financial strength, large KAPs can have better technology and be able to recruit better human resources. DeAngelo (1981) concludes that KAPs with good reputations are believed to have better audit quality than smaller KAPs. Ni Made and Ni Luh (2016) stated that the KAP reputation indicator can be seen from the use of KAP services that are affiliated with the big four or not. The Big Four KAP categories include KPMG, Delloite, PWC, and Ernst and Young.

From several previous research approaches that have been described by researchers, it can be concluded that there are various research results from one study to another. With the development of technology, time and company, it is necessary to re-research in the latest period to obtain research results that can update previous research.

1. Theoretical Foundation and Hypothesis Development

a. Signalling theory

Brigham & Ehrhardt (2005) explains that signalling is an action taken by the company to provide clues to investors about how management views the company's prospects. This signal is in the form of information about what management has done to realize the owner's wishes.

In Wahyuningsih's research (2016) signalling theory explains why companies have the urge to provide financial statement information to external parties. Company urges to provide information because there is information asymmetry between the company and outsiders one way to reduce asymmetric information is to provide signals to outsiders and announcements of the information market participants interpret and analyze the information as a good signal or a bad signal for investors if the signal well then there is a change in the volume of stock trading.

b. Agency theory

In Hamdani's research (2016) agency theory describes the importance of company owners handing over the management of the company to professionals or what we often call agencies, who understand better in running their daily business. In Hamdani's research (2016) quoted from Ujiyantho & Pramuka (2007), it is explained that the agency relationship arises when one or more principals employ agents to provide a service and then delegate decision-making authority to the agent. That way, an agent is obliged to account for the mandate given by the principal to him.

Saragih's research (2018) an important factor that needs to be considered in implementing agency theory is audit delay. Audit delay has a close relationship with the timeliness of the publication of financial statements because the benefits of financial statements are reduced if they are not submitted on time. If the information presented is not delivered on time, the value of the information will be reduced. The reduced value of the information conveyed causes information asymmetry. Information asymmetry is one element of agency theory, in this case, the agent knows more about the company's internal information in detail than the principal.

c. Audit delay

Financial statements are the main instrument used by interested parties to assess the performance and financial condition of a company as well as for requirements in making decisions. Financial reports must be accurate, reliable and trustworthy. Timeliness in the issuance of financial statements is an important element, especially for public companies that use the capital market. On the one hand, the auditor needs time to obtain all competent evidence and transactions so that the information contained in the financial statements is transparent (Barkah & Pramono, 2016).

Audit delay or commonly called audit delay is the length of time required by the independent auditor to complete the audit measured from the closing date of the book to the date included in the independent auditor's report. This audit delay can affect all published information, thus affecting shareholders which can increase the uncertainty of decisions made based on published information (Kartika, 2011).

d. Company size

Company size is the size of a company as measured by the total assets of the company or

the total assets of the company listed in the audited financial statements using logarithms. The bigger company mostly has a good internal control system so that it can reduce the level of financial statement errors, and then make it easier for auditors to audit financial statements. Firm size can be measured using the natural logarithm of total assets(Apriyana, 2018). The size of the company in the company is used to control assets, employees, income and sales so that the turnover carried out by the company can run well and be stable.

e. Public accounting firm reputation

Wulandari & Wenny (2019) The Public Accounting Firm (KAP) is an organization engaged in the service sector. The services provided are in the form of the compliance audit, operational audit and financial statement audit. Public Accounting Firm (KAP) is engaged in attestation and non-attestation services. Attestation services are services that consist of a general audit of the company's financial statements, examination of prospective financial statements, examination of pro forma financial information reports, review of financial statements, etc. Meanwhile, non-attestation services are services related to accounting, finance, management, taxation, consulting and complications.

2. Hypothesis Development

a. The effect of firm size on audit delay

Wahyuningsih (2016) states that company size is a function of speed in submitting financial reports. Company size shows the information contained in the company. If the size of the company is linked to signalling theory, then large companies that have large total assets if they have completed audited financial statements on time will send signals to many parties such as investors, creditors, the public and the government.

Natalia et al (2021) stated that the size of the company is categorized into three parts, if the total assets owned by the company are less than one hundred billion, it is a category of small and medium companies. Meanwhile, if the total assets owned by the company are more than one hundred billion, it is a large company category. The number of assets owned by the company is an illustration of the size of a company. Where the total capital plus net profit after calculating taxes is a requirement of a company. The broader management of the company adds to the efficiency of audit delay because the company is always monitored by shareholders, the public and the government. Large companies will provide high demand in wanting more accurate information than small or medium companies.

The size of the company plays a role in the assets owned by the company, the higher the total assets owned by the company, the lower the level of audit delay that will occur.

H1: Firm size has a negative effect on audit delay.

b. The moderating role of KAP reputation on the effect of firm size on audit delay

Natalia et al (2021) The size of the company is categorized into three parts, if the total assets owned by the company are less than one hundred billion, it is a category of small and medium-sized companies. Meanwhile, if the total assets owned by the company are more than one hundred billion, it is a large company category. The number of assets owned by the company is an illustration of the size of a

company. The broader management of the company adds to the efficiency of audit delay, because the company is always monitored by shareholders, the public and the government.

Wulandari & Wenny (2019) stated that the Public Accounting Firm (KAP) is engaged in attestation services and non-attestation services. Attestation services are services that consist of a general audit of the company's financial statements, examination of prospective financial statements, examination of financial performance information reports, reviews of financial statements, etc. Meanwhile, non-attestation services are services related to accounting, finance, management, taxation, consulting, and complications. In DeAngelo's (1981) research, large public accounting firms will produce excellent audit quality. The speed and accuracy of auditors in detecting violations depends on the technological capabilities they have, audit procedures, the size of the sample, and the experience of the auditors. A large KAP is a KAP that has a large number of clients. KAPs are divided into two groups, namely big four KAPs and non-big four KAPs. With the large number of clients they have, the big four KAP revenue is more than the small KAP. With financial strength, large KAPs can have better technology and be able to recruit better human resources. If linked to agency theory, it is very useful to be able to reduce large agency costs because companies that have high total assets have relatively high agency costs.

The size of the company in the company gives a big role. The higher the total assets owned by the company, the lower the audit delay. Because companies that have large total assets will be more easily highlighted by investors, creditors, the public and the government. The management will press so that the audit process can be completed immediately. From the research explanation and the hypothesis above, the existence of a KAP that has a good reputation and is classified as a big four KAP with a company size that has high total assets can minimize audit delays. Then the hypothesis can be derived:

H2: KAP reputation moderates the effect of firm size on audit delay.

3. Research Methods

a. Research design

The type of data used in this research is secondary data. The data needed in this study comes from the annual financial report (annual report) in the IDX of manufacturing companies in the food and beverage sector for the period 2016–2021 which are listed on the Indonesia Stock Exchange (IDX). The research design applied is a quantitative descriptive design. This research is quantitative, the value of each variable must be certain, and one or more variables are different without affecting or relating to a comparison relationship with other variables.

The population used in this study are manufacturing companies listed on the Indonesia Stock Exchange in the food and beverage sector in the 2016–2021 period. In this research, the sampling method is using purposive sampling technique with the criteria that have been determined by the researcher. Based on the criteria determined by the researchers for sampling, of the 26 food and beverage sector manufacturing companies listed on the IDX, there are 15 food and beverage sector manufacturing companies that are not included in the research sample. Therefore, there are only 11 manufacturing companies in the food and beverage sector listed on the IDX that is included in the research sample.

Table 1 Determination of Companies Using Purposive Sampling Method for the 2016–2020 Periods

Information	Amount
Number of manufacturing companies in the food and beverage sector listed on the IDX	26
Manufacturing companies in the food and beverage sector that do not regularly report financial reports on the IDX during the 2016–2021 period.	(15)
Manufacturing companies in the food and beverage sector that did not report audited financials during the 2016-2021 periods.	0
Sample companies	11

b. Research variables and operational definitions

The variables in this study are divided into several categories.

1. The independent variable (X), often called the independent variable, the independent variable is the variable that influences the dependent variable to change or appear. The independent variable in this study is the size of the company which is measured using size.
2. The dependent variable (Y), the variable that is often referred to as the dependent variable is the variable that is affected or that becomes the result, because of the independent variable. The dependent variable in this study is audit delay which is measured using the difference in days between the date of signing the independent auditor's report and the closing date of the annual financial statements. Annual financial reports that exceed 90 days of closing will be coded 0, while timely annual financial reports will be coded 1.
3. The moderating variable (Z) is one of the variables to determine whether the variable can strengthen the others. The moderating variable in this study is the reputation of the Public Accounting Firm (KAP), the non-big four KAP will be given a code of 0, while the big four KAP will be given a code of 1.

c. Operational definition of research

The detailed identification of variables and operational definitions are presented as follows:

1) Independent variable (X)

a) Size (X1)

Clarisa & Pangerapan (2019)Company size is a scale to determine the size of a corporate entity which can be expressed through total assets, total income, total sales in one year, stock market value, and so on that describe the company's wealth. Companies with a large scale have wider activities, the volume of activity increases and the quantity of transactions within the company increases so that the complexity of transactions increases. Thus, the audit procedures that must be carried out by the auditor are more to collect samples and audit evidence so that the risk of the company experiencing audit delay tends to be higher.

This study uses firm size as an indicator of the book value of total assets. The total value of these assets is calculated in millions of rupees and converted into natural logarithmic form (Ln) company size is not a percentage. The formula used to measure company size is:

$$\text{Company Size} = \text{Ln Total Assets}$$

(Natalia et al., 2021)

2) Dependent variable

a) Audit delay

Angruningrum & Wirakusuma (2013) stated that Audit delay can be measured using the difference in days between the date of signing the independent auditor's report and the closing date of the annual financial report. Study Gustini (2020) *Audit delay* is the length of time from the closing date of the company's financial year to the date the auditor's report is made. The deadline for submission is 90 days after closing the books based on the Decree of the Chairman of Bapepam Number XK2 regarding the obligation to submit financial reports if more will be subject to sanctions. Based on this decision, audit delay is measured using if the annual financial report exceeds 90 days from the closing date, it will be coded 0, while timely annual financial statements will be coded 1.

3) Moderating variables

a) KAP reputation

Public Accounting Firm (KAP) is an organization engaged in services. The services provided are in the form of the compliance audit, operational audit and financial statement audit. Public Accounting Firm (KAP) is engaged in attestation and non-attestation services. In DeAngelo's (1981) research, large public accounting firms will produce excellent audit quality. The speed and accuracy of the auditor in detecting a violation depend on the technological capabilities possessed, audit procedures, the size of the sample, and the experience of the auditor. A large KAP is a KAP that has a large number of clients. KAPs are divided into two groups, namely big four KAPs and non-big four KAPs. With the large number of clients they have, the big four KAP revenue is more than the small KAP. With financial strength, large KAPs can have better technology and be able to recruit better human resources. If linked to agency theory, it is very useful to be able to reduce large agency costs because companies that have high total assets have relatively high agency costs. KAP reputation measured using non-big four KAPs will be coded 0, while big four KAPs will be coded 1.

4. Research Instruments and Data Collection Method

The data collection used in this study is to use the method of documentation in the form of an annual financial report (annual report) of the company by collecting, recording and calculating data related to research. The data obtained in this study are the company's annual financial reports published by each food and beverage sector manufacturing company listed on the IDX which can be accessed on the official website. www.IDX.co. In the period 2016–2021.

5. Data Processing and Data Analysis Methods

a. Data processing method

The data processing method used in this study is a descriptive method using a quantitative approach. This means that this study only wants to know how the state of the variable itself is without any influence or relationship to other variables such as experimental research or correlation.

b. Data analysis

This research data uses quantitative data types in the annual financial report (annual report) published by the IDX (Indonesian stock exchange), the data analysis technique in this

study uses Partial Least Square (PLS). Data analysis using WarpPLS, starting from the evaluation of the measurement model (outer model), structural model (inner model), and hypothesis testing.

1) Measurement model analysis

The measurement model in PLS (partial least square) is a structural equation modelling (SEM) method in this case (according to the research objective) it is more appropriate than other SEM techniques because of the number of samples and the potential for abnormal distribution of variables. Data processing was carried out using Microsoft Excel 2010 and WarpPLS software. The data processing was carried out using Microsoft Excel 2010 software to calculate the results of size, debt to equity ratio (DER), audit delay and KAP reputation. While the WarpPLS software is used to calculate the effect of size, and debt to equity ratio (DER), on audit delay with KAP's reputation as a moderating variable. By covering 2 stages.

2) Evaluation of the measurement model (outer model)

a) Composite reliability

Composite reliability was done by looking at the view latent variable coefficient. From this output, the criteria can be seen from two things, namely composite reliability and Cronbach's alpha. If a construct has met these two criteria, it can be said that the construct is reliable. With the provisions of composite reliability > 0.70 and Cronbach's alpha > 0.60 then each variable is fulfilled and it can be said that the construct is reliable or has consistency in the research instrument.

3) Evaluation of the structural model (inner model)

Sholihin & Ratmono (2013) stated that the Inner model is used to determine the relationship between latent constructs and other latent constructs. Evaluation of the structural model (Inner Model) includes a model fit test (model fit), path confidence and R2. The model fit test is used to determine whether a model has a model fit. There are 3 test indices, namely average path coefficients (APC), average R-squared (ARS) and average variance factor (AVIF). The criteria of APC and ARS are accepted on the condition that the p-value < 0.05 and AVIF is less than 5.

4) Hypothesis testing

Hypothesis testing is used to explain the direction of the relationship between the independent variable and the dependent variable. This test is done by using path analysis on the model that has been made. The results of the correlation between constructs were measured by looking at the path coefficient and its level of significance which was then compared with the research hypotheses contained in the previous chapter 2. A hypothesis can be accepted or must be rejected statistically which can be calculated through the level of significance. Significance levels are usually defined as 10%, 5% and 1%. The significance level used is 10%, and the significance level or the confidence level is 0.10 to reject the hypothesis. The following is used as a basis for decision making, namely:

P – value > 0.05 then Ho is accepted and Ha is rejected.

P – value < 0.05 then Ho is rejected and Ha is accepted.

Table 2

No.	Variable	Composite Reliability	Cronbach's Alpha	Information
1	Company size	1,000	1,000	Very reliable
2	Audit delay	1,000	1,000	Very reliable
3	KAP reputation	1,000	1,000	Very reliable

Source**:** data processed with WarpPLS

B. RESULTS

1. Data Analysis

a. Evaluation of the measurement model (outer model)

Evaluation of the measurement model is used to determine the measuring instrument of a construct. There are two approaches in the measurement model, namely reflective and formative measurements. The approach used in this study is reflective. Reflective constructs are assessed based on the value of *cross-loading* each construct. This study did not use the validity test.

1) Composite reliability

Reliability testing is measured using *composite reliability and Cronbach alpha. The rule of thumb* from *composite reliability and Cronbach's alpha* is 0.41–0.60 (the category is quite reliable). The results of the internal consistency reliability test in this study are presented in the Table 2.

The results shown in the table above, indicate that all constructs in this study have met the reliability of internal consistency. This can be proven by the value of *composite reliability and Cronbach's alpha* each construct has met the criteria.

b. Structural model evaluation (inner model)

Evaluation of the structural model is seen based on the value of the coefficient of determination (R2). The R2 test serves to explain the variance of the dependent variable. The higher the value of R2, the greater the ability of the independent variable in explaining the dependent variable.

Table 3 Coefficient of Latent Variables

Coefficient	Score
R-Squared	0.561
Q-Squared	0.674

Source: data processed with WarpPLS

The coefficient of determination (R2) in Table 3 above is used to show the percentage of variation in endogenous constructs that can be explained by exogenous constructs. Table 3 above shows that R2 of 0.561 means that the audit delay variable can be explained by the company size variable of 56.1%, while the remaining 43.9% can be explained by other variables outside of this study. The next evaluation of the structural model is to see the predictive relevance, using the value *of Q-squared*. Score *Q-squared* in this study of 0.674 which is greater than zero. This shows that the predictive relevance of this research model is very good.

Evaluation of the structural model of the system using R2 and *Q-Squared* i.e. using *effect sizes. Effect size* can be grouped into three

Table 4 Effect Size for Path Coefficient

	AD	Information
UP	0.588	Big
RKAP*UP	0.011	Weak

Source: data processed with WarpPLS

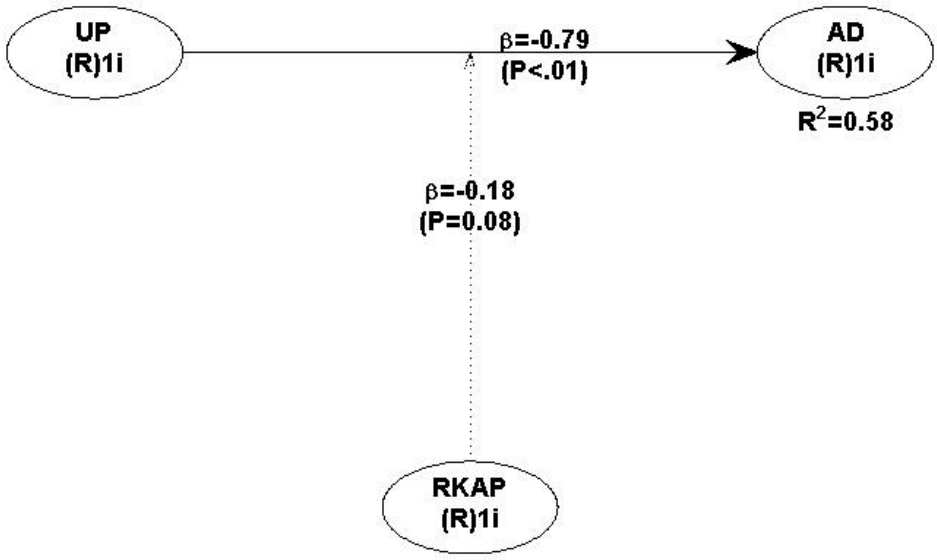

Figure 1 Results of Hypothesis Testing

categories, namely weak (0.02), medium (0.15), and large (0.35).

Table 4 above shows th*e effect size* for company size against *audit delay* of 0.588 (relatively large). *Effect size*s show that company size has a large role from a practical perspective in reducing *audit delay*.

The effect size for KAP's reputation in moderating the negative impact of firm size on *audit delay* is 0.011 (classified as weak). *Effect size*s show that the reputation of KAP has a weak role from a practical perspective in moderating against *audit delay*.

c. Hypothesis test

The hypothesis test in this study is seen based on the path coefficient value and significant value (P-Value). The path coefficient is used to see the direction of the relationship in the research hypothesis. The positive path coefficient value indicates that the independent variable is positively related to the dependent variable, while the negative path coefficient value indicates that the independent variable is negatively related to the dependent variable.

There are two hypotheses proposed in this study. The hypothesis is defined as supported if the p-value < 0.01 (significant at the 1% level), p-value <0.05 (significant at the 5% level) and p-value < 0.1 (significant at the 10% level). The following are the path coefficient value and p-value from the results of hypothesis testing using SEM-PLS analysis.

Table 5 Estimation Results Path Coefficient and P-Value

No.	Hypothesis	Path Coefficients	P-Values
1	UP – AD	-0.794	<0.001
2	KAP*UP - AD	-0.179	0.081

Source: data processed by researchers with Warp PLS 6.0

Information:
*significant at the 0.05 level (2-tailed)
** significant at 0.01 level (2-tailed)
*** significant at the 0.001 level (2-tailed)

The following is a clearer explanation for each of the hypotheses proposed in the study:
H1: Firm size has a negative effect on *audit delay*

The results of hypothesis testing in table 5 show that the size of the company with the size

indicator has a negative effect on *audit delay* in line with the proposed hypothesis. Size to *audit delay* showed significant results with the value of *p-value*< 0.001 (less than 0.001). *Path coefficient* of -0.794 means that the coefficient has a negative direction indicating that the high size of a company can reduce audit delay and vice versa if the company size is low, the possibility of audit delay is greater. In line with signal theory, if the size of a company is high, the level of *audit delay* is low and will send a signal in the form of information or a positive signal to outsiders because a company that has a high size with adequate management will shorten the audit process.

Judging from the results of the hypothesis, this study is in line with Pourali et al. (2013) firm size has a negative effect on audit delay. This happens because larger companies have better internal controls. Companies that have better internal controls will make it easier for the auditors so this can reduce auditor errors in working on their audit reports.

H2: KAP reputation moderates the effect of firm size on *audit delay*

The results of hypothesis testing in table 5 show that the reputation of KAP can moderate the size of the company against *audit delay* proved by *p-value* <0.081 (more than 0.05) and *path coefficient* of -0.179. In addition, direct testing between company size and *audit delay* also showed insignificant results. This test proves that the reputation of the KAP can moderate or become *pure moderation*. *Pure moderation* if the relationship X to Y is significant and the relationship X*Z to Y is not significant.

KAPs are divided into two groups, namely big four KAPs and non-big four KAPs. With the large number of clients they have, the big four KAP revenue is more than the small KAP. With financial strength, large KAPs can have better technology and be able to recruit better human resources. It can be concluded that KAPs that have a good reputation are believed to have better audit quality than smaller KAPs (DeAngelo, 1981).

Audit firms with the Big Four KAP reputation tend to reduce audit delays because they have good financial resources to obtain human and material resources to complete the audit within a certain time (Ilaboya & Christian, 2014)). A Public Accounting Firm with a good reputation will have competent resources to carry out audit procedures more efficiently and effectively so that they can be completed on time. The larger the size of the company, the faster the process of preparing financial statements, which makes the auditor more time to audit. The influence of company size on audit delay will be further strengthened by a KAP that has a good reputation because it has a flexible schedule which will result in a short audit delay range (Murti & Widhiyani, 2016).

Based on the results of this study indicate that the reputation of KAP can moderate the size of the company to audit delay. This indicates that large KAPs that are included in the big four KAPs that provide auditor services to companies can resolve audit delay problems faced by internal auditors. So it can be concluded that the proposed hypothesis is supported.

C. CONCLUSION

This study aims to empirically examine the moderating effect of KAP size on the effect of firm size on audit delay of manufacturing companies listed on the Indonesia Stock Exchange in 2016–2021. This study examines the negative effect of firm size on audit delay and the influ-

ence of KAP reputation moderates firm size on audit delay. Based on the results of the discussion of the hypothesis above, it can be concluded that company size has a negative effect on audit delay. The next conclusion is that KAP reputation fully moderates the effect of firm size on audit delay.

D. REFERENCE

Abdillah, W. & Jogiyanto. (2015) Partial Least Square (Pls). Yogyakarta: Penerbit Andi. Badan Pusat Statistik (2017). Realisasi Penerimaan Negara (Milyah Rupiah), 2007–2017. Www.Bps.Go.Id [Online]. Https//Www.Bps.Go.Id/Statictable/2009/02/24/1286. Jurnal Akuntansi Universitas Udaya; Issn, 8556.

Angruningrum, S. & Wirakusuma, Made Gede. (2013). *Pengaruh Profitabilitas, Leverage, Kompleksitas Operasi, Reputasi Kap, dan Komite Audit pada Audit Delay*. *2*, 251–270.

Apriyana, N. (2018). Pengaruh Profitabilitas, Solvabilitas, Ukuran Perusahaan, dan Ukuran Kap terhadap Audit Delay. *Nominal, Barometer Riset Akuntansi dan Manajemen*, *VI*(3).

Aryaningsih, N. N. D. & Budiartha, I. K. (2014). Pengaruh Total Aset, Tingkat Solvabilitas dan Opini Audit pada Audit Delay. *Jurnal Akuntansi Universitas Udayana*, *7*(3), 2302–8556.

Ayu, I. G., Sari, P., Luh, N., & Widhiyani, S. (2015). *Pengaruh Ukuran Perusahaan , Laba Operasi , Solvabilitas , dan Komite Audit pada Audit Delay Fakultas Ekonomi dan Bisnis Universitas Udayana (Unud), Bali, Indonesia Aktivitas di Bursa Efek Indonesia Mensyaratkan Adanya Laporan Keuangan Berdasarkan Empa*. *3*, 481–495.

Barkah, G. & Pramono, H. (2016). Pengaruh Ukuran Perusahaan, Profitabilitas, dan Solvabilitas terhadap Audit Delay pada Perusahaan Manufaktur Yang Terdaftar di BEI Periode 2010–2012. *Kompartemen*, *XIV*(1), 75–89.

Brigham & Ehrhardt. (2005). The Impact of Financial Leverage to Profitability Study of Non-Financial Companies Listed in Indonesia Stock Exchange. *European Journal of Economics, Finance, and Administrative Sciences*, *32*, 136–148.

Carslaw, C. A. P. N. & Kaplan, S. E. (1991). An Examination of Audit Delay: Further Evidence from New Zealand. *Accounting and Business Research*, *22*(85), 21–32.

Clarisa, S. & Pangerapan, S. (2019). Pengaruh Ukuran Perusahaan, Solvabilitas, Profitabilitas, dan Ukuran Kap terhadap Audit Delay pada Perusahaan Sektor Pertambangan yang Terdaftar di Bursa Efek Indonesia. *Jurnal Emba: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, *7*(3), 3069–3078. Https://Doi.Org/10.35794/Emba.V7i3.24060.

Deangelo, Linda Elizabeth. 1981. “Auditor Size And Audit Quality”. *Journal of Accounting And Economics*,Vol. 3. Pp 183–199.

Devi, N. L. L. S. & Suaryana, I. G. N. A. (2016). Pengaruh Profitabilitas dan Solvabilitas terhadap Ketepatan Waktu dengan Reputasi Kantor Akuntan Publik sebagai Pemoderasi. *E-Jurnal Akuntansi Universitas Udayana*, *17*(1), 395–425.

Dwiastuti, W. (2020). *Pengaruh Profitabilitas dan Solvabilitas terhadap Audit Delay dengan Reputasi Kap sebagai Pemoderasi.* Tangerang: Fakultas Bisnis Universitas Buddhi Dharma.

Gustini, E. (2020). Pengaruh Ukuran Perusahaan, Profitabilitas, Solvabilitas, dan Jenis Indus-

tri terhadap Audit Delay pada Perusahaan Lq45 yang Terdaftar di Bursa Efek Indonesia. *Jurnal Ilmiah Ekonomi Global Masa Kini*, *11*(2), 71. Https://Doi.Org/10.36982/Jiegmk.V11i2.1187.

Hamdani, M. (2016). Good Corporate Governance (Gcg) dalam Perspektif Agency Theory. *Semnas Fekon*, 279–283.

Harjanto, K. (2018). Pengaruh Ukuran Perusahaan, Profitabilitas, Solvabilitas, dan Ukuran Kantor Akuntan Publik terhadap Audit Delay. *Jurnal Ultima Accounting*, *9*(2), 33–49. Https://Doi.Org/10.31937/Akuntansi.V9i2.728.

Kartika. 2011. Faktor-Faktor Yang Memengaruhi Audit Delay pada Perusahaan *Manufaktur yang Terdaftar di BEI. Dinamika Keuangan dan Perbankan*, Vol. 3, No.2 Hal: 152–171.

Lestari, K. A. N. M. & Saitri, P. W. (2017). Analisis Pengaruh Ukuran Perusahaan, Profitabilitas, Solvabilitas, Kualitas Auditor dan Audit Tenure terhadap Audit Delay pada Perusahaan Manufaktur di Bursa Efek Indonesia Periode 2012–2015. *Jurnal Ilmiah Manajemen & Akuntansi*, *23*(1), 1–11.

Natalia, C., Destiny, & Putri, Arie Pratania. (2021). Pengaruh Ukuran Perusahaan, Solvabilitas, Profitabilitas, Umur Perusahaan terhadap Audit Delay pada Sektor Pariwisata di BEI. *Jimea | Jurnal Ilmiah Mea (Manajemen, Ekonomi, dan Akuntansi*), *5*(1), 1339–1351.

Ni Made, Dwi Ari Murti & Ni Luh, Sari Widhiyani. 2016. Pengaruh Ukuran Perusahaan dan Profitabilitas pada Audit Delay dengan Reputasi Kap sebagai Variabel Pemoderasi. *E-Jurnal Akuntansi Universitas Udayana*.Vol. 16, No 1, Pp 275–305.

Pattiasina, V. (2017). Analisis Pengaruh Kualitas Auditor, Ukuran Perusahaan, Jumlah Komite Audit, Kompleksitas Operasi Perusahaan terhadap Audit Delay dan Opini Audit yang Diinterveing oleh Audit Lag. *Future Jurnal Manajemen dan Akuntansi*, *5*(September), 85–98. Www.Jurnal.Uniyap.Ac.Id/Index.Php.Future

Pourali, M. R., Jozi, M., Rostami K. H., Taherpour G. R., & Niazi F. (2013). "Investigation of Effective Factors in Audit Delay: Evidence from Tehran Stock Exchange (TSE)". *Research Journal of Applied Sciences, Engineering and Technology*, 5(2):405–410.

Prabandari, R. J. (2006). Beberapa Faktor yang Berdampak pada Perbedaan Audit Delay (Studi Empiris pada Perusahaan-Perusahaan Keuangan yang Terdaftar di BEJ). *Kinerja*, *11*(1), 135–147.

Prabasari, I. G. A. A. R. & Merkusiwati, N. K. L. A. (2017). Pengaruh Profitabilitas, Ukuran Perusahaan, dan Komite Audit pada Audit Delay yang Dimoderasi oleh Reputasi KAP. *Jurnal Akuntansi Universitas Udayana*, Vol. 20(2). ISSN: 2302-8556

Puspitasari, K. D. & Latrini, M. Y. (2014). *Pengaruh Ukuran Perusahaan, Anak Perusahaan, Leverage, dan Ukuran Kap terhadap Audit Delay*, *29*(2), 211–215. Https://Doi.Org/10.1016/0006-291x(67)90589-X

Putra, V. A. & Wilopo, R. (2017). The Effect of Company Size, Accounting Firm Size, Solvency, Auditor Switching, and Audit Opinion on Audit Delay. *The Indonesian Accounting Review*, *7*(1), 119. Https://Doi.Org/10.14414/Tiar.V7i1.956.

Putri, Arie Pratania, Wati, L., Chriestien, J., & Wijaya, C. (2021). Pengaruh Ukuran Perusahaan, dan Solvabilitas terhadap Audit Delay pada Perusahaan Customer Good.

Jimea | Jurnal Ilmiah Mea (Manajemen, Ekonomi, dan Akuntansi), 5(2), 480–497.

Ramadhany, F. R., Suzan, L., & Dilllak, V. J. (2018). Pengaruh Ukuran Perusahaan, Solvabilitas, Profitabilitas, dan Umur Listing Perusahaan terhadap Audit Delay (Studi Empiris pada Perusahaan Minyak dan Gas Bumi yang Terdaftar di Bursa Efek Indonesia Periode 2011–2015). *E-Proceeding of Management*, *5*(1), 843–851.

Saputra, A. D., Irawan, C. R., & Ginting, W. A. (2020). Pengaruh Ukuran Perusahaan, Opini Audit, Umur Perusahaan, Profitabilitas, dan Solvabilitas terhadap Audit Delay. *Owner (Riset dan Jurnal Akuntansi)*, *4*(2), 286. Https://Doi.Org/10.33395/Owner.V4i2.239.

Saragih, M. R. (2018). Pengaruh Ukuran Perusahaan, Solvabilitas, dan Komite Audit terhadap Audit Delay. *Jurnal Akuntansi Berkelanjutan Indonesia*, *1*(3), 352. Https://Doi.Org/10. 32493/Jabi.V1i3.Y2018.P352-371.

Saragih, M. R. (2019). The Effect of Company Size, Solvency, and Audit Committee on Delay Audit. *Scientific Journal of Reflection: Economic, Accounting, Management, and Business*, *2*(2), 191–200. Https://Doi.Org/10.5281/Zenodo.2628084.

Sayidah, N. (2019). Pengaruh Ukuran Perusahaan, Profitabilitas, Solvabilitas, dan Opini Auditor terhadap Audit Delay. *Jurnal Analisa Akuntansi dan Perpajakan*, *2*(2). Https:/ /Doi.Org/10.25139/Jaap.V2i2.1397. Sholihin, M. & Ratmono, D. (2013). *Analisis Sem-PLS dengan Warppls 7.0: untuk Hubungan Nonlinier dalam Penelitian Sosial dan Bisnis*. Yogyakarta: Penerbit Andi.

Sugiyono. 2018. *Metode Penelitian Kuantitatif.* Bandung: Alfabeta.

Ujiyantho, Muh. Arif & Pramuka, B. A. 2007. Mekanisme Corporate Governance, Manajemen Laba, dan Kinerja Keuangan. *Prosiding Simposium Nasional Akuntansi 10*. Makassar.

Wahyuningsih, S. (2016). Pengaruh Ukuran Perusahaan, Umur Perusahaan, Profitabilitas, dan Solvabilitas (Studi pada Perusahaan Perbankan yang Terdaftar di BEI) the Effect of Company Size, Age of Company, Profitability, and Solvability (Study at Bank Companies Listed in Indonesian Stock Exchange). *E-Journal Ekonomi Bisnis dan Akuntansi*, 1–12.

Wulandari, T. & Wenny, C. D. (2019). *Pengaruh Ukuran Perusahaan, Opini Audit, dan Solvabilitas terhadap Audit Delay dengan Reputasi Kap sebagai Variabel Pemoderasi*. *3*(1), 28–36. Http://Repository.Bakrie.Ac.Id/Id/Eprint/2883.

Https://Www.Cnbcindonesia.Com/Market/20200812162111-17-179336/Belum-Setor-Lapkeu-2019-30-Emiten-Nakal-Didenda-Bursa

Lampiran Keputusan Ketua Bapepam (Badan Pengawas Pasar Modal) No. Kep-431/Bl/2012.

Pernyataan Standar Akuntansi Keuangan (Psak: 2009).

Peraturan Penyampaian Laporan Keuangan Telah Diatur oleh Bapepam dalam UU No. 8 yang Telah Diperbarui pada Tahun 2012 tentang Pasar Modal.

Bapepam dan Lk (Badan Pengawas Pasar Modal dan Lembaga Keuangan) Peraturan Nomor: X.K.6, Lampiran Keputusan Ketua Bapepam dan Lk Nomor: Kep-431/Bl/2012.

Keputusan Ketua Bapepam dan Lk Nomor: Kep-134/Pm/2006 tentang Kewajiban Penyampaian Laporan Keuangan dan Keputusan Ketua Bapepam dan Lk Nomor: Kep-40/Bl/2007.