



Analysis of the Influence of Financial Distress, Capital Structure, Complexity of Company Operations, Auditor Opinion and KAP's Reputation on Audit Delay

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ABSTRACT

The aim of this research is to analyze the influence of financial distress, capital structure, company operational difficulties, auditor opinion, and KAP reputation on audit delay simultaneously and partially. Sampling used purposive sampling by considering a population of 84 property & real estate sector companies listed on the Indonesia Stock Exchange in 2020-2022. 71 companies were selected for three years or 213 eligible data. This quantitative research uses multiple linear regression analysis techniques using IBM SPSS version 26 software. The findings of this research reveal that financial distress, capital structure and company operational complexity have a significant effect on audit delay. On the other hand, the auditor's opinion and KAP reputation do not show any influence on audit delay.

INTRODUCTION

Annually, the number of initial public offerings (IPOs) by firms is increasing, indicating the development of Indonesia's capital market. Companies that go public must of course release the findings of an independent auditor's audit of their financial reports. Because audited financials are the only source of information that can be trusted by stakeholders. According to the General Accepted Auditing Standard (GAAS), audits must be completed with precision and care, and collect adequate data. The aim is to ensure that financial reports are relevant to the decision-making process and have economic value. . Business sustainability is greatly influenced by the decision-making process, so widely recognized accounting regulations must be adhered to in preparing financial reports. A corporation can gain a competitive advantage and improve its public image by submitting financial reports on time. Timeliness is one of the accounting principles that reflects economic value and relevance (Hendi & Sitorus, 2023).

Financial reports provide a detailed picture of a company's financial condition, performance and results, helping users make informed financial decisions and ensuring the company's financial stability (Fahmi, 2017). According to Azami and Salehi (2017), financial reports can be trusted when an independent party expresses their professional opinion on the company's financial reports. Therefore, independent auditors were given responsibility and this caused the demand for competent and efficient financial report audits to increase as more and more companies went public. So timeliness is required which is an important qualitative quality in financial reports and means that the information used by investors and creditors must be accurate in making predictions and decisions (Cusyana & Apriliani, 2021).

Technological advances have significantly increased the efficiency and accuracy of audited financial reports for companies and independent auditors. These advances automate processes, reduce human error, and speed up processes. Apart from that, advanced technology can also help in analyzing data more accurately and quickly. However, technology cannot replace human interpretation of data, identification of fraud risks, and policy making in financial statement audits. Therefore, independent auditors still play an important role, and companies need to consider the causes of audit delays to avoid delays.

PJOK Number 29/POJK.04/2016 concerning Annual Reports of Issuers or Public Companies, Article 7 Chapter III regulates audit delays. Indonesian Stock Exchange Regulation No. I-H has published sanctions to ensure compliance with the deadline for submitting audited financial reports. OJK and IDX use these rules and sanctions to ensure issuers meet deadlines for submitting audited financial reports. However, because financial data is unavailable when needed, businesses who file their financial reports beyond the deadline run the danger of obtaining risk receiving negative publicity from external parties. The aim is to ensure that all interested parties are informed about the current state of the company. However, in reality, these regulations are not enough to instill company discipline in submitting audited financial reports.

Delays in financial statement audits have been found to be a contributing factor to global delays in financial report publication. Although audits are necessary to ensure the transparency and correctness of published financial reports, the resulting delays must be minimized. The occurrence of audit delays in Indonesia is not a new phenomenon, audit delays have a negative impact on company sustainability. Investor trust may decline as a result of audit delay. Investors frequently see financial report submission delays as a sign of the company's dire financial standing, giving rise to a bad reputation for the company.

Financial distress is used as an influencing factor because researchers believe that financial distress is a problem that can be experienced by both large and small companies. Capital structure is an influencing factor because it is an important decision that needs to be studied in depth because of its potential diverse impacts in the future. The complexity of company operations is a factor that influences audit delay because the more complex a company's operations, the longer the audit process will take. The next factor is audit opinion, where if the company's financial reports are good, the audit opinion will also be good, and vice versa. The final factor that can have an impact on audit delay is the KAP's reputation. Because different forms of KAP reputation affect audit quality scores, it is the auditor's obligation to maintain the good name and public trust in his KAP.

Researchers selected research subjects from companies in the property and real estate sector for the 2020-2022 period. The property & real estate sector is known for its operational complexity involving significant financial aspects, including asset acquisition, property valuation and complex capital structures. For 3 consecutive years, the property & real estate sector has been the sector with the most companies experiencing audit delays, with a total of 7 companies. This information was obtained from an announcement released by the Indonesian Stock Exchange (BEI).

Table 1. Cases of Audit Delay for Property and Real Estate Sector Companies 2020–2022

No.	Kode Saham	Nama Perusahaan
1.	ARMY	PT Armidian Karyatama Tbk.
2.	COWL	PT Cowell Development Tbk.
3.	ELTY	PT Bakrieland Development Tbk.
4.	FORZ	PT Forza Land Indonesia Tbk.
5.	LCGP	PT Eureka Prima Jakarta Tbk.
6.	MYRX	PT Hanson International Tbk.
7.	RIMO	PT Rimo International Lestari Tbk.

The property sector is very interesting for research because it may draw and stimulate activity in a variety of economic sectors, influence the expansion of the financial sector, and affect employment and economic growth, the property sector is a particularly fascinating area for research. Considering that the consequences of audit delays are quite burdensome for companies, this is a problem that needs to be addressed. The requirement to timely produce audited financial reports is getting more and more erratic. and time consuming due to

various factors that influence the audit process. It is therefore necessary to address delays caused by audits.

Based on the data above, it can be seen that there are still companies in the property & real estate sector that are experiencing delays in submitting audited financial reports during the 2020-2022 period. Considering that the consequences of audit delays are quite burdensome for companies, this is a problem that needs to be addressed. Based on this background, this research examines the influence of financial distress, capital structure, complexity of company operations, auditor opinion and KAP reputation on audit delay simultaneously and partially.

LITERATURE REVIEW

Agency Theory

According to Jensen and Meckling (1976) in (Melinda & Wijaya, 2021) "agency theory is a relationship or cooperative contract between one or more principals that involves another person, namely the agent." The interaction between agents and principals creates significant conflicts of interest and information asymmetry due to differences in interests. Therefore, principals need to carry out effective supervision through a form of control carried out through audits by independent parties.

Signalling Theory

Michael Spence (1973) first introduced signal theory. He explained that the sending party (management) provides information or signals that reflect the health of a business which benefits the receiving party (owner). Signal theory explains how financial reports provide clues to owners about management's success or failure. In the fields of economics and finance, signaling theory has emerged which assumes that company insiders generally have better and faster information than outsiders. Therefore, managers are obliged to provide information to owners about the state of the company.

Audit Delay

The time needed for auditors to complete audit work is called audit delay (Abernathy et al., 2017). This is calculated starting on the day the audit report is released and continuing through the end of the financial reporting period. The length of the publication period for company financial reports is the main cause of audit delays. Timeliness plays an important role in influencing the quality and significance of financial reports. Exam delays can be computed with the following formula: $\text{audit delay} = \text{audit report date} - \text{financial report date}$.

Financial Distress

Financial distress is a condition where a business begins to experience financial problems that have the potential to cause bankruptcy. This research uses the Grover model (G-Score) for measurement. To predict the financial condition of a company, this model uses 13 financial indicators as variables. A stepwise analysis was then conducted, which identified three influencing variables. So it can be formulated as follows (Indreswari & NR, 2023):

G-Score: $1,650 \text{ WCTA} + 3,404 \text{ EBITA} - 0.016 \text{ ROA} + 0.057$

Capital Structure

Capital structure is the financial structure of a company, especially the balance between long-term liabilities and equity (equity) which acts as a source of company financing. The purpose of the capital structure is to finance the company's operations. The Debt to Equity Ratio (DER) is used to calculate a company's capital structure by calculating the percentage of liabilities in the capital structure (Arniwita et al., 2021). So it can be formulated as follows: $DER = \frac{\text{Total Debt}}{\text{Total Equity}}$

Complexity of Company Operations

The complexity of managing a company lies in the number of subsidiaries. As the number of subsidiaries increases, the complexity of the company increases. In this variable, researchers refer to the research of Mustika & Jonnardi (2023), Christiane, et al (2022), and Karina & Julianto (2022) where the number of subsidiaries is a benchmark for the complexity of a company's operations.

Audit Opinion

The audit opinion evaluates the fairness of the annual financial accounts by taking into account all relevant factors. This is dependent upon the annual financial reports being accurately prepared in compliance with generally accepted accounting principles. In this variable, the measurement refers to previous research by Tanujaya & Nuriah (2023), Muhammad, et al (2023), and Ambia, et al (2022), namely adopting a dummy variable by assigning an unqualified opinion to code "1" and an opinion other than fair without exceptions are coded "0".

KAP reputation

Public accounting firms (KAP) operate in the field of attestation services which are audits of financial reports, reviews of prospective financial reports, reviews of financial reports. KAP reputation is a measure of the greatness of a KAP based on its success and public trust. separated into two groups: KAP that is part of the "Big Four" and "non-Big Four". The big four KAPs consist of PricewaterhouseCoopers, Deloitte Touche Tohmatsu, KPMG, and Ernst & Young. The measurement of KAP reputation adopts a dummy variable, and determines that big four KAPs are marked with code "1" and KAPs other than non-big four are marked with code "0".

H1: The influence of financial distress, capital structure, complexity of company operations, auditor opinion and KAP reputation on audit delay

Financial reports are informational signals that the business sends to individuals outside the organization. Financial distress is considered bad news where a company experiences financial difficulties. When financial difficulties occur, there tends to be a high level of audit risk. For this reason, auditors need to carry out a risk assessment before carrying out the audit process may lead to delays in conducting the audit process (Kristiana & Annisa, 2022). Then, if the Debt to Equity Ratio value is high, the auditor may need to carry out more extensive testing of the debt obligations. Meanwhile, if a company has a complex number of subsidiaries, this means that there are many operating units that must be examined for every transaction evidence and other supporting evidence, so

the auditor also needs a longer time to complete the audit. Negotiations between management and the auditor may therefore result in prolonged delays for organizations that do not receive unqualified opinion.. And a reputable KAP can provide better audit quality results and reduce audit delays. Therefore, the aforementioned factors may affect audit delay; this is consistent with study by Indreswari & NR, (2023), Ambia, et al (2022), and Yuliusman, et al (2020).

H2: The influence of financial distress on audit delay

Signal theory provides insight into how companies provide financial reports to their customers that contain both good and bad news. Financial distress is bad news when a company is hit by financial problems that could end in bankruptcy. This increases audit risk and negatively impacts the company's public opinion. The auditor is urged to gather strong proof that the financial statements are devoid of indicators of one of the submission materials if a company is having financial difficulties, hence it takes longer than it does for businesses that are not having financial issues. Therefore, it may be said that financial distress plays a significant part in audit delay. This is consistent with studies carried out by Christian, et al (2023) and Sumajow, et al (2022).

H3: The Influence of Capital Structure on Audit Delay

The capital structure in this study is calculated using the debt to equity ratio (DER). The more the risk associated with a corporation, the higher the DER value, the lower the company's solvency. The corporation is exposed to greater risk the higher its DER value, as it indicates a lower ability to pay down its debt. Auditors need to ensure that the debt obligations are recorded correctly and that the company has the ability to repay the debt. So auditors may need to conduct a more in-depth review of debt obligations to ensure accurate recording and solvency. This may increase the duration of the test. This allows the duration of the audit to be extended. Therefore, it may be said that capital structure plays a significant part in audit delay. This is consistent with studies carried out by Marius (2021) and Widyasari, et al (2021).

H4: The Influence of Complexity of Company Operations on Audit Delay

The complexity of a company operations, especially if it has many subsidiaries, can cause audit problems. According to Karina & Julianto (2022), the complexity of operations can cause managerial problems to arise because the many types and units of work cause companies to become more complex. Agency theory supports this premise, where the principle requires independent auditors to carry out the audit process of transactions and records in parent companies and subsidiaries in order to reduce information asymmetries that occur. So having a complex number of subsidiaries indicates that there are many operating units that must be examined for each transaction evidence and other supporting evidence, so that the auditor takes longer to complete the audit. Therefore, it may be said that complexity of company operations plays a significant part in audit delay. This is consistent with studies carried out by Ambia, et al (2022) and Sari & Sujana (2021).

H5: The Influence of Auditor Opinion on Audit Delay

Based on signal theory, an opinion audit functions to ensure that interested parties guarantee the financial information signals conveyed by the company, so an opinion audit is needed which can provide a good or bad opinion signal for users of the company's financial reports. It is an impartial assessment of the fairness of financial statements used to illuminate a company's performance and make defensible choices. It is anticipated that firms receiving qualified opinion may encounter extended audit delays due to the need for client discussions. Therefore, it may be said that auditor opinion plays a significant part in audit delay. This is consistent with studies carried out by Muhammad, et al (2023) and Lai, et al (2020).

H6: The Influence of KAP Reputation on Audit Delay

In line with signaling theory, to gain public trust and provide accurate financial information, independent auditors must carry out a skilled audit process. KAP services are used by the business world to ensure accurate and trustworthy financial reporting. Companies choose KAP carefully because of the significance of the auditor's role, which might impact the caliber of financial reports (Ala et al., 2022). Public accounting firms that have a good reputation are believed to have better efficiency in conducting audits and have higher accounting in conducting audits on time. Apart from that, they have more experience and employees than other KAP (Ambia et al., 2022). Therefore, it may be said that KAP reputation plays a significant part in audit delay. This is consistent with studies carried out by Christiane, et al (2022) and Ala, et al (2022).

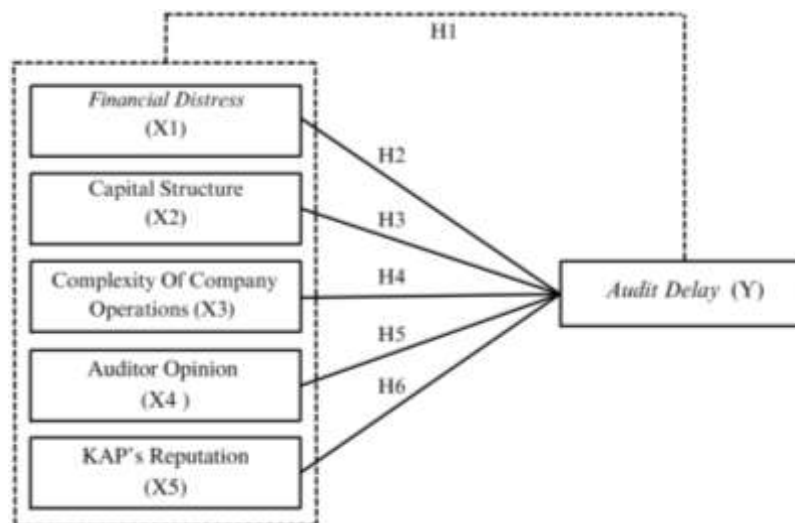


Figure 1. Conceptual Framework

METHODOLOGY

This study used quantitative research methodologies to analyze secondary data, specifically financial report data from real estate and property sector businesses listed on the Indonesia Stock Exchange (BEI) for the years 2020–2022.

Out of the 84 companies in the population, 71 enterprises satisfied the requirements through the use of a purposive sample approach. The following criteria were used to choose the study's sample:

1. Companies in the property and real estate sectors listed between 2020 and 2022 on the Indonesia Stock Exchange.
2. Companies in the property and real estate sectors that make available all the information pertaining to the study factors.

Data Analysis Technique

The data analysis method uses statistical analysis using IBM SPSS 26. Data that has been obtained and entered into data tabulation will be obtained using descriptive statistical tests, classical assumption tests, multiple linear regression analysis, and hypothesis testing. The resulting regression model looks like this:

$$AD = \alpha + \beta_1X1+ \beta_2X2+ \beta_3X3 + \beta_4X4+ \beta_5X5 + e$$

Information:

AD : Audit delay

α : Constant

$\beta_{1,2,3,4,5}$: Regression coefficients

X1: Financial distress

X2: Capital Structure

X3: Complexity of Company Operations

X4: Auditor Opinion

X5: KAP Reputation

e : Error

RESEARCH RESULT

Statistic Descriptive

Table.2 Statistic Descriptive

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Financial distress	213	-1,95	2,39	,4628	,54253
Capital Structure	213	-55,73	6,88	,2790	4,39115
Complexity of Company Operations	213	0	40	6,58	7,210
Auditor's Opinion	213	0	1	,97	,166
KAP's reputation	213	0	1	,13	,333
Audit Delay	213	41	306	107,97	39,106
Valid N (listwise)	213				

For enterprises in the property and real estate sector, the average audit delay is 107.97 or 108 days; the shortest audit delay is 41 days, and the largest is 306 days. The average G-score for companies in the property & real estate sector is 0.46, with the lowest G-score being -1.95 and the highest being 2.38. The average DER value for property & real estate sector companies is 0.279, with the lowest DER being -55.73 and the highest being 6.88. The average subsidiary entity in the property & real estate sector is 6.58 or 7 subsidiaries, with the lowest subsidiary being 0 and the highest being 40. Property & real estate sector companies with qualified opinions are 6 or 2.8%. Meanwhile, unqualified opinions amounted to 207 or 97.2%. Companies in the property and real estate sectors that employ big four KAP audit services number 27 or 12.7%, and non-big four KAP audit services number 186 or 87.3%.

Multiple Linear Regression Analysis

Table 3. Results of Multiple Linear Regression Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	130,162	21,394		6,084	,000
	Financial Distress	-12,892	3,584	-,282	-3,597	,000
	Capital Structure	-6,024	2,447	-,197	-2,461	,015
	Complexity of Company Operations	1,173	,412	,227	2,849	,005
	Auditor's Opinion	-25,110	21,635	-,087	-1,161	,248
	KAP's Reputation	-8,454	5,138	-,126	-1,645	,102

a. Dependent Variable: Audit delay

$$AD = 130.162 - 12,892 X1 - 6,024 X2 + 1,173 X3 - 25,11 X4 - 8,454 X5 + e$$

Based on the results of multiple linear regression analysis, the pattern of the influence of financial distress, capital structure, company operating complexity, auditor opinion, and KAP reputation on audit delay can be described as follows:

The significant value for financial distress (X1) was found to be 0.000, which is less than 0.05 (0.000 < 0.05). The financial distress variable's regression coefficient value is -12.892, which indicates that an increase of one unit in financial distress will result in a -12.892 unit decrease in audit delay while all other factors remain constant. As a result, **H2 is accepted**, and it can be concluded that financial difficulty has a negative and significant influence on audit delay. The significant value of Capital Structure (X2) was found to be 0.015, which is less than 0.05 (0.015 < 0.05). The capital structure variable's regression coefficient value is -6.024, meaning that an increase of one unit in the capital structure will result in a -6.024 unit decrease in audit delay when all other variables are held constant. As a result, **H3 is accepted**, and it can be concluded that capital structure has a negative and significant influence on audit delay.

In terms of significance, Company Operations Complexity (X3) was found to be 0.034, which is less than 0.05 ($0.005 < 0.05$). The operating complexity variable of the firm has a regression coefficient value of 1.173, which indicates that an increase of one unit in operating complexity would result in a 1.173 unit increase in audit delay, holding other factors constant. As a result, **H4 is accepted**, and it can be concluded that the complexity of the business's operations has a positive and significant influence on audit delay.

A significant value of 0.248 larger than 0.05 ($0.248 > 0.05$) was obtained for the Auditor Opinion (X4). The auditor opinion variable's regression coefficient value is -25.11, which indicates that an increase of one unit in the auditor's opinion, with all other variables held constant, would result in a -25.11 unit decrease in the audit delay. It may be concluded that there is no significant influence between auditor opinion on audit delay since **H5 is rejected**. A significant value of 0.102 over 0.05 ($0.102 > 0.05$) was obtained for KAP reputation (X5). The KAP reputation variable's regression coefficient value is -8.454, which indicates that an increase of one unit in KAP reputation will result in a -8.454 unit decrease in audit latency while all other factors remain constant. As a result, **H6 is rejected**, indicating that KAP reputation has no significant influence on audit delay.

KAP reputation (X5) obtained a significant value of 0.102 greater than 0.05 ($0.102 > 0.05$). The regression coefficient value of the KAP reputation variable is -8.454, meaning that if the reputation of KAP increases by 1 unit, while other variables are considered constant, it will cause the audit delay to decrease by -8.454 units. Thus, **H6 is rejected**, so it can be said that there is no significant influence between KAP reputation on audit delay.

Hypothesis testing Test Simultaneous

Table 4. F Test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11438,779	5	2287,756	5,029	,000 ^b
	Residual	70964,159	156	454,898		
	Total	82402,938	161			
a. Dependent Variable: Audit delay						
b. Predictors: (Constant), KAP's reputation, Auditor's Opinion, Capital Structure, Financial Distress, Complexity of Company Operations						

The results of the analysis of variance, or Anova test, indicate that the F-count value is 5.029 while the F-table value is 2.272. Hence, it is evident that the F-count exceeds the F table ($5.029 > 2.272$) and the significant value is less than α ($0.000 < 0.050$). These findings lead to the conclusion that audit delay is concurrently impacted by financial distress, capital structure, operating complexity of the company, auditor opinion, and KAP reputation—in other words, **H1 is accepted**.

DISCUSSION

H1: The influence of financial distress, capital structure, complexity of company operations, auditor opinion and KAP reputation on audit delay

Financial distress, capital structure, complexity of company operations, auditor opinion, and KAP reputation have a simultaneous influence on audit delay for various factual reasons related to the audit process and the state of property & real estate sector companies. First, a firm in financial trouble is one that is experiencing significant financial challenges, which might have an impact on how smoothly the audit process goes. Second, because the firm must conduct a more thorough examination of its debt commitments, its capital structure may have an impact on the length of the audit. Third, the complexity of the company's operations can also affect audit delay. Companies that have more complex operations take longer to complete the audit. Fourth, the auditor's opinion can affect audit delay because before issuing an opinion, the auditor needs to go through a process that is in accordance with applicable standards. And finally, the reputation of KAP which may have an impact on audit delay because KAP with a high reputation has auditors who work effectively and efficiently. The findings of this study are consistent with research carried by Indreswari & NR (2023), Ambia, et al (2022), and Yuliusman, et al (2020).

H2: The influence of financial distress on audit delay

The results of this research are in line with studies done by Christian, et al (2023), Karina & Julianto (2022), and Kristiana & Annisa (2022), The G-score's indicator of financial difficulty has a negative influence on audit delay. A high G-score shows that a corporation is not facing financial distress, In contrast, a lower G-score suggests that a company is in financial distress, resulting in extended audit delays. Companies that face financial distress tend to publish their financial reports not on time because financial difficulties are interpreted as bad news by investors due to doubts about the continuity of their business. Aside from that, the lengthy audit procedure for businesses going through financial hardship is a result of auditors being very cautious during this process. since financial difficulties-ridden businesses typically carry a significant audit risk, particularly in terms of control and detection risk. Because of this risk, auditors need to prepare for the audit carefully by conducting a risk assessment before starting audit procedures. This procedure can lengthen the audit process thereby affecting the company in providing annual financial reports on time. Nevertheless, the findings of this study are at odds with the findings by Alba, et al (2023) and Faradista & Stiawan (2022) which asserts that an audit's delay is unaffected by financial distress.

H3: The Influence of Capital Structure on Audit Delay

The results of this research are in line with studies done by Mustika & Jonnardi which demonstrated that capital structure significantly impacted negative on audit delay. The capital structure measured using the DER ratio shows that the greater the company's DER skor, the more often the company uses external capital. So that creditor supervision of the company becomes more intensive. Therefore, creditors will put greater pressure on companies to immediately provide audited financial reports to convince them that the company remains creditworthy and also complies with all existing requirements. As a result, management tends to encourage auditors to start and carry out audits more quickly, so that generally audit delays become shorter. Nevertheless, the findings of this study are at odds with the findings by Marius (2021) which states that capital structure has a significant positive effect on audit delay.

H4: The Influence of Complexity of Company Operations on Audit Delay

The results of this research are in line with studies done by Mustika & Jonnardi (2023), Ambia, et al (2022), and Sari & Sujana (2021) which indicates that a company's operational complexity has a positive and significant effect. This is because companies that have high operational complexity, such as having many subsidiaries, tend to cause managerial problems. Auditors also need to spend more time to gain a thorough understanding of the various operational and financial aspects of these complex companies. Naturally, this affects how long the auditor has to complete his audit work. In addition, the auditor must comply with the provisions of Auditing Standards (SA) where the auditor must determine the scope and extent of the audit process design required to collect sufficient and appropriate audit evidence. The more complex a company's operations, the wider the scope of the auditor's examination. This will extend the audit process time. Nevertheless, the findings of this study are at odds with the findings by Muhammad, et al (2023), Christiane, et al (2022), Karina & Julianto (2022) which asserts that an audit's delay is unaffected by company's operational complexity.

H5: The Influence of Auditor's Opinion on Audit Delay

The results of this research are in line with studies done by Nabil, et al (2023), Alba, et al (2023), and Rahardi, et al (2021) which stated that auditor opinion does not have a significant effect on audit delay. Since the audit opinion is dependent on the information in the financial report, so the opinion on the audited financial report cannot be considered as a determining factor that influences the audit delay and the auditor will carry out his work professionally so that any type of opinion expressed will not affect the length of time for completing the audit. Nevertheless, the findings of this study are at odds with the findings by Tanujaya & Nuriah (2023), Muhammad, et al (2023), Ambia, et al (2022), and Yuliusman, et al (2020) which demonstrates that the auditor opinion significantly affects the audit delay.

H6: The Influence of KAP Reputation on Audit Delay

The results of this research are in line with studies done by Alba, et al (2023) and Ambia, et al (2022) which stated that KAP reputation has no effect on audit delay. Because the Public Accountant Professional Standards are adhered to, the big four and non-big four KAPs refer to the same standards, namely, Public Accountant Professional Standards (SPAP) in completing their audit work and they have a structured audit program and try to show a high level of professionalism. This finding may also indicate that the KAP's reputation may not be the main factor considered by auditors in determining the length of audit delay. This is due to the fact that the company's yearly financial report is used to calculate the effects of audit delays. Nevertheless, the findings of this study are at odds with the findings by Christiane, et al (2022) and Ala, et al (2022) which revealed that KAP reputation has a significant effect on audit delay.

CONCLUSIONS AND RECOMMENDATIONS

Considering the research's findings, the conclusions that can be drawn are: first, financial distress, capital structure, complexity of company operations, auditor opinion, and KAP reputation simultaneously have a significant effect on audit delay in property and real estate sector companies listed on the Indonesian Stock Exchange for the period 2020-2022. Second, during the 2020-2022 timeframe financial distress and capital structure have a significant negative effect on audit delays in property & real estate sector companies. Third, the complexity of company operations has a significant effect on audit delays in property & real estate sector companies listed on the Indonesian Stock Exchange for the 2020-2022 period. Fourth, the auditor's opinion and KAP reputation do not have a significant effect on audit delay in property & real estate sector companies listed on the Indonesian Stock Exchange for the 2020-2022 period.

ADVANCED RESEARCH

This research has the limitation of only being carried out on property & real estate sector companies. For future researchers, they can use samples from different company sectors apart from the property & real estate sector so that the resulting samples will be more varied. It is recommended to use other independent variables, such as the independent variable auditor switching, audit tenure, and others that are related to the dependent variable, namely audit delay.

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