Analysis Effect of Profitability Ratio, Leverage Ratio, Audit Committee and Public Accounting Firm Size on Audit Delay

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Abstract
The primary purpose of this research is to analyze profitability ratio, leverage ratio, audit committees, and public accounting firm size against Audit Delay. The multiple linear regression is the most common form of linear regression analysis is used to explain the relationship between the effect of independent variables (profitability ratio, leverage ratio, audit committee, and public accounting firm size) and dependent (audit delay). The data samples were obtained from the LQ-45 Index of Corporations which are listed on the Indonesia Stock Exchange (BEI). The data consists of three years, from 2015 to 2017. After completing the analysis study, it shows that only audit committees have a significant influence on Audit Delay, while profitability ratio, leverage ratio, and public accounting firm size do not affect such.

Keywords: Audit Delay, Profitability, Leverage, Audit Committee, Public Accounting Firm Size

JEL Classification: M41, G34
INTRODUCTION

Audit Delay is the length of time the audit to be completed, measured from the closing date of the financial year until the date when the financial audit completed (Yulianti, 2011). Constraints in the timeliness of submitting financial reports often occur; for example, the auditor has difficulty evaluating audit results. According to the Statement of Financial Accounting Standards No. 1 paragraph 38 (2007: 1.7), it is stated that the benefits of a financial statement will be reduced if the report is not available on time. A company should issue its financial statements at the latest four months after the balance sheet date. Factors such as the complexity of the company’s operations are not enough to justify the inability of companies to provide timely financial reports. The timing of issuing financial statements is important in increasing the benefits of information contained in financial statements, but the audit process strongly influences the timeliness before these financial statements are published so that users get adequate confidence in the information they receive. It gives rise to a term called audit delay.

In Indonesia, the phenomenon of companies that get penalty due to delay in submitting financial statement reporting occurs every year. In 2015, The Financial Services Authority admitted to receiving a delay an audited financial statement of 52 companies for their audit report as of December 2014, from the total listed companies at Indonesia Stock Exchange for shares and bond. In 2015, OJK imposed 841 administrative sanctions to capital market sector players in various forms. One hundred forty-six sanctions by warning letters (139 sanctions due to late submission of financial statement, while remaining seven due to violations related to capital market cases as well as their obligation to provide financial statement). Six hundred eighty-five sanctions cause to fines payment due to the late submission of the periodic report to OJK and incidental report with a total fine IDR 11.5 billion), two sanctions OJK revoked their license and 8 (eight) other sanction on the license suspension. In 2016 the Indonesia Stock Exchange (IDX) gave a fine by temporarily suspending the trading of 18 listed companies because it had not submitted an audit report for the 31 December 2015 period, in addition, the companies had to pay fine of IDR 150 million as they have delayed submitting financial statements. In 2017 the Indonesia Stock Exchange (IDX) suspended trading of 10 companies (share issuers) related to arrears in the obligation to submit audited financial statements as of 31 December 2017. Based on stock exchange monitoring, up to June 29, 2018,
there were ten listed companies which both had not submitted audited financial statements as of December 31, 2017, and not paid the fine for the late submission of such financial statements.

Agency theory explains the existence of principal and agent relations, so the main focus of this theory is to determine the most efficient contract between principal and agent. The authority and responsibility of both agents and principals are regulated clearly into the agreement. Agency conflicts between principals and agents can influence the decision making on dividend policy and funding decisions. The agency has more and more private information that can be used for personal gain while the principal who has greater strength and power than the agent can make decisions that create a conflict of interests with the managers. The agency conflict in the company, of course, impacting the company in achieving its goal of maximizing the value of the company. However, in many cases, the principal does not have the expertise and skills to run the company; for such, they often face asymmetry information, agents have more information about the company compare to the principal. Therefore, the principal assigns the auditor they can rely on so that the auditor can provide the principal with independent information.

Considerable studies have discussed audit delay, and from the previous study, the result is inconsistent. Research by Yulianti (2011) regarding the factors that influence audit delay in manufacturing companies shows that solvency, profitability, auditor opinion do not significantly influence audit delay. The size of the company and the reputation of the public accounting firm have significantly influenced the audit delay. Saputri (2012) shows different results from previous studies of 4 tested variables namely company size, type of auditor opinion, public accounting firm reputation, type of industry, and the complexity of the company's operations indicating that only company size influences the audit. Karimah (2015) researching the manufacturing invoice companies are profitability, solvability, internal auditors, auditor opinion, public accounting firm size, public share ownership significantly influence audit delay while company size does not have a significant effect on audit delay. The same results were also proven through research conducted by Saemargani (2015). Company Solvability, public accounting firm size, and Auditor Opinion did not influence Audit Delay reporting while the longer of its operation of the company and its profitability influence audit delay.
LITERATURE REVIEW

Agency Theory is a theory that studies the relationship between agent and principal. In this case, the management of the company is considered as an agent while the shareholders are as a principal. Jensen and Meckling (1976) suggest that agency theory is a management interest and the interests of shareholders that are often conflicting, which can lead to conflict. This conflict can occur because managers tend to prioritize their interests rather than the interests of shareholders. Conflicts between managers and shareholders can be reduced by the presence of oversight mechanisms for their respective interests. However, the existence of this mechanism will cause agency costs. The existence of dividend distribution will provide additional returns to shareholders in addition to capital gains. Dividends also provide certainty of income to shareholders and reduce the agency cost of equity. According to agency theory, the interests of managers as company managers are sometimes different from those of shareholders (Gueyie, 2001 in Kumar, 2007). Managers can take actions that are considered to improve their well-being; it is in contrast to the goals of companies, which is to maximize profit and market value. This conflict of interest causes the need for a mechanism to be implemented in the company to protect the interests of shareholders (Meckling, 1976).

Agency conflict in the company can influence the course of the company in achieving its goal of maximizing company value. However, in many cases, principals do not have expertise and examination skills but are faced with information asymmetry; principals rely on the expertise of auditors. However, the assignment of expert auditors to produce further relationships has an impact on trust and creates new issues related to their independence.

Audit delay is the length of time the audit completion, which measured from the closing date of the financial year to the issuance of the audit report, revealed in the study of Subekti (2005). According to Erdiana (2014) and Lestari (2010), the time difference that is often called an audit delay is the difference between the date of the financial report and the date of the audit opinion in the financial statements which indicates the length of time the auditor completed the audit. This time difference in auditing is often called audit delay. Then the longer the audit delay, the longer the auditor completing his audit work. The duration or failure of audit completion can be seen from the contents of the audited financial statements themselves, whether there are deviations, limitations, or fraud.
in the presentation of financial statements. The auditor has specific responsibility for an event that has a material effect on the financial statements and occurs after the balance sheet date but before the issuance of financial statements and auditor reports. Generally published audit reports reflect the performance of the audited company. Usually, once a year, in the GMS, shareholders will hold the management of the company accountable in the form of financial statements. With the existence of an audit report, external parties (outside the company) can assess the accountability of the financial statements. Audit Delay is mainly used by various parties to determine decisions.

Profitability is simply the company's ability to generate profit, and a profit is what is left over from income earned after deducted all costs and expenses related to earning the income. According to Hanafi and Halim (1996) in Luthfiany (2015), profitability is a measure of a company's ability to generate profits during a certain period. The company's profitability is usually seen from an income statement that shows a report on the results of the company's performance. Profitability is a performance indicator carried out by management in managing the company's wealth as indicated by the profits generated. The profits generated by the company come from sales and investments made by the company.

Leverage level is a measure of a company's ability to meet financial obligations, both short-term and long-term financial obligations. Measuring the level of leverage in this study uses the debt to total asset ratio (Sartono, 2001: 120) in Ketut and Made (2014). Leverage describes the ratio of debt to total assets, which see the ability of a company to pay all its debt (both short-term debt and long-term debt) of the company's assets. This leverage ratio indicates the soundness of the company. The high proportion of leverage ratio will increase the failure of the company so that the auditor will increase the attention that there is a possibility that financial statements are less reliable.

The Audit Committee is a group of people who are chosen by a larger group to do certain work or to carry out special tasks or a number of members of the Board of Commissioners of the client company who are responsible for assisting the auditor in maintaining its independence from management. Audit Committee usually consists of two to three members, led by an independent commissioner. Like most committees, audit committees with small members tend to act more efficiently. However, a few audit committees also hold weaknesses, namely the lack of varying
experience of members. As far as possible, the audit committee members have an adequate understanding of the preparation of financial reports and the principles of internal supervision (national audit committee). The existence of an audit committee is very important as a forum or medium of communication with the company, so it is expected that all activities and activities of the external auditor, in this case, will conduct an examination, besides directly to the object of audit, it is also assisted by consulting the audit committee.

Based on the Indonesian law, there are two types of Public Accounting Firm operates in Indonesia are Public Accounting Firm own individually and Public Accounting Firm jointly with, both local or international name.

According to Gilling in Almilia and Setiady (2006) shows that the international public accounting firm in Indonesia known as the big four requires a shorter time to complete the audit report. The reputation and its size is considered able to complete the audit more efficiently and has a more flexible schedule for completing the audits report compared to other small sizes of public accounting firm, as the usually small size of a company does not have a strong reputation as international ones. They have a clear guideline on how many days to finish their audit report to the principal. Hence the report they provide seems to be faster as it will impact their reputation if they fail to provide audit report beyond the dateline. The Company size also can be seen in various ways like total assets, total revenue, and total people hired and so on. However, in this research, company size refers to Big Four Names and Non-Big Four Names of Accounting Firm commonly used in Indonesia.

Conceptual Framework

There are four independent variables that influence the dependent variable in this case, which are profitability, which is one of the most common ratio used is Return on Asset (ROA), leverage which is measured by Debt to Equity ratio (DTER), audit committee and public accounting firm size to the occurrence of audit delay. The below diagram shows an overview of the conceptual framework.
Figure 1. Framework

Hypotheses Development

The Company measures its performance during the year with its profitability ratio. Profitability is the company's ability to generate profits (profitability) both from sales, assets, capital, and certain assets. Profitability ratio also provides a measure of the level of management effectiveness of a company in the area of policies, management decisions on corporate funding sources, and others. Dyer and McHugh (1975) show companies that receive profits that are appropriate to their financial statements and vice versa if they ask for profits. In other words, companies having high profitability require shorter time to publish it to the public as profit is a good news for the company, they want to announce it to public/external as soon as possible. The sooner is, the better to publish it. Based on the description, the hypothesis that can be concluded is

H1: profitability has a negative impact on audit delays

High leverage is a thing that the company is in financial trouble. Most companies will reduce risk by retreating the publication of their financial statements and buying time in their audit work. Companies with a higher debt to capital ratio will be returned in the submission of financial statements because the time available is used for debt to total asset ratios as low as possible (Hassanudin, 2002: 54) in Ketut and Made (2014). Thus, the auditor will audit the company's financial statements carefully and need a relatively long time to increase audit delay. Based on this information, the concluded hypothesis is
H2: Leverage has a positive impact on audit delay

The responsibility of audit committee is to monitor planning and implementation, as well as to evaluate the results of the audit to assess the feasibility and ability of internal control, including overseeing the process of preparing financial statements. Based on Otoritas Jasa Keuangan regulations, every listed company is required to have an audit committee team consist of a minimum of 3 members. In the research of Rufina (2014) and Dian (2015), it is mentioned that the number of committee members did not have a positive effect on audit delay. So the length of the audit delay is not influenced by the audit committee. Unlike on Mumpuni research (2011), Marsono and Putra (2013) and Fauziah (2015) they have stated that the more member of audit committees, the audit delay can be minimized. Also, in his research examining several factors that have a positive effect on audit delay, one of which is the existence of an audit committee, based on the description of the hypothesis that can be concluded is

H3: Audit committee has a positive impact on audit delay.

The size of a Public Accounting Firm refers to the existing big four names and non-big four name public accounting firms. The big four names tend to be able to furnish the company with an audit report and opinions in a shorter time. The Big Four Public Accounting firms strictly follow their operating standard and procedure in accordance with their policies and regulation and they have technical ability to detect the company’s going concern, large public accounting firm tend to present audits faster than non-the big four public accounting firms because they have a good reputation name at stake (Prabandi and Rustiana, 2007). The firm size for big four is larger compared to non-big four, which they usually work more professional, efficient, and effective than non-big four. They deliver audit reports on time to the company. With the explanation above, a hypothesis can be formulated

H4: Public accountant company size has a negative impact on audit delay

METHODS

This research is an empirical study with the aims to test the influence of the independent variables, which is profitability ratio, leverage ratio, audit committee, and public accountant firm size on the occurrence of audit delay. The data used in this research is secondary data; hence, data obtained was from previous data. Besides, this research is based on pooling
data or panels where research takes a sample of time and events at a given time the company is included in the LQ45 index category listed on the Indonesia Stock Exchange 2014-2017.

Audit delay is measured by calculating the distance between the closing of the financial year and the signing of the financial statements. Audit delay is the difference between the date of the financial report and the date of the audit opinion in the financial statements that indicate the length of time the audit was completed. This time difference in auditing is often called audit delay. Then the longer the audit delay, the longer the auditor in completing his audit work. The duration or failure of audit settlement can be seen from the contents of the audited financial statements themselves, whether there are deviations, limitations, or fraud in the presentation of financial statements. The auditor has specific responsibility for an event that has a material effect on the financial statements and occurs after the balance sheet date but before the issuance of financial statements and auditor reports (sustainable, 201) Audit delay is measured by calculating the distance from the date of the audit report to the date the financial report is issued.

Profitability analysis is a ratio that evaluates a profit in a company with values related to asset value, sales, or capital investment. Also, it is a ratio used to measure the rate of return on Gittman and Zutter (2012: 79).

Leverage analysis is a measurement of debt, where it occurs when a company does the spending. With this analysis, the company can measure its ability to carry out its obligations, especially long-term obligations so that there is the possibility of uncollectible debt.

The audit committee is a committee formed by the Board of Commissioners to assist independent commissioners in carrying out the duties and responsibilities of supervision. The measurement of the audit committee in this study is by using the proportion of the audit committee, namely the comparison of the number of audit committees with the number of board of commissioners as done by Jumratul and I Dewa (2014), the audit committee is calculated by the proportion of the audit committee

Public accounting firm size is measured by a dummy variable by dividing the public into two groups, the "big four" public accounting firm size, and the "non-big four" public accountant firm size. Measured by looking at the public accounting firm size auditing the company's financial statements. In this study is classified into two; namely, companies that use the public accounting firm size services of the big four are coded 1 and
companies that do not use non-big four public accounting firm size services are coded 0.

In this research, using descriptive statistical tests and then multiple linear regression analysis is used to find relations between dependent and independent variables. Before analyzing multiple linear regression, it is necessary to do a classic assumption test first. The classic assumption test needs to be done to test the feasibility of using the regression model and the feasibility of the independent variable, if it has been said to be feasible, then the data can be used in the study. The classic assumption test that will be conducted is the normality test, multicollinearity test, autocorrelation test, heteroscedasticity test, determination coefficient test R2 (simultaneous test f), multiple linear regression test and the last hypothesis test through partial j i t. While the equation of the regression model in this study uses more than one independent variable, this test is formulated with the following equation:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e \]

Descriptions
\[ Y = \text{Audit Delay} \]
\[ \alpha = \text{Constant} \]
\[ X_1 = \text{Profitability Ratio} \]
\[ X_2 = \text{Leverage Ratio} \]
\[ X_3 = \text{Audit Committee} \]
\[ X_4 = \text{Public Accounting Firm Size} \]
\[ E = \text{error} \]

RESULTS

The sample used in this research was selected by purposive sampling, meaning that this study uses the population of the LQ45 consumption index company on the Indonesia Stock Exchange with the observation period of 2015-2017. The sample in this study amounted to 45 companies. However, there are only 39 companies that have complete information that can be used for research.

In the descriptive statistical analysis, the researcher will describe the results of the calculation of the minimum and maximum values, the average value, and the standard deviation of each variable. The analysis table is presented in the following section.
Table 1. Descriptive Statistic Variables

| Variables          | Minimum | Maximum | Mean  | Std. Deviation |
|--------------------|---------|---------|-------|----------------|
| Audit Delay        | 48,00   | 108,00  | 80,1111 | 7,50721       |
| Profitability Ratio| -0.26   | 0.53    | 0.1000 | 0.12512       |
| Leverage Ratio     | -31.78  | 11.25   | 0.8656 | 3.56110       |
| Audit Committee   | 0.33    | 1.67    | 0.8739 | 0.33113       |

On the dependent variable Audit Delay has a minimum value of 48 and a maximum value of 108, while the average of 117 samples owned by the audit delay is 80.111 with a standard deviation value 7.50721. The profitability ratio variable represented by return on assets (ROA) has a minimum value of -0.26 and a maximum value of 0.53 with an average of 117 samples of 0.1000 and a standard deviation value of 0.12512. The leverage ratio variable which is proxied by the debt to equity ratio (DTER) has a minimum value of -31.78 and a maximum value of 11.25, and from 117 samples the average owned leverage is 0.8656 with a standard deviation of 3.56110. Also, on the audit committee variable, the minimum value is 0.333, and the maximum value is 1.6667, the average audit committee variable of 117 samples is 0.8739 with a standard deviation of 0.33113.

Table 2. Descriptive Statistic Public Accounting Firm

|                        | Frequency | Percent |
|------------------------|-----------|---------|
| Public Accounting Firm | 86        | 73.5    |
| Non-Big Four           | 31        | 26.5    |

In this research can be measured using a nominal dummy scale score of 0-1, with 1 being a company that uses Big Four PUBLIC ACCOUNTING FIRM SIZE and 0 is a company that uses Non-Big Four PUBLIC ACCOUNTANT FIRM SIZE. In this study, there were around 31 companies or 26.5% of the total companies that used the big four PUBLIC ACCOUNTING FIRM SIZE and 86 companies or 73.5% of the total companies that used Non-Big Four.

The classics assumption test is a statistical test of assumption must be fulfilled in multiple regression linear analysis. The classical assumption test is a statistical test used to determine the relationship between variables, including normality test, multicollinearity test, heteroscedasticity test, autocorrelation test.

Based on the results of the normality test with Kolmogorov Smirnov, it can be seen that the data in this study are normally distributed. The normal distribution can be seen from Asymp. Sig (2-tailed) of 0.086.
Because the results of Sig = 0.086 > 0.05, it can be concluded that the data is normally distributed.

The VIF value of the PROF are 1.006, 1.020, 1.016, 1.026. VIF values for all independent variables are smaller than 10 (VIF <10). The conclusion is that the four independent variables of this study did not have multicollinearity.

From the output, it can be seen that the significance value of 4 independent variables is more than 0.05. Thus, it can be concluded that there is no problem of heteroscedasticity in the regression model.

The results of this research obtained a DW value of 1.820 greater than the upper limit of DU 1.8094 and less than 4 - Du = 4 - 1.8094 = 2.1906. These results indicate that this regression model does not have autocorrelation problems.

Adjusted R Square value of 0.118 means that the variation of audit delay variables can be explained by the variable size of the company, audit committee, profitability, and leverage is only 0.118 or 11.8%, while the remaining 88.2% explained by other factors are not found in this research.

| Model       | Sum of Squares | df  |Mean Square | F       | Sig. |
|-------------|---------------|-----|------------|---------|------|
| 1 Regression| 972,441       | 4   | 243,110    | 4,893   | .001 |
| Residual    | 5565,114      | 112 | 49,689     |         |      |
| Total       | 6537,556      | 116 |            |         |      |

a. Predictors: (Constant), KAPSIZE, PROF, KAUDIT, LEV  
b. Dependent Variable: AUDITDELAY

Based on the results of the regression analysis presented in table 4, it shows that with the ANOVA test the sig value obtained is 0.001 <0.05, which means that the variable size of the company, audit committee, profitability, and leverage affect audit delay together.

| Model             | Beta  | sig  | Sig/2 | Hypothesis |
|-------------------|-------|------|-------|------------|
| Profitability     | -12.830 | 0.016 | 0.08  | H1 Rejected |
| Leverage          | -5.99  | 0.002 | 0.001 | H2 Rejected |
| Audit Committee   | 4.248  | 0.035 | 0.0017| H3 Accepted |
| Public Accounting | 0.451  | 0.764 | 0.382 | H4 Rejected |

First hypothesis (H1) profitability (PROF), a negative effect on audit delay, is unsupported by the result of this study. Beta value on PROF variable is -12,830 that means profitability variable increased by 1 unit, audit delay will decrease 12,830 units. Sig value of probability is 0,08. The
value is higher than 0.05, so, it is not statistically proven that profitability has a negative effect on audit delay.

Second hypothesis (H2) Leverage (LEV) has a positive effect on audit delay is unsupported by the results of this study. The beta value in the LEV variable has -5.99 that means if the LEV variable rises by 1 unit, then dividend policy will decrease by -5.99 units. The sig value by LEV is 0.002 / 2 0.001, the value is smaller than 0.05, but the beta value has different direction with hypothesis tested, which mean it is not statistically proven leverage has a positive effect on audit delay.

Third Hypothesis (H3) audit committee has a positive effect on audit delay, which is supported by the results of this study. Beta value of the audit committee variable is 4.248 it means if the audit committee rises by 1 unit, then audit delay will increase by 4,248 units. The result has the same directions with the hypothesis, and sig value of audit committee is 0.0017 smaller than 0.05, so with that result, it is statistically proven there is a positive effect audit committee on audit delay.

Fourth Hypothesis (H4) public accounting firm size has a negative effect on audit delay, which is not supported by the result of this study. Beta value of public accounting firm size has 0.451 if public accounting firm size rises by 1 unit, audit delay will increase 0.451 unit, even though the direction of result same with hypothesis tested, sig value of public accounting firm 0.382 is higher than 0.05. That is mean it is not statistically proven public accounting firm size has a positive effect on audit delay.

DISCUSSION

The result from the partial test shows profitability proxies by return on asset (ROA) beta value on PROF variable is -12.830, and sig value of PROF is 0.08. The value is higher than 0.05. The conclusions are hypothesis tested H1 profitability has a significant negative impact on audit delay rejected.

The explanation that the company's ability to generate profits based on assets owned does not have a significant effect on the period of submission of audited financial statements. Dyer and McHugh (1975) state that companies obtain profits tend to deliver their financial statements on time and vice versa if they suffer losses. In other words, companies that have high profitability will tend to be on time in delivering their financial statements because their financial statements contain good news. Many companies experience an increase in profits, but the increase is not so
large, especially if there is a loss. Also, it may be that the demands of interested parties are not so great that it does not encourage companies to communicate audited financial statements more quickly.

The results of this study are in line with the research conducted by Andreas and Lawer (2010) and Wijaya (2012) while the results of this study are not in line with the research conducted by Anggraini (2006) who did not find a relationship in between.

The result from partial t-test shows beta LEV variable has -5.99 and sig value by LEV is 0.002 / 2 is 0.001, the value is smaller than 0.05, but the beta value has different direction with hypothesis tested so the conclusions H2 leverage has a positive impact on audit delay rejected. Explanation of insignificant relation between leverage and audit delay is that leverage does not always have a positive impact on the company. If the company manages to manage its debt well, efficiently and on target, then the company's profit will increase significantly, and there will be no problem with financial difficulties. Besides that, there is no need for negotiations with the auditor in the audit process so that no audit delay will occur (Anna Maria, 2014)

The result of t partial test shows the beta value of the audit committee variable is 4.248, the results have same directions with the hypothesis, and sig value of audit committee is 0.0017 smaller than 0.05, so the conclusions are that H3 audit committee has a positive effect on audit delay accepted.

Significant results explain the more members of the audit committee, the better the internal control of the company, where weak internal control is a long audit delay. The audit committee was formed because of the inadequate role of supervision and accountability of the company's board of commissioners. The choice of board of commissioners based on position and kinship causes the check and balance mechanism for the board of directors to not work properly (Marsno, 2013).

The results of this study support previous research conducted by Mumpuni (2011), Marsono and Putra (2013) and Fauziah (2015), but not in line with Rufina (2014) and Dian (2015). The result of the partial test shows the beta value of public accounting firm size has 0.451 sig value of public accounting firm 0.382 which is higher than 0.05, so the conclusions are that H4 public accounting firm size has a negative effect on audit delay is rejected.
The results of this analysis explain that public accounting firm size under the big four names and non-big four names have different characteristics. Public accounting firm size for big four will work more professionally than non-big four. On top of that, they work more effectively and efficiently so that they can deliver audited reports in a shorter time before the deadline. However, in general, both big four and non-big four public accounting firm, trying their best to complete the audit report as timely as possible, because it concerns the reputation and credibility of the companies they run.

The results of this study support the previous research conducted by Permatasari (2013), Greta J and Rutji S (2012) and Zoana & Parida (2013).

**CONCLUSION**

Based on the results of this study and hypothesis testing, the conclusions that can be drawn from this research are profitability which presented by return on assets (ROA) insignificant on audit delay. Leverage which measured by debt to equity ratio insignificant on audit delay, the audit committee has a significant effect on audit delay, and public accounting firm size insignificant on audit delay.

While the suggestions for further research increase the number of research objects to different types of industry/sectors, extend the observation period and need to test other factors which will be able to influence on audit delay both from internal and external factors.

By testing other dependent variables besides variable used in this study, the parties who have involvement in this matter can know more about the factors that influence audit delay that can provide more confidence to the parties in making considerations and making a decision. For managerial aspects, this research is expected to be able to make the motivation to improve managerial performance, so that it can be reflected in the financial statements they compile and as a basis for making decisions regarding the policy decisions.

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