

**The Influence of Company Size, Profitability, and
Solvability Toward Audit Delay on Food and Beverage
Industry Listed in Indonesia Stock Exchange Period 2010 -
2013**

SKRIPSI

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This skripsi entitled “ **The Influence of Company Size, Profitability, and Solvability Toward Audit Delay on Food and Beverage Industry Listed in Indonesia Stock Exchange Period 2010 - 2013**” prepared and submitted by Irma Valentina, in partial fulfillment of the requirements for Bachelor Degree in Business – Major in Accounting, has been reviewed and found to have satisfied the requirements for a skripsi fit to be examined. We therefore recommend this Skripsi for Oral Defense.

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DECLARATION OF ORIGINALITY

I declare that this thesis entitled “ **THE INFLUENCE OF COMPANY SIZE, PROFITABILITY, AND SOLVABILITY TOWARD AUDIT DELAY ON FOOD AND BEVERAGE INDUSTRY LISTED IN INDONESIA STOCK EXCHANGE PERIOD 2010-2013**” is to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or part, to another university to obtain a degree.

Cikarang, Indonesia, January 14th, 2016

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**THE INFLUENCE OF COMPANY SIZE,
PROFITABILITY, AND SOLVABILITY TOWARD
AUDIT DELAY ON FOOD AND BEVERAGE INDUSTRY
LISTED IN INDONESIA STOCK EXCHANGE PERIOD
2010-2013**

ABSTRACT

Audit delay is the length of time from a company fiscal year end to the date of auditor's report. The delayed of submitting financial statements may decrease the benefit of financial statements as information for decision making. There are some factors affected audit delay. The objective of this research is to prove the influence of company size, profitability, and solvability toward audit delay in food and beverage industry listed in Indonesia Stock Exchange Period 2010-2013.

There are 16 companies in food and beverage industry, only 13 companies selected as sample in this research. This research used multiple regression model with 5% significant level.

The result of this research showed that profitability have influence toward audit delay, company size and solvability have not influenced toward audit delay, based on multiple regression test result on t-test. *Adjusted R²* showed that company size, profitability, and solvability have influence toward audit delay with value 13.1%.

Keywords: Audit Delay, Company Size, Profitability, Solvability

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CHAPTER I

INTRODUCTION

I.1 Research Background

In this Globalization, activities in Indonesia Stock Exchange are increasing and growing rapidly. Each listed company should publish their financial statements to Indonesia Stock Exchange. The financial statements is an audited financial statement based on *Standar Akuntansi Keuangan*. There are some policy to compile the financial statements, one of the policy that the financial statements collected to OJK on time. Based on OJK policy, the financial statements should be collected the latest of end of third month or 90 days after the company closing book. But, in fact there are many companies have been late in collecting of their financial statements. This phenomena called *Audit Delay*. That always happened in Indonesia. Based on website www.liputan6.com dated April 3, 2013 there are two companies listed in Indonesia Stock Exchange declare that they are unable to collected the financial statements for year 2012 on last March 2012, they are PT Bank Mutiara Tbk (BCIC) dan PT Energi Mega Persada Tbk (ENRG). Based on Director of PT Bank Mutiara Tbk, Sukiyanto Saputro said that the company could not inform the financial statements for year December 31, 2012 and publish the financial statements. It is because of the Public Accountant, that working on audit process and also reviewing the financial statements. In other side, same reason is said by management of PT Energi Mega Persada Tbk, Didit H Agripinanto said that the financial statements still on process and will be published as soon. The example of audit delay that happened in Indonesia not only two company but also from website of www.liputan6.com also noted that there are 74 company delay in collected financial statements for period first quarterly 2012, and 29 company delay on period second quarterly 2012.

Discussion above was a prove that there are many companies doing audit delay in Indonesia. It means that companies in Indonesia have been misinterpreting the function and important of financial statements itself. As in information for stakeholder to make a decision. If the company delayed in submitting financial statements, it will decrease the function and the relevance of financial statements. When the company made the delay, the stakeholder will be late in getting the information about the company, so the stakeholder will also be late to buy the share or invest in the companies. Because the stakeholder could not see the condition of company from their financial statements. If companies made the delay in publishing the financial statement. It means the companies have been missed many stakeholder as investor in the companies. From the user point of view, the audit delay can harm the user of financial statements.

Then, there are many factors that influence of audit delay. The factors could be from internal and external factors. Internal factors means from the internal of company itself, but for external is from outside of the company. In this research, the researcher focusing on three factors, there are company size, profitability, and solvability. Company size is from total assets of company, in here company size become the factors because if the company have high total assets the company have good organization and internal control, then it will minimize the audit delay. Then, for profitability become factors because if company have high profit the company will publish their financial statements as soon as possible to get more investors. The other side, if companies get loss, they will delay their financial statements because they will cover their loss first. From solvability, can see from capability of company to pay the liabilities, short-term liabilities and long-term liabilities. A high proportion of debt to total assets will increase a company's likelihood of failure and may raise in the auditor's mind an additional concerns that financial statements may be less reliable than normal. If company have high solvability, it will make the audit delay longer, because the auditor will doing more procedure to prove that financial statements free from material misstatements.

Based on the explanation above and previous empirical evidence, the writer is interested in discussing about “ THE INFLUENCE OF COMPANY SIZE, PROFITABILITY, AND SOLVABILITY TOWARD AUDIT DELAY ON FOOD AND BEVERAGE INDUSTRY LISTED IN INDONESIA STOCK EXCHANGE”.

I.2 Problem Identification and Statement

1. Does company size influence audit delay ?
2. Does solvability influence audit delay ?
3. Does profitability influence audit delay ?

I.3 Research Scope and Limitation

There are 9 sector industry in Indonesia Stock Exchange, in this research choose food and beverage industry as the area for research. As can see food and beverage industry is relatively stabil sector, that did not affected moved by economic condition. This is because the material for their production is agriculture product.

There are so many factors that influence into audit delay, but in this research the researcher only focused on the 3 factors. There are company size, profitability, and solvability. Company size, could be calculated from total asset of the company. Profitability is measured from their Return on Assets (ROA). Solvability is measured by calculation debt to total assets ratio for each companies.

I.4 Research Objectives

The researcher intended to achieve these following outcomes :

1. To prove whether company size have influence into audit delay
2. To prove whether solvability have influence into audit delay
3. To prove whether profitability have influence into audit delay

I.5 Research Benefits

For the researcher:

- To gain clear understanding and knowledge in the application of audit delay practically and theoretically.
- To develop student's ability to identify and solve problems, thinking logically and report the results of its research in correct scientific principles regarding to the issue of audit delay.

For Next Researcher:

- As reference materials, to contribute and deliver the knowledge to next researchers who wish to make observation in audit delay.
- As benchmark for further observation and research about audit delay.
- As source data, example, and guidance for research and observation about audit delay.

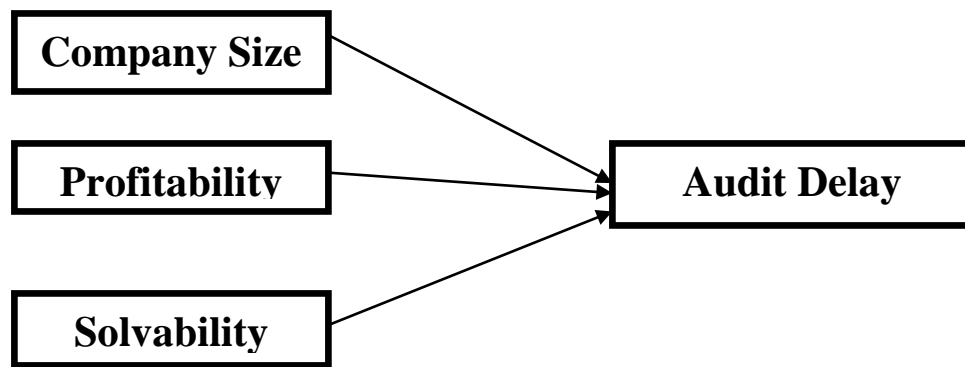
I.6 Research Method

There are two types of research method that can be used for the researcher, quantitative research method and qualitative research method. Some factors that influenced the researcher to choose rather than qualitative or quantitative are the purpose of the research, source of data that will be used and availability, the size of population, and the size of sample. The researcher tries to explain the phenomena, and identifying the problem regarding that phenomem, after that collecting the data. That is secondary data. Then, the data collected by researcher is in the term of number and will be analyzed and process by using Statistic or using SPSS software. By doing so, the researcher choose quantitative research method as the method.

CHAPTER II

LITERATURE REVIEW

II.1 Paradigm



II.1.1 Audit Delay

Companies listed in Indonesia Stock Exchange should publish their financial statement and also declare their audited financial statements to OJK. Based on OJK's head judgment number 36.PM/2003 rules number X.K.2 about the obligation to declare the periodic financial statements, regulated that companies should report the annual financial statements latest on third month after closing date of financial statements. If the company break this rules, there will be a sanction charged by OJK. The sanction graded from written warning, second warning about fines with amount Rp. 10.000.000 until stopped for trading of shares temporary in Indonesia Stock Exchange when the companies have not yet corrected their negligence within 30 days from the second written warning is accepted.

Companies should reported their financial statements while have been audited by public accounting firm. The maximum period that OJK given was latest on third month, that is the time for auditors from public accounting firm doing their audit process for audited companies. The auditor should be on time for publishing the financial statements audited financial statements, the auditor should do the audit process on time based on their audit program. According to Mulyadi (2002) there are four steps for doing audit financial statements :

1. Acceptance of clients

The first step from financial statements audit is the decision of acceptance or decline the clients candidate or for continue or stop the engagement for audit clients that already exist.

2. Audit Planning

The successful completion of the audit engagement is determined by the quality of the planning made auditor

3. Implementation of Audit Testing (fieldwork)

First purpose of fieldwork is for get audit evidence about efectiveness of internal control and the proper of client's financial statements. Auditor doing three of testing, such as analytical test, control test, and substantive test.

4. Audit report

This steps should be pointed into reporting standard. Two important steps that should be done by auditor in this audit report are: (1) finished the audit with summarize all the result of audit test and conclude the conclusion, (2) declare audit report

Because there will be many procedure for doing the audit process, the auditor will need much time to complete. In other side, the financial statements should be published not more that 90 days. If the financial statements is published more than third month it called *Audit Delay*.

Audit delay is defined as the number of days between the date of financial statement and the date of the auditors report Carslaw and Kaplan 1991. Ahmad and Kamarudin (2003), "*Audit delay is the length of time from a company's fiscal year end to the date of the auditor's report*". In general, could be said that the meaning of audit delay is the number of days between a firm's fiscal year-end and the audit report date. In other word audit delay is extra time or extra hour for complete audit proccedure or the number of hours auditors assigned to the engagement and the number of extra hours needed.

Then, the length time of auditor needed usually depend on the condition of financial statements of the client. If the condition of financial statements is bad it will take the process of audit is much longer, so that the delay will much longer too because the auditor will get more detail of test in audit process and also get more evidence to give an opinion, in other side if the condition of financial statements is good, the auditor's time to make an audit process is shorter because there will be no more evidence in audit process and give opinion. Usually the length of time is calculated start from December 31 until the date that exist on the audited financial statements.

From the explanation above we can see that audit delay is the length of days between firm's fiscal year-end and audit report date. If the number of day are longer, it means that the audit delay is longer. If the audit delay is longer means that auditor need more days to do the audit process.

II.1.2 Company Size

According to OJK, it is determined that the company size could be measured from total activa. The total assets is come from the sum of current assets and fixed assets. In previous study and research the researcher determine the company size using total of assets. According to Hilmi and Ali, (2008; 23) said that "*Perusahaan besar akan cenderung lebih banyak disorot oleh masyarakat dibandingkan dengan perusahaan kecil*", it means that a big

company usually will have more attention from society, it is because a big company usually listens commonly and has trending news in society so if the bigger the company the more attention from society they get. The investor and owner also have task to the company's image in society. Ismail and Chandler (2005) reviewed that the timing of the issuance of the quarterly financial statements is affected by the size and that large companies usually issued their financial statements early.

Usually large companies expected to receive high quality auditing services. Such auditing services are more likely to be time consuming because the audit process of large companies annual reports are more complicated. Thus they have been associated with agency costs. Commonly that large companies have special attention so if there are some issues in relation the large companies it will make the image of the company gets more fluktuatif and also the shareholder will think twice to buy or invest in the company. The purpose of high quality auditing service is to minimize the auditing delay. Previous studies revealed mixed results; statistically significant and insignificant relationship between audit report timeliness and company size (Owusu-Ansah and Leventis, 2006)

According to Carslaw and Kaplan (1991) the large company have strong internal control and ability to pressure auditors to complete the audit work in timely manner. It is because the larger company have been monitored tightly from other parties, such as investors and governments. Large companies also have better managements rather than the smaller one. They also have more resources to pay relatively higher audit fees and able to settle the fees soon after the companies' year-end because of their higher total assets. Therefore, prior researchers argued that to reduce uncertainty about performance that might reduce the share price, the

larger firms tend to complete their audit work as soon as possible to release the annual reports (Abdulla, 1996).

II.1.3 Profitability

Profitability shows the performance of company in the way to get profit. It means that, the profit of company can be see from their profitability. Profitability is one of factors that influence audit delay, because profitability could give effect into reporting and releasing of an audited financial statements. It was happened because profitability, determined the companies willingness to publish the financial statements as soon as possible or not. It depend on the level of profit or loss. If the company have high profit, the company will publish the financial statements quickly because it is as good news for company itself and investors, otherwise if the companies loss in a condition they will be late in publishing their financial statements, because they did not want to publish their loss. Ismail and Chandler (2005) was have conclusion from their research that profitability of a large companies affect the companies to issue their financial statements early.

There are some ratio that for determine profitability one of the ratio is profitability ratio. Profitability ratio measures the company's ability using their assets or equity to generate profit for the company. This ratio is shown in the ability of a company to generate profit in certain period.

The profitability ratio recommend by OJK in food and beverage industry that are listed on Indonesia Stock Exchange, rate of is Return on Asset (ROA). ROA is a ratio to measure the degree of company's return in bussiness with utilization of asset resource. The higher value of this ratio shows that the higher the profit that the companies got from investment in asset. If the value of the ratio is lower or decrease, means that profit that company will get lower too. Based Ross, Westerfield, and Jaffe (2005), return on assets (ROA) is formulated :

$$ROA = \frac{\text{Profit after tax}}{\text{Total Asset}}$$

II.1.4 Solvability

Solvability usually called leverage ratio. Leverage ratio measure the percentage of total assets provides by creditors. It means that, solvability is capability of company to pay the liabilities, short-term liabilities and long-term liabilities. Debt proportion as a function of audit delay was first introduced by Carslaw and Kaplan (1991). They have argued that the relative proportion of debt to total assets may indication the financial health of the company. A high proportion of debt to total assets will increase a company's likelihood of failure and may raise in the auditor's mind an additional concerns that the financial statements may be less reliable than normal. This is because a high proportion of debt is normally associated with high risk. It may result from poor financial health that could lead to mismanagement and possibility of fraud. Also the auditor needed more confidence for determine the fairness from the level of liabilities which are owned by company or the ability of company for fulfill. High of liabilities proportion toward total assets will cause the risk of bankruptcy bigger in company. It will influence auditor the thinking that financial statements with higher liabilities proportion less reliable better than normal of liabilities proportion (Kurniawan, 2011). Furthermore, a high proportion of debt may lead to liquidity or going concern problem, which requires more tentative audit. In this study, the total liabilities refer to the sum of current liabilities and long-term liabilities. The debt proportion is computed by dividing the total liabilities by the total asset.

Solvability in this research has more relation with the ability of companies to fulfill their obligation. Solvability is important to see the financial statements health. According to Brigham and Houston (2009), leverage ratio have three important implication, there are :

- a) With get the fund from debt or liabilities, the shareholder can maintain their control as that companies and also can limit their investment that already given.
- b) Creditor will see in equity, or fund that get from by self, as the limitation of security, so that higher proportion from total of equity that is given from shareholder, then lower the risk that should be faced by creditors.
- c) If the companies get the outcome from investment is funded with fund from loans bigger than the interest should be paid, so the return from owner equity will be enlarged, or leveraged.

From the explanation above, solvability or leverage is an important ratio to see the health of financial statements condition, if the solvability is higher means that higher the risk of the company could not fulfill their obligation or liabilities. So that, the higher proportion of debt needs much evidence and proven for auditor to make sure the level of fairness in debt. It was expected that the companies have high solvability will extend their audit delay. In this research, the researcher choose Debt to Asset Ratio as the ratio to measure the solvability. It is measured :

$$\text{Debt to Asset Ratio} = \frac{\text{Total Liabilities}}{\text{Total Asset}}$$

II.2 Theoretical Framework

II.2.1 Auditing

According to Boynton John, and Kell (2006) said that auditing is a systematic process to get and evaluate the evidence of assertions about activities and economy events to make sure the level of assertions suitability with the criteria is determined and communicate the result into stakeholders. Then based on Arens, Elder, and Beasley (2010) the collection and evaluation of evidence material about information that can be measured about condition of economy entity to measure and report the suitability of information with criteria that already determined. Auditing should be done by an independent

and competent person. Soekrisno (2008) defines that auditing is an examination with critical and systematic done by the independent part toward financial statements is arranged by management, it also examines the notes of bookkeeping and supported evidence, with purpose to give opinion about the fairness of that financial statements.

Based on the definition of auditing, that is expressed by expert people, the meaning of auditing is a systematic process of collection and evaluation of evidence about information of activities in entity economy is done by an independent and competent person to determine the level of suistability of assertion with criterias that already determined and communicate the result into stakeholders. Standar Profesi Akuntan Publik (SPAP) in March 31, 2011, Section 110.1 is explained in generally about the purpose of financial statements audit that is to state the opinion as the fairness of financial statements, in all things that materiality, the position of finance, company result, changes of equity, and cash flow suitability with Standard of Financial Accounting in Indonesia. In the same statements, Institut Akuntan Publik Indonesia (IAPI) also stated that auditor is responsible to planning and doing audit to get the sufficient confidence about whether the financial statements free from material misstatements, that it is error or fraud.

That's why, it is very important to audit financial statement, because of from financial statements all information that stakeholder need is presented. If the financial statements is not audit, the information that contains inside is not reliable. As knowing that the management is made the financial statement is not necessarily correct and free from error and material misstatements. So, it needs to audit the financial statements to make sure all the information is correct and presented fairly and fairness.

II.2.2 Auditing Standards

According to The Report of the Committee on Basic Auditing Concepts of American Accounting Association, the meaning of auditing is a systematic process of objectively obtaining and evaluating evidence assertions about economic actions and events to ascertain the degree of correspondence between those assertions and established criteria and communicating the results to interested users. The standards that is used for auditor is Generally Accepted Auditing Standards.

An independent auditor plans, conducts, and reports the results of an audit in accordance with generally accepted auditing standards. Auditing standards provide a measure of audit quality and the objectives to be achieved in an audit. Auditing procedures differ from auditing standards. Auditing procedures are acts that the auditor performs during the course of an audit to comply with auditing standards (GAAS).

The general, field work, and reporting standards (the 10 standards) approved and adopted by the membership of the AICPA, as amended by the AICPA Auditing Standards Board (ASB), are as follows:

1. General Standards

- a. The auditor must have adequate technical training and proficiency to perform the audit.
- b. The auditor must maintain independence in mental attitude in all matters relating to the audit.
- a. The auditor must exercise due professional care in the performance of
the audit and the preparation of the report.

2. Standards of Field Work

- a. The auditor must adequately plan the work and must properly supervise any assistants.

b. The auditor must obtain a sufficient understanding of the entity and its environment, including its internal control, to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures.

c. The auditor must obtain sufficient appropriate audit evidence by performing audit procedures to afford a reasonable basis for an opinion regarding the financial statements under audit.

3. Standards of Reporting

a. The auditor must state in the auditor's report whether the financial statements are presented in accordance with generally accepted accounting principles.

b. The auditor must identify in the auditor's report those circumstances in which such principles have not been consistently observed in the current period in relation to the preceding period.

c. When the auditor determines that informative disclosures are not reasonably adequate, the auditor must so state in the auditor's report.

d. The auditor must either express an opinion regarding the financial statements, taken as a whole, or state that an opinion cannot be expressed, in the auditor's report. When the auditor cannot express an overall opinion, the auditor should state the reasons therefor in the auditor's report.

In all cases where an auditor's name is associated with financial statements, the auditor should clearly indicate the character of the auditor's work, if any, and the degree of responsibility the auditor is taking, in the auditor's report.

But, in practice the implementation of audit that even according with the standards, the length of audit process is longer. Otherwise if the length is shorter the implementation of audit is incompatible with standards. Financial

statements should be released as soon as possible, because the information that contains in the financial statements will be useless if the release is delay. From that consideration, the auditors tend to ignore the standards in order to finish the audit of financial statements. But, in other side the relevance of information is important requirements, so that the information is can be usefull and accurate. Like or not, the auditors should follow the standards.

II.2.3 Financial Statements

Financial Statement is a responsibility report for Board of Director company made by the management. The management made the report as their responsibility and also the resume of company performance for current period. From financial statement, the manager and BOD can control the company because in financial statements consist of information that needed. Based on Kieso, Weygandt, Warfield on Intermediate Accounting Book Volume 1 explained that “*Financial Statements are the principal means through which a company communicates its financial information to those outside it*”. Then, the financial statement itself consist of some part. It is proven by Kieso, Weygandt, Warfield on Intermediate Book Volume 1, explained that “*Financial Statements most frequently provided are (1) the statement of financial position, (2) the income statement or statement of comprehensive income, (3) the statements of cash flows, and (4) the statement of changes in equity.*”

In general, it could be said that financial statement present financial information of a company or entity. The financial staments is made by management of company for internal and external user. Based on Kieso, Weygandt, Warfield (Intermediate Accounting Book Volume 1, page 7) said that general purpose of financial statement is “*provide financial reporting information to a wide variety of users*”.

Financial statement provides financial information that can be used for internal and external user, it means that the financial statements should be

relevant, completeness, neutrality, free from error, comparability, variability, timeliness, and understandability. It also explained in Overview of IASB's Conceptual Framework on Second Level about Qualitative Characteristics of Accounting Information :

b. Fundamental Quality

1. Relevance

Accounting information must be capable of making a difference in a decision. In relevant consist of two, there are predictive value and confirmatory value. Predictive value means that if it has value as an input to predictive process used by investors to form their own expectations about the future. Then, confirmatory value means that relevant information also helps users confirm or correct prior expectations.

2. Faithful Representation

- Completeness : means that all the information that is necessary for faithful representation is provided.
- Neutrality : means that a company cannot select information to favor one set of interested parties over another.
- Free from Error : An information item that is free from error will be a more accurate (faithful) representation of a financial item.

c. Enhancing Qualities

- Comparability : means that information that is measured and reported in a similar manner for different companies is considered comparable.
- Timeliness : means that having information available to decision-makers before it loses its capacity to influence decisions.

- Veriability : occurs when independent measures, using the same methods, obtain similar results.
- Timeliness : means having information available to decision-makers before it loses its capacity to influence decision.
- Understandability : decision-makers vary widely in the types of decision they make, how they make decision, the information they already possess or can obtain from other sources, and their ability to process the information.

From explanation above, we can see that the characteristic fulfilled as financial statements to be useful for decision-makers, internal, and external users. If the financial statement fulfill all the characteristic the financial statements is useful for decision-making purpose.

One of important characteristic is timeliness. *“Having relevant information sooner can enhance its capacity to influence decision, and lack of timeliness can rob information of its usefulness”* (Kieso, Weygandt, Warfield). It means that if the financial lack of timeliness the financial statements is useless because the information from financial statements would be much less usefulness for decision-making purpose. Weygandt, Kieso and Kimmel explained that *“financial information is relevant to users if it can influence or make a difference to their decision. For the information to be relevant it must be timely, i.e. it must be available before it loses its capacity to influence a user’s decisions”*. Means, if the financial statements is not reported on time, the relevance of financial information is decrease or useless.

II.2.4 Signalling Theory

Signaling theory is a theory that discuss about information reveals in a financial statements can be a signal to investors and other potential in decision-making economic. An announcement of some information contains can become a trigger for market reaction, and can be change the price of stocks or abnormal return. When the announcement has a positive impact of

stock, the stock price rises, so the announcement constitutes a positive signal. But if the announcements have a negative impact, the announcements constitute a negative signal. According to the theory, the announcement of financial report or audit reports is an essential information and may affect the decision-making process, Scott (2010).

The main benefit of this theory is the accuracy and timeliness of the presentation of financial statements to the public is the signal from the company that useful information for decision making for investors. The longer audit delay causes uncertainty share price movements (Wiwik, 2006). Investors can identify the length of the audit delay as bad news of company and considered it as a negative signal because company don't immediately publish their financial reports, which will resulting a decline in the stock price of the company.

II.2.5 Market Efficiency Theory

The concept of this theory stated that the availability information entered by the shareholders in decision-making so that the information reflected the price of capital transactions carried out. The prevailing price in the market contain some information factors. Market efficiency can be seen from the availability of financial and non financial information, and can be seen also from the sophistication of market participants in decision making. Scott (2010) suggests that market efficiency are reviewed from the angle of information called *informationally efficient market*, while the efficiency of the market which reviewed from the sophistication of market participants in decision making based on the information available is called *decisionally efficient market*.

The first key to measure the market efficiency is by analyzing the relation between security price with information. Scott (2010) presents three form market efficiency in information, there are :

a. Weak Form

If the price of security fully reflect the information in the past so the market is said efficient in the weak form.

b. Semi-strong Form

If the price of security fully reflect all publicly available information include the information existing in financial statements of corporate issuers, so the market is efficient in the semi-strong form.

c. Strong Form

If the price of security fully reflect all the information which are available including the information which is private, so the market is efficient strong form.

The benefit of this theory is to deliver the financial statements and audit report of a company as an information used by investors in decision-making. The value of delivering financial statements and audit report will reflect the price of transaction that is done by investors in market.

II.2.6 Decision Making and Its Relation to Audit Delay

Generally the meaning of decision making is the process of selecting logical choice from the available options. A person who takes the decision making is named as decision-makers. Decision-makers should think logically and choose an effective, and best decision. Decision-makers must be able to think the effect of the decision they selected, in positive and negative effect. Selected decision supposed to answer the question why decision-makers choose the decision and the usefulness of the decision. Decision-makers choose a decision to have a plan contains of goals should be achieved. The decision making should become the support component to achieve the goals.

Financial statements is one of the source for decision makers to make decision. It contains some information that is needed by decision-makers.

The purpose of financial statements is to give information for users and decision-makers.

The financial statements information become useful available and to external users (Almosa and Alabbas, 2008) if the financial statements is presented complete, accurate , and on time. According to Abdulla (1996) the delay in releasing financial statement likely to boost uncertainty associated with the decisions made based on the information contained in the financial statements. Usually the financial statements used by investor is financial audited statements audited by auditor.

In delivering the financial statements for external users, auditor becomes a guarantor of information that published by company. If there is factors which encourages auditor for doing audit more details and spesific, such as a high of audit risk in financial statements, it will make the term of audit process is much longer, so the published of financial statements is delayed.

II.3 Previous Research

Table 2.1 Previous Research

N	Title	Researcher	Variable Used	Result
1	Audit Delay of Listed Companies: A Case of Malaysia	Ayoib (2008)	Independent Variable : Audit Delay Dependent Variable : Financial company, total asset, number of subsidiaries, inventory and	Size, complexities, directors' shareholdings, the size of auditor, audit opinion and the profitability of the companies are the major determinants of audit delay. The same results were

			receivable, leverage, ROE, Client's Director's Shareholding, Public Accounting Firm Size, Date of financial statements, audit opinion, Auditor Experience	also found in non-banking and finance sector. However, only directors' shareholdings was found to be significantly associated with audit delay at a one-percent significant level while client complexities and audit opinion were significant at ten-percent level. Differences in regulatory framework were offered as one of the possible causes for the differences
2	<i>An Examination of Audit Delay: Further Evidence from New Zealand</i>	Carslaw and Kaplan (1991)	Dependent Variable : Audit Delay Independent Variable : Company Size, Industry Classification,	Extended research by adding two explanatory variables (owner controlled companies versus manager controlled companies, and

			Sign of Income, Extraordinary Item	gearing), which haven't considered in prior research. The explanatory variables used in the study, among other things include company size, industry classification, sign of income and extraordinary item. They studied 1987 and 1988 annual reports of New Zealand listed companies. Two of nine explanatory variables used were statistically significant which are corporate size (inversely related to audit delay) and existence of loss (directly related to audit delay).
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3	<p><i>Affecting Factors on The Timing of The Issuance of Annual Financial Reports “Empirical Study on The Jordanian Public Shareholding Companies”</i></p>	<p>Ziyad Mustafa (2013)</p>	<p>Dependent Variable : Timing of annual Financial Reports Independent Variable : Total assets, Earnings per share, ROE, ROA, Dividends per Share, Company’s Age, Cash Flow from Operating activities, financial leverage of the company</p>	<p>The results of multiple regression analysis shows a positive correlation statistically significant between the company size, company age, financial leverage and the timing of annual financial reports of companies. There is a negative correlation statistical significance between earnings per share and the timing of issuance of the annual financial reports companies. The result shows that Jordanian companies listed on the ASE delayed in reporting the annual financial period amounted to (111) days from the end of</p>
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				the fiscal year, and that the industrial companies need more time to issue public reports to become comparable with other sectors
4	<i>Adoption of FRS 138 and Audit Delay in Malaysia</i>	Ayoib Che-Ahmad (2011)	Dependent Variable : FRS 138 and Audit Delay Independent Variable : Company size, ROE, Profit Loss, Audit opinion, total subsidiaries, Fiscal year end, Public Accounting Firm Size, Type industries, Proportion of Independent Directors, CEO Duality, Independent Block Holders	The result fixed effects model support the hypothesis that there is a significant increase in audit delay after the FRS 138 adoption. The findings of this study provide further support concerning the allegation that the issue on intangible assets is never-ending. Hence, it can be concluded that the adoption of FRS 138 has significantly increased the length of time required to

				issue an audit report and, furthermore, this study provides evidence of the complexity of the new FRS 138 in Malaysia
5	<i>Main Factors Affecting The Timing Issuance of Financial Reporting in Egyptian Listed Companies</i>	Ezat and Al-Masry (2008)	Dependent Variable : Timing issuance of financial reporting Independent Variable : Size of company, Type of company, Liquidity, Ownership Structure, and The Size of The Managers	The result indicated a correlation statistically significant between the timing issuance of financial reports and between the size, type of company, liquidity, ownership structure, and the size of the managers. It also showed that companies in the service sector oversize possess a high level of liquidity and has high levels of disclosure and provide annual financial reports and publish them on the

				Internet compared with other companies
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II.4 Hypothesis

II.4.1 Company Size

Company size variable it is divided into big or small of the company, can see from the site of asset. A company considered to be big or small if we see from factors, such as total asset, total sales, or total of employees. To determine company size can using total asset, Hilmi and Ali (2008). In their research they determine the company size using total assets, which refers to the sum of current assets and fixed assets as well as investment and advances. Some research explained that company size influence audit delay because if the companies have high amount of assets it means that the companies have good operation and organizational structure, a big company usually has external pressure and good image in public. But, in practice big company with high assets have good operation and organizational, because total assets do not becoming an indicator for company to do audit delay nor because the good or bad operation and organizational. It is proven by previous research of Shukri and Nelson (2009) found they no effect of size of the company on the delay of the issuance of financial reports and auditors' reports. The previous research shows that the size of company do not give effect to delay the issuance of financial statements and audit reports. Company size is not becoming an indicator for a company doing audit delay. If it is not sure also that there is a relation between audit delay with total asset of companies.

From the explanation clearly above, we can summarize that in previous research the company size has negative effect to audit delay.

Ha1 : Company size has negative influence for audit delay

II.4.2 Profitability

Profitability is the ability of a company to bring in advantage or profit, Sumadji and Pratama (2006). The level of company profitability can be measured by profitability ratio. If the ratio is high the profit of a company will be high also. There are difference treatment for company having high profitability and low profitability. A companies have loss or low profitability will make bad effect from market, and will reduce the value of prformance that companies. The company will extend the time to publish and report their financial statements. Then, if company have high profitability means that it is a good news for market and they will publish and report their financial statements quickly.

Several researchers have used profitability or usually called sign of income as an explanatory variable for audit delay. It was proven by previous research Ismail and Chandler (2005) that the timing of the issuance of quarterly financial statements is affected by the profitability of companies to issued financial statements early so they do not fall under the responsibility to the shareholders. Profitability will have influence audit delay, because when profitability is high means that company will publish their financial statements quickly to get more shareholders. Then the other side, the companies reporting a loss for the period are expected to have a longer audit delay as compared to the ones reporting a profit. Thus, a positive association is expected between the audit delay and companies reporting a loss. Because there would be a delay in conveying the bad news to the public. Conversely, companies having higher profitability may require the audit to be completed as quickly as possible in order to quickly release the good news. They also argued that auditors are more cautious during the audit process in response to a company loss if the auditor believes that the company's loss increases the likelihood of financial failure or management fraud.

Ha2 : Profitability has positive influence for audit delay

II.4.3 Solvability

Leverage represents the extent of debt utilization in the company as compared to the total investment in assets. The high proportion of total debts exposes the company to the risk of default and, consequently, to the risk of bankruptcy. Al-Ajmi (2008), and Khasharmeh and Aljifri (2010) revealed a significant positive association between debt proportion ratio and audit timeliness.

One of the reasons is the fact that company with a high proportion of debt to total assets tends to be associated with financial distress and ultimately the greater likelihood of bankruptcy. They have argued that the relative proportion of debt to total assets may become indicator of the financial health of the company.

A high proportion of debt to total assets will increase a company's likelihood of failure and additional concerns that the financial statements may be less reliable than normal. This is because a high proportion of debt is normally associated with high risk. Batayneh (2006) of found that the debt ratio has a statistically significant correlation with the issuance annual financial report.

Then, auditor will have special treatment if the client have high solvability ratio, and will extend the audit time. This is because when company have high debt the auditors will make extra procedure and get more evidence to checking the total amount of debt, it will be a big question for auditor to know that their client have high debt. The auditor will make some test details and get more document as audit evidence to prove the balance of debt. Usually companies having debt is related with the companies having high risk, so the auditor will detect the risk to make sure that the financial statements of the clients reflect fairness. The procedure and evidence are used to give the opinion. The auditor thinking that financial statements with bigger

liabilities proportion less of reliability, is better than normal liabilities proportion (Kurniawan, 2011). Furthermore, a high proportion of debt may lead to liquidity or going concern problem, which requires more tentative audit.

Ha3 : Solvability has positive influence for audit delay

CHAPTER III

RESEARCH METHODOLOGY

III.1 Research Method

This chapter describes about the research methodology used by researcher. This research is applying a quantitative research. A quantitative research method is a method of research to examine the population or a particular sample using the secondary data. Quantitative research is used to quantify the problem by generating numerical data into useable statistics tools, such as Statistical Package for the Social Sciences (SPSS), Eviews and etc. The data is transformed into numbers. The quantitative research is the best measurement to prove and observe the fundamental connection between empirical observation and mathematical expression of quantitative correlations.

This study uses two variables as follows:

1. Independent variable

Independent variable is variable that explain or affect the function of other variable. In this research there are three independent variables that are: company size, profitability, and solvability.

2. Dependent variable

The dependent variable is the variable that is explained or influenced by other variables. In this research, the dependent variable is “*Audit Delay*”

This research will examine the effect of independent variable to dependent variable using multiple regression models.

III.2 Research Instrument

This research uses secondary data. Secondary data is information that is already in somewhere, whether journals, internet, idx, company's record, and other source. It can be obtained indirectly by researcher. Secondary data usually obtained from publications and documentary data. For this research the data is the financial statements of manufacturing companies. It can be obtained from the official website of Indonesia Stock Exchange, www.idx.co.id as well as a database of financial statements contained in ICMD (Indonesian Capital Market Directory). The data obtained is a combination of time series data and cross-section data. Time-series data is the data arranged chronologically according to the time on a particular variable and cross-section data is the data that is collected at a certain point. The mixture between two methods is called data pooled or combined models.

III.3 Operational Definition

Operational definition is an indicator of how the variables are measured. To simplify the analysis, each variable will be defined operationally.

III.3.1 Company Size (SIZE)

To determined the size of a company it can be obtained by calculating of total asset. Total asset is sum of current assets and fixed asset as well as investment and advances. Large companies have more resources to pay higher audit fees and able to settle the fees soon after the companies' year-end. Thus, it is likely that the audit-reporting for large companies is lesser than those of smaller ones. It means that the greater size company shorter the audit delay, the smaller one of company. If the size of company is big it means they have high total asset. To determined the company size:

Company Size : current asset + fixed asset

III.3.2 Profitability (PROFT)

Profitability is measured from net income of company divided by total asset. The company which have high profit, they intend to have short audit delay. Because they need a shorter time to finish the audit. Higher profit means a good news for company, so the company want to published it quickly. The profitability formula is :

$$\text{Profitability} : \frac{\text{net income}}{\text{total asset}} \times 100\%$$

III.3.3 Solvability (SOLV)

Solvability usually called leverage ratio. Leverage ratio measure the percentage of total assets provides by creditors. It means that, solvability is capability of company to paid the liabilities whether short-term liabilities and long-term liabilities. So, the indicators that is used for measuring solvability is debt to total assets. The debt to total assets ratio indicates the proportion of a company's assets that are being financed with debt, rather than equity. The ratio is used to determine the financial risk of a business. A ratio greater than 1 shows that a considerable proportion of assets are being funded with debt, while a low ratio indicates that the bulk of asset funding is coming from equity. The debt to total assets ratio also shows the financial health of company. A high proportion of debt to total assets will increase a company's likelihood of failure and may raise the auditor's mind an additional concern that the financial statements may be less reliable than normal. This is because a high proportion of debt is normally associated with high risk. To determined debt to total asset ratio :

$$\text{Debt to Asset Ratio} : \frac{\text{total liabilities}}{\text{total assets}}$$

- Total liabilities : current liabilities + long-term liabilities
- Total assets : current asset + fixed asset

III.4 Sampling Design

Sample means a representative of the population that has similar characteristics and can be considered. In this research, sample is taken by purposive sampling method, which is selected by applying some criterias. The sample is taken from Manufacturing companies listed in Indonesian Stock Exchange (IDX) for period 2010 – 2013. The criterias applied in this research are:

The elimination of sample based on accumulated predetermined criteria is as follows:

No.	Criteria	Total
1.	Shares of companies that still active in the IDX especially in Manufacturing listed from of 2010 – 2013	141
2.	Companies that listed and active in the Consumer Goods Sector 2010 – 2013	38
3.	Companies that active in Food and Beverage Industry	16
4.	Companies which presents the financial statements in full accordance with the ratio of variables to be studied.	13

Hence it is obtaining 13 samples companies in four years.

III.5 Data Analysis Method

Data analysis method applied in this research is a multiple regression analysis.

III.5.1 Descriptive Statistic Analysis

Descriptive statistics refers to the description of the average (mean), standard deviation, variance, maximum, minimum, sum, and range of the data (Imam Ghozali, 2013)

III.5.2 Classical Assumption Test

The researcher uses non-graphical or non-figure result of classical assumption tests to prevent misinterpretation result. The figure output may result highly subjectivity and bias in its interpretation. In this research, there are four classic assumptions being tested. Classical assumption test consist of:

III.5.2.1 Normality Test

The normality test is performed to test whether the regression model or residual confounding variable has a normal distribution, it is focused to see whether the independent variable and dependent variable normally in the regression model. A good regression model has data that is distributed normally or near normal. If the data has not distributed normally, then it has to get a treatment before continue to further research like transform the data using arithmetic function. The tools that used for calculating all the test in this research is IBM SPSS

As it is known that the t test and F test assumes that the value of residuals follow a normal distribution. There are two ways to detect whether the residuals are normally distributed or not that is the graph analysis and statistical tests (Ghozali, 2013). Normality will be checked through *Kolmogorov-Smirnov Test* (K-S test) by comparing the *Asymptotic Significance*. The criteria to determine whether data is normally distributed are as follows:

1. If *Asymptotic Significance (2-tailed)* \geq alpha (0.05), hence the data is normally distributed.
2. If *Asymptotic Significance (2-tailed)* $<$ alpha (0.05), hence the data is not normally distributed.

The normality also can be seen by looking at the Q-Q plot in the SPSS, the data must spread at the normal line or near normal line.

The advantage of identifying Q-Q plot, Outliers can be identified and counted by identifying the Q-Q plot.

III.5.2.2 Multicollinearity Test

The purpose of multicollinearity test is to examine if there is a correlation between independent variables in the regression model. A good regression model should be free of correlation between independent variables. In other word, the variables are orthogonal where the correlation value between them is equal to zero (Ghozali, 2013). In this research, the multicollinearity will be analyzed through the tolerance (TOL) value and variance inflation factor (VIF). When the tolerance value is more than 0.10 (>0.10) or VIF is less than 10 (<10), it can be concluded that there is no multicollinearity between the independent variables.

III.5.2.3 Heteroscdasticity Test

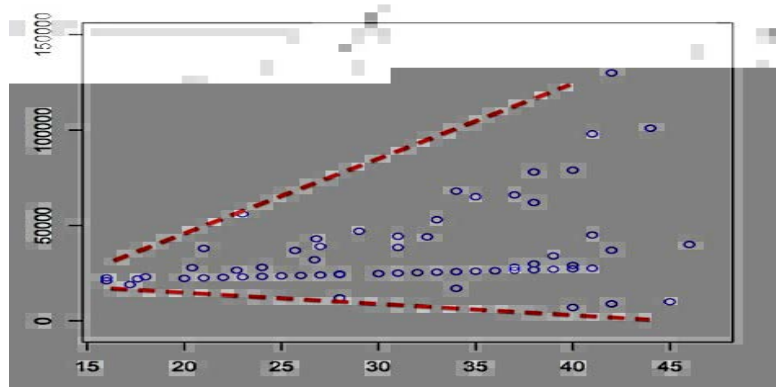
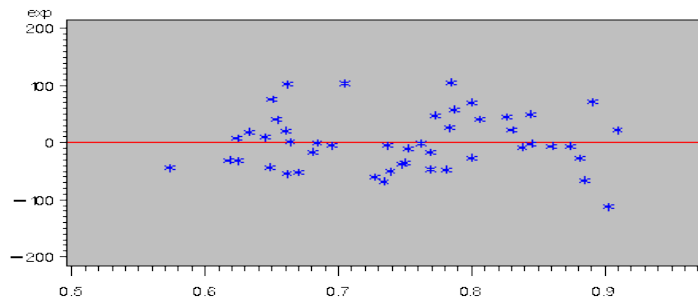
This test was conducted to test whether the regression model occurs heteroscdasticity, that is the occurrence of variants while is not the same for different independent variables (Ghozali, 2013). A good regression model is that if the variance of residuals of the observations to other observations are differ (heteroscdasticity). The heteroscdasticity is known from the presence whether there is a particular pattern on the chart Scatter Plot. In addition, using the graph scatterplots, heteroscdasticity test can also be performed using Gleyser Test. This research applies Gleyser Test, that is a method which is regress absolute residual value to independent variable. There are two parameter to determine whether the heteroscdasticity has exist with Gleyser Test.

1. If *Sig value* \geq alpha (0.05), hence there is no heteroscdasticity
2. If *Sig value* \leq alpha (0.05), hence there is heteroscdasticity

Heteroscedasticity test also can be performed by analyzing the scatterplot image of the regression model. If the distribution of data is in a cone-shaped, or like funnel, then it is more likely that heteroscedasticity is happened. Below is a diagram to know if there is heteroscedasticity data and not:

Heteroscedastic & Non-Heteroscedastic distribution

Non-heteroscedastic distribution



Heteroscedastic distribution

I can be seen from the picture above heteroscedastic data is spread at funnel-shape. It has narrow spread on the early phase, and then widen on the later phase. On the other side, the non-heteroscedastic data is spread at random model, it is not wide on one side and narrow on the other side.

III.5.2.4 Autocorrelation Test

Autocorrelation test is done to know whether the linear regression model in the development of a correlation lies, between the disturbances error in period t and the disturbances error in period $t-1$ (Ghozali, 2013). If there is a correlation there may be a problem of autocorrelation. Autocorrelation arises because sequential observations over time are related to each other. A good regression model is free from autocorrelation. The autocorrelation test was conducted using Breusch-Godfrey also called Lagrange Multiplier (LM) (Ghozali, 2013).

According to Breusch-Godfrey test, initially the value of the residuals of the regression model ($res\ 1$) on-the-lag resulting a new variable called $res\ 2$. Furthermore, the variable $res\ 2$ is used as a new independent variable which will regressed together, that is independent variables on the dependent variable in a new regression model. The dependent variable used in the new regression model is the residual value obtained from the initial regression model ($res\ 1$). There are two criteria to decide whether there is an autocorrelation:

1. If $Sig\ res\ 2 \geq \alpha (0.05)$, hence there is no autocorrelation
2. If $Sig\ res\ 2 \leq \alpha (0.05)$, hence there is autocorrelation

III.5.3 Significant Test

III.5.3.1 R-test

Correlation coefficient test was used to determine the relationship between two independent variable and dependent variables, whether it has perfect, strong, moderate, weak, or do not have a relationship (Ghozali, 2013).

The interpretation of the result of the test is if the correlation value is zero, it means no relationship at all. If the value of correlation close to 0, it means that the relationship between the variables is weak, and if the relationship is strong if R is close to 1 (Ghozali, 2013).

III.5.3.2 Coefficient of Determination (R^2) and Adjusted R^2 test

Coefficient of determination (R^2) measures the variance of the dependent variable about its mean which is explained by the independent (predictor) variables. The coefficient of determination is computed to see the proportion of dependent variable that is explained by the independent variable. The range of R^2 test result is from 0 to 1. If the value is near 0, the independent variable could not explain the dependent variable, or it has a weak power to explain the variation of dependent variable. While if the value is near to 1, it means that the independent variable can explain the dependent variable as well. The value of R squared can be found at the model summary of regression in the SPSS. The formula is:

$$R^2 = 1 - \frac{SS\ Error}{SS\ Total} = 1 - \frac{\sum(y_i - \hat{y}_i)^2}{\sum(y_i - \bar{y})^2}$$

Adjusted R^2 is modified measure of the coefficient of determination that takes into account the number of independent variables include in the regression equation and the sample size

III.5.3.3 F-test

F-test is used to determine whether the independent variables affecting the dependent variable simultaneously or not. Degree of confidence used is 5%. If the significant test is greater than 0.05, then the independent variables do not significantly affect the dependent variable at all. On the other hand, if the significant test is less than 0.05, then it can be concluded that at least one of the independent variables affect the dependent variable significantly.

The hypotheses for f-test are:

$$H_{0.4} : \beta_1 = \beta_2 = \beta_3 = 0$$

$$H_{a.4} : \beta_i \neq 0, \quad i=1,2,3$$

At least one of the $\beta \neq 0$

III.5.3.4 t-test

t-test is used to determine if the independent variables partially affecting the dependent variable significantly. t-test can be done by looking at the t-value and the result of each level of significant. Degree of confidence level used is 5%. The variable does not statistically have significant impact, if the significant test is greater than 0.05. Otherwise, if the significant test is less than 0.05, then the variable does affect the dependent variable significant.

The hypotheses for t-test are:

$$H_0 : \beta_i = 0, \quad i = 1,2,3$$

$$H_a : \beta_i \neq 0$$

III.5.3.5 Multiple Regression Model

Multiple regression model is used for this research to analyze the effect of independent variable to the dependent variable. The multiple regression model is :

$$\text{AUDELAY} = \beta_0 + \beta_1 \text{SIZE} + \beta_2 \text{PROFT} + \beta_3 \text{SOLV} + \varepsilon$$

Where :

AUDELAY = Audit Delay

SIZE = Size of company

PROFT = Profit of company

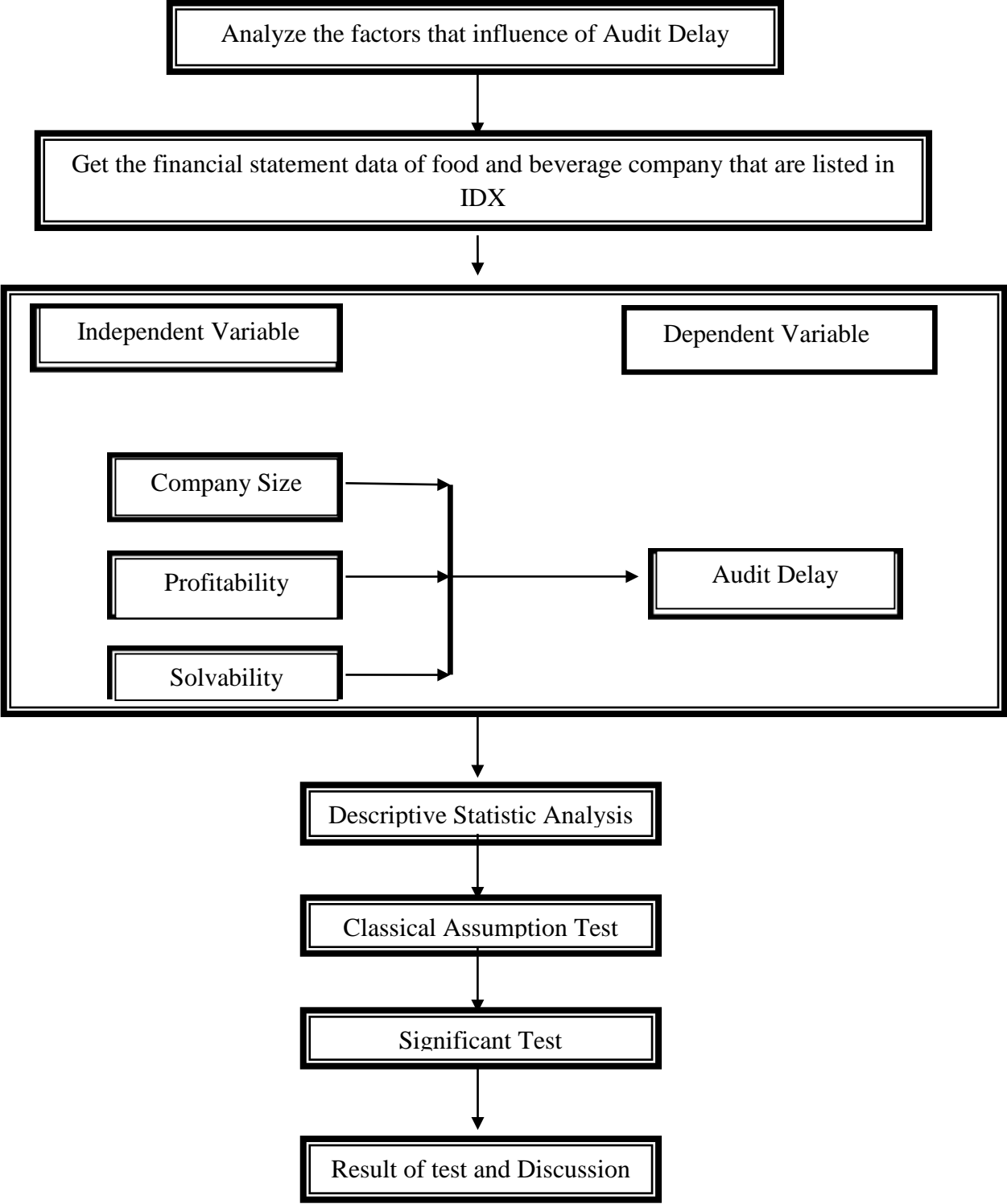
SOLV = Debt to total asset ratio of company

β_0 = Constanta

$\beta_1 - \beta_3$ = Regression coefficients

e = Error

III.6 Data Planning Process



CHAPTER IV

ANALYSIS OF DATA AND INTERPRETATION OF RESULT

IV.1 Research Objective

This research has purpose to prove the influence of independent variable toward dependent variable, the dependent variable is Audit Delay, the independent variable that is used for research are company size, profitability, and solvability. Because this research focused on the food and beverage manufacturing company, the sample that is used for treat the independent and dependent variable food and beverage company listed in Indonesia Stock Exchange. In general, food and beverage industry is the industry that a little bit affected regardless economic condition that had been changed recently happened in Indonesia. Although the condition of economic Indonesia in a high inflation or not the food and beverage company is not really affected significantly. It can be seen from the price of food and beverage that sold in the market. Even if the important material to produce the food and beverage is imported, the price is not increase or decrease significantly. Analyzing the condition, the researcher choose food and beverage industry as a sample of the research. The data is analyzed using SPSS software with result is explained in this chapter.

IV.2 Research Result

This section explains about the data analysis that revealed the influence of company size, profitability, and solvability toward audit delay on food and beverage industry that are listed on Indonesia Stock Exchange. Type of data that is used in this research is secondary data. Secondary data is the information gathered from other source that already prepared by other organization. In this study, the researcher obtains data from Indonesia Stock Exchange through its official website www.idx.co.id. Then, the researcher choose food and beverage industry as the

sample. The table below shows the list of food and beverage companies that are listed in Indonesia Stock Exchange :

Table 4.1 F&B Company Listed in IDX

No	Name of Company	Code of Company in IDX
1	Akasha Wira International, Tbk	ADES
2	Davomas Abadi, Tbk	DAVO
3	Delta Djakarta, Tbk	DLTA
4	Indofood CBP Sukses Makmur, Tbk	ICBP
5	Indofood Sukses Makmur, Tbk	INDF
6	Mayora Indah, Tbk	MYOR
7	Multi Bintang Indonesia, Tbk	MLBI
8	Nippon Indosari Corpindo, Tbk	ROTI
9	Prasidha Aneka Niaga, Tbk	PSDN
10	Sekar Bumi, Tbk	SKBM
11	Sekar Laut, Tbk	SKLT
12	Siantar Top, Tbk	STTP
13	Tiga Pilar Sejahtera Food, Tbk	AISA
14	Tri Banyan Tirta, Tbk	ALTO
15	Ultrawijaya Milk Industry & Trading.Co, Tbk	ULTJ
16	Wilmar Cahaya Industry, Tbk	CEKA

There are 16 companies of food and beverage that are listed in Indonesia Stock Exchange. In chapter III it has already explained the criteria to do the research,

from that criteria not all company become a sample for the test. After selecting a few companies, there are 13 companies that selected as the sample for doing research. Some companies are not selected as sample because the companies are not fulfill the criteria because of the companies are not presents the financial statements in full accordance with the ratio of variables to be studied and the companies did not have complete financial statements for period 2010-2013. Sample is some companies with four years observation from year 2010 – 2013. In this table below is the list of companies that are selected as the sample for research :

Table 4.2 Company's Sample

No	Name of Company	Code of Company in IDX
1	Akasha Wira International, Tbk	ADES
2	Delta Djakarta, Tbk	DLTA
3	Indofood CBP Sukses Makmur, Tbk	ICBP
4	Indofood Sukses Makmur, Tbk	INDF
5	Mayora Indah, Tbk	MYOR
6	Multi Bintang Indonesia, Tbk	MLBI
7	Nippon Indosari Corpindo, Tbk	ROTI
8	Prasidha Aneka Niaga, Tbk	PSDN
9	Sekar Laut, Tbk	SKLT
10	Siantar Top, Tbk	STTP
11	Tiga Pilar Sejahtera Food, Tbk	AISA
12	Ultrawijaya Milk Industry & Trading.Co, Tbk	ULTJ
13	Wilmar Cahaya Industry, Tbk	CEKA

IV.3 Analyze Data

IV.3.1 Descriptive Analyze

The result of data analyzis, data will be explained with descriptive statistic. The result of descriptive variable is presented as follows :

Table 4.3 Descriptive Statistic

Variable	N	Min	Max	Mean	SD
Company Size	52	316048,00	9709838250473,00	1039881058149,9230	2020828402202,71800
Profitability	52	0,02	0,66	0,1259	0,12078
Solvability	52	0,09	2,18	0,5179	0,39592
Audit Delay	52	36,00	118,00	74,5577	15,01034

Resource: Secondary Data be treated

That result of descriptive analyzis is explained as follows :

IV.3.1.1 Company Size

Based on descriptive test in the table above can be known that minimum value of company size in the amount of 315048.00; and maximum value 9709838250473.00. The result also shows that the magnitude of company size become sample in this research revolve 316048.00 until 9709838250473.00 with average 0.0749 and standard deviation 0.07012.

IV.3.1.2 Profitability

Based on descriptive test in the table above, it can be known that the minimum value of profitability in the amount 0.02; and maximum value 0.66. The result shows that the amount of profitability become sample in this

research revolve between 0.02 until 0.06 with average 0.1259 and standard deviation 0.12078.

IV.3.1.3 Solvability

Based on descriptive test in the table above it can be known that the minimum value of solvability in the amount 0.09; and maximum value 2.18. The result shows that the amount of solvability become sample in this research revolve between 0.09 until 2.18 with average 0.5179 and standard deviation 0.39592.

IV.3.1.4 Audit Delay

Based on descriptive test in the table above, it can be known that the minimum value audit delay in the amount 36.00 and maximum value 118.00. The result shown that the amount of audit delay of the sample in this research revolve between 36.00 until 118.00 with average 74.5577 and standard deviation 15.01034.

IV.3.2 Classic Assumption Test

This research intends to analyze the influence of company size, profitability, and solvability toward audit delay in food and beverage industry listed in Indonesia Stock Exchange for the periode 2010-2013. Before doing the regression, analyzis will use Classic Assumption Test. Classic assumption test is the main requirement in regression equation, so the hypothesis must be tested against 4 classic assumption as follows : (1) Normality test, (2) there is no multicollinearity in independent variable or usually called multicollinearity test, (3) there is no heteroscdascity or usually said heteroscdascity test, (4) there is no autocorellation (autocorrelation test). The result of classic assumption is presented as follows :

IV.3.2.1 Normality Test

Normality test intend to test whether in the regression model, intrudes or residual variables are normally distributed

or not. If this assumption is violated, the statistical becomes invalid or bias, especially for small samples. Normality test can be carried out by two approaches, graphic analysis, namely charts approach and statistical analysis.

In this research normality test is done using *Kolmogorov-Smirnov* techniques of analyzis, technically and for calculation is using SPSS 21 for windows. The result of normality test in this research is presented as follows :

Table 4.4 Normality Test Result

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		52
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	13,57261514
Most Extreme Differences	Absolute	,164
	Positive	,083
	Negative	-,164
Kolmogorov-Smirnov Z		1,182
Asymp. Sig. (2-tailed)		,122

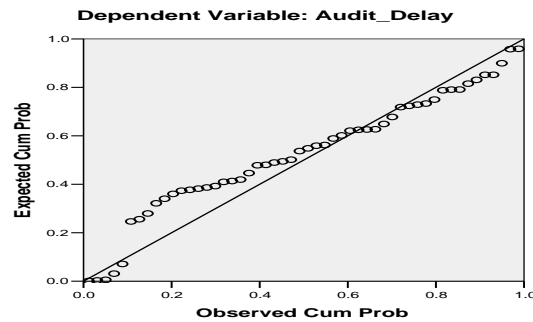
a. Test distribution is Normal.

b. Calculated from data.

The result of normality test shows that all variable of research have significant value more than 0.05 on (sig>0.05), so it can be conclude that the normality test has residual normal distribution.

The result of normality test also is completed with *p-p plot* graph that is presented below :

Normal P-P Plot of Regression Standardized Residual



Picture 4.1 Normality Graph

Normality graph shows the dots that represent the data spread around of line or diagonal axis and follow the direction of line or diagonal axis. From the phenomenon, it can be distribution concluded that the regression residual model already distribute in normal.

IV.3.2.2 Multicollinearity Test

Multicollinearity test is done by looking at the vaue of Variance Inflation Factor (VIF). VIF has function to measure how much the variance of the estimated coefficient is increased over the case of no correlation among the variables. Multicollinearity test can be seen from the value of Tolerance and the value of VIF. If the value of Tolerance > 0.10 or equal to the value of VIF < 10, it means there is no multicollinearity among the independent variables in the regression model this research. To test the multicollinearity, the researcher using VIF that there is in SPSS version 22.0. The result of multicollinearity test with software SPSS version 22.0 is shown in table below :

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	66,408	3,598		18,455	,000		
	Company_Size	,00000000000019	,000	,025	,189	,851	,969	1,032
	Profitability	46,675	18,049	,376	2,586	,013	,808	1,238
	Solvability	4,013	5,438	,106	,738	,464	,828	1,208

a. Dependent Variable: Audit_Delay

Table 4.5 Multicollinearity Test Result

In Table 4.5 above shows that all independent variable have a tolerance value above 0.1 and value of VIF under 10, so it can be concluded that the regression model in this research hasn't had multicollinearity.

IV.3.2.3 Heteroscdasticity Test

Heteroscdasticity test is done to test whether in the regression model there is an inequality variance from the residual one observation to another observation. If the varian from residual of one observation to another observation is constant, so it is called homoscdasticity and if the varian from residual one observation to another observation is different it means heteroscdasticity. In a good regression model, homoscdasticity or heteroscdasticity did not happen. Test is done by *Glejser* test, *Glejser* test is a regression of each of independent variable with *absolute residual* as dependent variable. As basic understanding, residual is the different between observation value with prediction value, and *absolute* value. Further more, to detect that there is heteroscdacity researcher uses the level of confidence 5%, if the confidence level is more than 5% it means that there is no indication of heteroscdasticity, then if the confidence level is less than 5% there is indication that heteroscdasticity had happen.

The result of test is obtained as follows :

Table 4.6 Heteroscdasticity Test Result

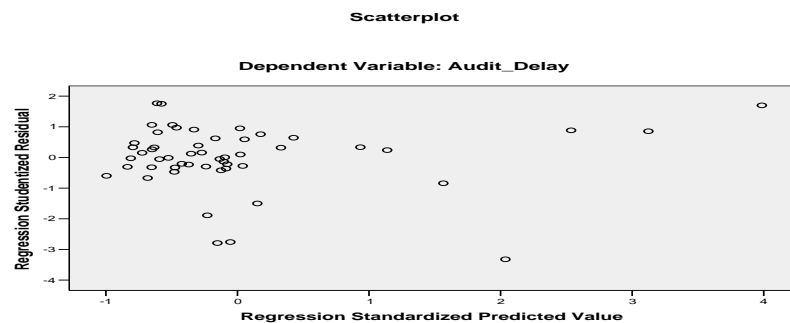
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,255	2,432		2,161	,036
	Company_Size	1,25E-012	,000	,259	1,884	,066
	Profitability	22,776	12,200	,281	1,867	,068
	Solvability	-,220	3,675	-,009	-,060	,952

a. Dependent Variable: ABS_RES

Based on *Glejser* test shows that there is no independent variable statistically significant influence the dependent variable *Absolute Residual Value* (ABS_RES). It can be detected by the probability of significancy above the confidence level 5%. So, it can be conclude that the regression model does not contain any heteroscdasticity.

The detection result about the regression model that is free from heteroscdasticity is presented in *scattergraph* in below :



Picture 4.2. Heteroscdasticity Graph

In the picture above, it shows that the dots spread in above and in below of 0, the dots are not gather in one place, so it can be concluded that the data is show free from heteroscdasticity assumption.

IV.3.2.4 Autocorrelation Test

Autocorrelation test intends to test the linear regression model in the development of a correlation between the disturbances error in period t with disturbances error in period $t-1$ (Ghozali, 2013). If there is a correlation there may be a problem of autocorrelation. Autocorrelation arises because sequential observations over time are related to each other. Good regression model is free from autocorrelation. The autocorrelation test was conducted using Bruesch-Godfrey also called Lagrange Multiplier (LM) (Ghozali, 2013).

According to Breusch-Godfrey the value of the residuals of the regression model (res 1) on-the-lag resulting in a new variable, that is the lag of the residual value (also called res 2). Furthermore, the variable res 2 is used as a new independent variable which will regressed together with other independent variables in a new regression model. The dependent variable used in the new regression model is the residual value obtained from the initial regression model (res 1). There are two criteria to decide whether in a regression model occurs autocorrelation

- 1 If $Sig\ res\ 2 \geq \alpha\ (0.05)$, hence there is no autocorrelation
- 2 If $Sig\ res\ 2 \leq \alpha\ (0.05)$, hence there is autocorrelation

Autocorrelation test result is presented in table below :

Table 4.7 Autocorrelation Test

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,054	3,695		,015	,988
	Company_Size	,000000000000014	,000	,002	,013	,989
	Profitability	-,375	18,486	-,003	-,020	,984
	Solvability	,188	5,566	,005	,034	,973
	RES2	,030	,152	,030	,196	,846

a. Dependent Variable: Unstandardized Residual

Based on the table above, it can be seen that the calculation result of Bruesch-Godfrey (also called Lagrange Multiplier LM) obtain significant value 0.846. The value is more than 0.05; which means that there is no autocorrelation.

IV.4 Hypothesis Testing

IV.4.1 Multiple Regressions Test

There are three independent variables the researcher use in this research. To explain the relationship between the dependent variable and those independent variables, the researcher using statistic analyze. Statistical analyzis used in this research is a multiple regressions. Santoso (2009) stated that if all the significant numbers are above 0.05, it means that all the variables have no effect on the dependent variable.

The multiple regressions result using SPSS 21.0 is as follows :

Table 4.8 Multiple Regression Test Result

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	66,408	3,598		18,455	,000
	Company_Size	,000000000000019	,000	,025	,189	,851
	Profitability	46,675	18,049	,376	2,586	,013
	Solvability	4,013	5,438	,106	,738	,464

a. Dependent Variable: Audit_Delay

Table 4.9 Summary of Multiple Regression Test Result

Variable	Regression Coefficients (B)	t _{calculate}	Sig.	Description
Company Size	0,000000000000019	0,189	0,851	Hypothesis Rejected
Profitability	46,675	2,586	0,013	Hypothesis Accepted
Solvability	4,013	0,738	0,464	Hypothesis Rejected
Constanta	66,408			

Resource: Secondary data be treated

From the data above , the form of linear multiple regression can be explained by the formula:

$$Y = 66,408 + 0,000000000000019X_1 + 46,675X_2 + 4,013X_3 + e$$

IV.4.1.1 t -Test (partially)

t Test is a test to show the individual influence of independent variables in the model towards dependent variables. It is intended to know how far the influence one independent variable explained by the variation of dependent variable. If the value of significant less than 0.05 ($sig < 0.05$), the independent variables partially have significant influence toward the dependent variable. The explanation of t test for each independent variables are as follows :

IV.4.1.1.1 Company Size

Statistic result in t test, company size variable obtained significant value of 0.851 more than error tolerance $\alpha = 0.05$. Therefore the value of significance is less than 0.05 and regressions coefficient positif valuable 0.000000000000019 it means that the hypothesis that state “Company size has negative influence for audit delay” is **rejected**. It means that company size have positif influence and not significant.

IV.4.1.1.2 Profitability

Statistic result in t test, profitability variable obtained significant value 0.013 less than error tolerance $\alpha = 0.05$. Therefore, the value of significance from profitability variable is less than 0.05 and regression coefficient have positif value 46.675. It means that the hypotheis that stated “Profitability has positive influence for audit delay” is **accepted**.

IV.4.1.1.3 Solvability

Statistic result in t test, solvability variable is obtained significant value 0.464 bigger than error tolerance $\alpha = 0.05$. Therefore the value of significance for solvability variable bigger than 0.05 and regression coefficient have positif value 4.013. It means that the hypothesis statements “Solvability has positive influence for audit delay” is **rejected**.

IV.4.1.2 F Test

F test (Fisher Test) is used to test the significance of regression model. The purpose of F test is to prove statistically that all regression coefficient used in this analysis is significant. If the F significance is less than 0.05 ($sig < 0.05$), so is the significant regression model in statistic. The result for F test is presented in below :

Table 4.10 Simultaneous Test Result (F Test)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2095,817	3	698,606	3,569	,021 ^a
	Residual	9395,010	48	195,729		
	Total	11490,827	51			

a. Predictors: (Constant), Solvability, Company_Size, Profitability

b. Dependent Variable: Audit_Delay

Table 4.11 Summary of F test

Variable	F calculation	Sig.	Conclusion
Company size, profitability, solvability	3,569	0,021	Significant

Resource: Secondary Data be treated

Based on the F test result, F value's calculation is 3.569 with significance 0.021. Evidently, the value of significance is less than 0.05 ($0.000 < 0.05$), it means that the model can be used to predict the influence of company size, profitability, and solvability toward audit delay on food and

beverage industry that are listed in Indonesia Stock Exchange.

IV.4.1.3 Determination Coefficient (Adjusted R²)

Determination coefficient is a tool that is used to measure the percentage influence of independent variable toward dependent variable. The magnitude of determination coefficient is revolve between 0 until 1, the more closer the number with 0, the more smaller the influence of all independent variable toward dependent variable. Then, if the magnitude of determination coefficient is closer 1, so the influence of independent variable toward dependent variable is bigger. The test result of determination coefficient for this research is presented in below :

Table 4.12 Test Result of Determination Coefficient (*Adjusted R²*)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,427 ^a	,182	,131	13,99033

a. Predictors: (Constant), Solvability, Company_Size, Profitability

The test result of *adjusted R²* in this research have value 0.131. It means that audit delay is influenced by company size, profitability, and solvability with value 13.1%, then the rest is 86.9% is influenced by the other factors that is not examined in this research.

IV.5 Interpretation Result

This research have purpose to analyze the influence of company size, profitability, and solvability toward audit delay on food and beverage industry that are listed in Indonesia Stock Exchange for period 2010 until 2013.

IV.5.1 The Influence of Company Size Toward Audit Delay on Food and Beverage Industry Listed in Indonesia Stock Exchange

The statistic result of t test for company size variable is obtained significant value 0.851 bigger than error tolerance $\alpha=0,05$. Because of the value of significance bigger than 0.05 and regression coefficient have positive value 0,00000000000019 it means that this research has not been able to prove the first hypothesis that state “ Company size has negative influence for audit delay”.

Based on OJK that explained on chapter II on page 7, to determine the company size from total assets of a company. The total assets is come from the sum of current assets and fixed assets. In previous study and research the researcher determine the company size using total of assets. According to (Hilmi and Ali, (2008:23) “ *Perusahaan besar akan cenderung lebih banyak disorot oleh masyarakat dibandingkan dengan perusahaan kecil*”, it means that if the larger company, the more attention from society they have, it is because a big company usually listen commonly and have trending news in society so if the company is bigger they will have special attention from society. Ismail and Chandler (2005) reviewed that the timing of the issuance of the quarterly financial statements is affected by the size and that large companies issued financial statements early.

Large companies are expected to receive high quality auditing services. Such auditing services are more likely to be time consuming because auditing large companies annual reports are more complicated. Thus they have been associated with agency costs. It is commonly that large companies have special attention so if there are issues in relation with large companies, it will make the company's image is fluctuating and also make the shareholder will think more and more to buy or invest in the companies.

So, from that large companies usually receive high quality auditing service, to minimize the auditing delay. Previous studies revealed mixed results; statistically

significant and insignificant relationship between audit report timeliness and company size (Owusu-Ansah and Leventis, 2006).

IV.5.2 The Influence of Profitability Toward Audit Delay on Food And Beverage Industry Listed In Indonesia Stock Exchange

Statistic t test result for profitability variable is obtained significancy value 0.013 smaller than error tolerance $\alpha=0,05$. Therefore the value of significancy from profitability variable is smaller than 0.05 and regression coefficient have positive value 46.675. It means that this research can prove the second hypothesis “Profitability is positive influence for audit delay”. Profitability have positive and significant influence toward audit delay as dependent variable.

Profitability shows the performance of company in the way to get profit. It means that, the profit of company can be seen from profitability. Profitability is one of the factors influence audit delay, because profitability could give effect of reporting and releasing audited financial statements. It happened because profitability determined the company to publish the financial statements as soon as possible or not. It depends on the level of profit or loss. If the company have high profit, the company will publish the financial statements quickly because it is a good news for company itself and investors, in otherside if the company is loss, published financial statements will be late because the company didn't want to publish the loss because loss is bad news.

Several researchers have used profitability or usually called sign of income as an explanatory variable for audit delay. It was proven by previous research Ismail and Chandler (2005) the timing of the issuance of the quarterly financial statements affect profitability. Company issued financial statements early so they do not fall under the responsibility of the shareholders. Means profitability have influenced audit delay. When profitability is high, company will publish quickly to get more shareholders. Then the other side, the companies reporting a loss for the period

expected to have a longer audit delay as compared to the ones which is reporting a profit.

Thus, a positive association is found between the audit delay and companies reporting a loss. So, there would be a delay in conveying the bad news to the public. Conversely, companies having higher profitability may require the audit to be completed as quickly as possible in order to quickly release the good news. They also argued that auditors are more cautious during the audit process in response to a company loss if the auditor believes that the company's loss increases the likelihood of financial failure or management fraud.

IV.5.3 The Influence of Solvability Toward Audit Delay on Food And Beverage Industry Listed In Indonesia Stock Exchange

Statistic t test result for solvability variable is obtained significancy value 0.464 bigger than error tolerance $\alpha=0,05$. Therefore, the value of significancy in solvability variable bigger than 0.05 and regression coefficient have positive value 4.013, it show that in this research has not been able to prove the third hypothesis is stated "Solvability has positive influence for audit delay".

Solvability usually called leverage ratio. Leverage ratio measure the percentage of total assets provides by creditors. It means that, solvability is capability of company to paid the liabilities, short-term liabilities and long-term liabilities. In previous research have argued that the relative proportion of debt to total assets may be indicative of the financial health of the company. A high proportion of debt to total assets will increase a company's likelihood of failure and may raise in the auditor's mind additional concerns that the financial statements may be less reliable than normal. This is because a high proportion of debt is normally associated with high risk. It may result from poor financial health that could lead to mismanagement and possibility of fraud.

IV.5.4 The Influence of Company Size, Profitability, And Solvability Toward Audit Delay on Food And Beverage Industry Listed In Indonesia Stock Exchange

Based on the F test the value results 3.569 with significancy 0.021, evidently that the significancy value smaller than 0.05 ($0.000 < 0.05$). It shows that model can be use to predict the influence of company size, profitability, and solvability toward audit delay for food and beverage company that are listed on Indonesia Stock Exchange. It means that the independent variable have influenced the audit delay. Food and beverage company that are listed in Indonesia Stock Exchange who did audit delay is influenced by company size, profitability, and solvability.

The result of *adjusted R²* test in this research is 0.131. It shows that the audit delay is influenced by company size, profitability, and solvability as big as 13.1%, the the rest as big as 86.9% is influenced by the other factors that are not rsearched in this research. In this research prove that company size, profitability, and solvability if together have influence toward audit delay although the value is not big, means that audit delay was happen because of company size, profitability, and solvability. It shows that company in food and beverage industry doing audit delay because of company size, profitability, and solvability. Company size, company size is seen from total asset, the size of company bigger the audit delay is minim because bigger company have good organization and system better than small company. Profitability, if the company have good profit the company will publish their financial statement to attract shareholder for invest in their company, then the opposite if the company loss, the company will delay to publish their financial statement. Solvability, in her if the solvability of comapny bigger it will make auditor more spesific to audit the financial statements of the company to get evidence, because the auditor should prove that the amount of solvability is right.

CHAPTER V

CONCLUSION AND RECOMMENDATION

V.1 Conclusion

In this research, the researcher try to analyze the influence of company size, profitability, and solvability toward audit delay. In Indonesia still many go public company doing audit delay, which makes the investor as user do not interest in investing their capital. This research choose food and beverage company as the sample. After doing the research procedure and test the data, the researcher get result that company size and solvability did not have influence toward audit delay, and profitability influenced a significantly toward audit delay.

Based on hypohthesis test, research objective, statement of problem, and discussion that already explained in previous chapter, so it can be conclude as follows:

1. The hypothesis that stated company size has negative influence toward audit delay is rejected, it is proven with coefficient regression value is positif 0.00000000000019 and value of significancy is 0.851.
2. The hypothesis that stated profitability has positive influence toward audit delay is accepted, it is proven with coefficient regression value have positif value 46.675 and value of significancy 0.013.
3. The hypothesis that stated solvability has positive influence toward audit delay is rejected, it is proven with coefficient regression value have positif value 4.013 and value of significancy 0.464
4. Simultaneously, company size, profitabillity, and solvability have influence toward audit delay in food and beverage industry that are listed in Indonesia Stock Exchange. It is proven with F test that have value 3.569 with

significancy value 0.021. The result test of adjusted R^2 in this research is obtained with value 0.131. It shows that audit delay is influenced by company size, profitability, and solvability is 13.1% then the rest is 86.9% is influenced by the others factors that is not researched in this research.

V.2 Recommendation

Based on result that already explained in above, can be given resommendation as follows :

1. For Stakeholder

Based on result in this research, profitability have influenced significantly audit delay. Means that profitability is one of important factors toward audit delay. Because of that, for stakeholders as the user of financial statements, should give attention for a company doing audit delay, profitability is one of factors which influence. Profitability also shows the performance of company, if the company good profitability ratio, means that the company have good performance and short of audit delay. So, the information contains in financial statements is very useful to make a decision.

2. For Next Researcher

For next research, it's better to add more sample for the research, not only focus on one industry or sector, it can be compare between one sector with other sector that listed in Indonesia Stock Exchange, such as, comparing between manufacturing and property, so that the comparative study of industry for audit delay between manufacture and property can improve the knowledge. Researcher can also add more period for research, get more detail data and also add more independent variable, to know more specific what factors influenced the audit delay outside of company size, profitability, and solvability. So, the result will be more useful and more spesific for improving information for decision makers.

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APPENDICES

NO	Code Company	Tahun	Company Size	Profitability	Solvability	Audit Delay
1	ADES	2010	324.493.000.000	0,098	0,692	68
2	AISA	2010	1.782.148.000.000	0,657	0,756	118
3	CEKA	2010	850.469.914.144	0,035	0,637	70
4	DLTA	2010	708.583.733	0,206	0,163	81
5	ICPB	2010	13.361.313.000.000	0,137	0,299	69
6	INDF	2010	47.275.955.000.000	0,083	0,474	69
7	MLBI	2010	3.590.309.000.000	0,022	0,185	60
8	MYOR	2010	4.399.191.135.535	0,114	0,536	76
9	PSDN	2010	414.611.350.180	0,062	0,533	67
10	ROTI	2010	568.265.341.826	0,176	0,199	55
11	SKLT	2010	199.375.442.469	0,024	0,407	65
12	STTP	2010	649.273.975.548	0,066	0,311	95
13	ULTJ	2010	2.006.595.762.260	0,053	0,352	82

14	ADES	2011	316.048.000.000	0,082	0,602	78
15	AISA	2011	1.137.082.000.000	0,390	1,546	102
16	CEKA	2011	823.360.918.368	0,117	0,508	71

17	DLTA	2011	696.166.676	0,218	0,177	86
18	ICPB	2011	15.222.857.000.000	0,136	0,296	74
19	INDF	2011	53.585.933.000.000	0,091	0,410	74
20	MLBI	2011	5.020.824.000.000	0,069	0,138	61
21	MYOR	2011	6.599.845.533.328	0,073	0,633	38
22	PSDN	2011	421.366.403.319	0,057	0,510	71
23	ROTI	2011	759.136.918.500	0,153	0,280	71
24	SKLT	2011	214.237.879.424	0,028	0,426	74
25	STTP	2011	934.765.927.864	0,046	0,476	95
26	ULTJ	2011	2.179.181.979.434	0,046	0,356	85
27	ADES	2012	1.936.950.000.000	0,077	0,093	66
28	AISA	2012	3.867.576.000.000	0,066	0,474	86

29	CEKA	2012	1.027.692.718.504	0,057	0,938	69
30	DLTA	2012	745.306.835	0,286	0,197	85
31	ICPB	2012	17.819.884.000.000	0,128	0,327	73
32	INDF	2012	59.389.405.000.000	0,080	0,425	69
33	MLBI	2012	1.152.048.000.000	0,393	0,714	44
34	MYOR	2012	8.302.506.241.903	0,090	0,630	86
35	PSDN	2012	682.611.125.989	0,038	0,400	72
36	ROTI	2012	1.204.944.681.223	0,124	0,447	36
37	SKLT	2012	294.746.467.756	0,027	0,408	69
38	STTP	2012	1.249.840.835.890	0,060	0,536	85
39	ULTJ	2012	2.420.793.382.029	0,146	0,307	83
40	ADES	2013	441.064.000.000	0,126	0,400	72
41	AISA	2013	1.220.813.000.000	0,416	2,182	104
42	CEKA	2013	1.069.627.299.747	0,061	0,506	65

43	DLTA	2013	867.040.802	0,312	0,220	85
44	ICPB	2013	21.267.470.000.000	0,105	0,376	75
45	INDF	2013	78.092.789.000.000	0,044	0,509	75
46	MLBI	2013	389.094.000.000	0,214	2,042	75
47	MYOR	2013	9.709.838.250.473	0,109	0,594	84
48	PSDN	2013	681.832.333.141	0,031	0,388	76
49	ROTI	2013	1.822.689.047.108	0,087	0,568	47
50	SKLT	2013	301.989.488.699	0,038	0,538	74
51	STTP	2013	1.470.059.394.892	0,078	0,528	85
52	ULTJ	2013	2.811.620.982.142	0,116	0,283	82

Descriptives Test

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Company_Size	52	31 6048,00	9709838250473,00	1039881058150,0	2020828402202,8
Profitability	52	,02	,66	,1259	,12078
Solvability	52	,09	2,18	,5179	,39592
Audit_Delay	52	36,00	118,00	74,5577	15,01034
Valid N (listwise)	52				

Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		52
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	13,57261514
Most Extreme Differences	Absolute	,164
	Positive	,083
	Negative	-,164
Kolmogorov-Smirnov Z		1,182
Asymp. Sig. (2-tailed)		,122

a. Test distribution is Normal.

b. Calculated from data.

Multicollinearity Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VF
1	(Constant)	66,408	3,598		18,455	,000		
	Company_Size	,00000000000019	,000	,025	,189	,851	,969	1,032
	Profitability	46,675	18,049	,376	2,586	,013	,808	1,238
	Solvability	4,013	5,438	,106	,738	,464	,828	1,208

a. Dependent Variable: Audit_Delay

Heteroscedasticity Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,255	2,432		2,161	,036
	Company_Size	1,25E-012	,000	,259	1,884	,066
	Profitability	22,776	12,200	,281	1,867	,068
	Solvability	-,220	3,675	-,009	-,060	,952

a. Dependent Variable: ABS_RES

Autocorrelation Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,054	3,695		,015	,988
	Company_Size	,000000000000014	,000	,002	,013	,989
	Profitability	-,375	18,486	-,003	-,020	,984
	Solvability	,188	5,566	,005	,034	,973
	RES2	,030	,152	,030	,196	,846

a. Dependent Variable: Unstandardized Residual

Multiple Regression Test Result

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	66,408	3,598		18,455	,000
	Company_Size	,000000000000019	,000	,025	,189	,851
	Profitability	46,675	18,049	,376	2,586	,013
	Solvability	4,013	5,438	,106	,738	,464

a. Dependent Variable: Audit_Delay

Simultaneous Test Result (F Test)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2095,817	3	698,606	3,569	,021 ^a
	Residual	9395,010	48	195,729		
	Total	11490,827	51			

a. Predictors: (Constant), Solvability, Company_Size, Profitability

b. Dependent Variable: Audit_Delay

Test Result of Determination Coefficient (*Adjusted R²*)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,427 ^a	,182	,131	13,99033

a. Predictors: (Constant), Solvability, Company_Size, Profitability

