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CAN THE REPUTATION OF PUBLIC ACCOUNTANTS MODERATE AUDIT DELAY?

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ABSTRACT

The aim of this study is to investigate and analyze empirical facts related to the factors that influence audit delay, with KAP's reputation serving as a moderating variable. The research methods employed in this study were descriptive and affirmative, with the population consisting of 245 financial statements from 49 mining manufacturing companies listed on the Indonesia Stock Exchange. A sample of 31 businesses was selected, and logistic regression was used for analysis. The findings of this study indicate that KAP's reputation has both positive and negative effects on audit delay. This suggests that audit delay profitability can be moderated by KAP's reputation. Additionally, the study revealed that dissolvability affects review delay, Organization size affects review deferral, and Benefit significantly affects review delay. KAP's reputation can moderate the effect of solvency on audit delay, strengthening or reducing the relationship between audit delay and solvency. KAP's reputation can also moderate the impact of company size on audit delay by strengthening or moderating the relationship between audit delay and company size. It is crucial to maintain a good reputation to mitigate the negative impact of audit delay that can help build trust with clients and increase the demand for their services.

ABSTRAK

This study aims to analyze empirical facts related to the factors that influence audit delay, with KAP's reputation as a moderating variable. The research method used is descriptive and affirmative, with a population consisting of 245 financial reports from 49 mining manufacturing companies listed on the Indonesia Stock Exchange. The selected sample is 31 companies. The analytical method uses logistic regression. The results of this study indicate that profitability, solvency, firm size have an effect on audit delay. In addition, KAP's reputation can moderate the influence of solvency on audit delay, strengthening or reducing the relationship between audit delay and solvency. KAP reputation can also moderate the impact of company size on audit delay by strengthening or moderating the relationship between audit delay and company size. This shows that it is important to maintain a good KAP reputation to reduce the negative impact of delayed audits which can help build trust with clients and so on, increase the demand for their services.

INTRODUCTION

The increasing number of Indonesian businesses going public is a clear indication of the expanding capital market in the country. As a result of this growth, these companies are competing with each other and striving to remain competitive in today's business world. One way they can do this is by providing more precise, timely, and effortful information about their financial statements. This information is crucial for investors who need to make informed decisions about their investments based on the financial statements of the companies they are considering. According to Financial Accounting Standards (SAK) Number 1 of 2018, the information contained in financial statements can be very beneficial for individuals who use them to understand an organization's financial position, performance, and cash flow. Financial statements are the primary source of information that can be used to make decisions about investing in a particular company.

Financial statements can also reveal how well management has utilized the resources at their disposal. According to the Chairman of Bapepam Decree Number: An appendix to Kep-346/BL/2011, annual financial statements must be submitted to Bapepam no later than three months (90 days) after the mid-year financial statements, along with an auditor's report related to the audit of the financial statements. Additionally, a 2019 standard specifies that financial statements must be submitted to Bapepam no later than five months (150 days) after they have been produced.The Indonesia Stock Exchange also has regulations in place regarding the timely submission of financial statements. If any companies fail to comply with these regulations, as determined by Bapepam, sanctions will be imposed. Kep/307/BEJ dated 2007 outlines a multilevel penalty system, which begins with a written warning and is followed by a second warning in the form of a fine of Rp 500,000,000.00.

Despite regulations issued by BAPEPAM, some businesses still submit their financial statements after going public. Delayed filing of financial statements by independent auditors can lead to a loss of investor confidence. This delay can cause instability in the stock market, and investors may believe that the audit delay has contributed to a decline in the company's stock price. As stated by (Suryanto, 2016) the period from the end of the fiscal year to the date the audit report is issued is referred to as the audit delay. If the audit delay exceeds the established limit, the publication of financial statements may be delayed. Delays in publishing financial statements can render the information they contain less useful and may indicate issues with the financial statements.

The analysis indicates that up to 15 manufacturing companies in the mining sector submitted financial statements for the period 2015 to 2019 that were late, beyond the 90-day deadline required by BAPEPAM and LK. However, in 2019, a new policy was introduced, requiring companies to submit financial statements within 150 days, with a maximum of three companies allowed to exceed this deadline. Most mining manufacturing companies that experience delays in submitting financial statements risk being temporarily suspended.

This suggests that there was a longer gap between the date of the audit opinion on the financial statements and the date the financial statements were actually produced. This could have negative implications for investors, the general public, and their investment decisions. This situation should serve as a reminder to all businesses to produce financial statements within the predetermined deadlines to avoid administrative sanctions. Factors such as profitability, company size, solvency, and the impact on the reputation of public accounting firms can all contribute to a company's audit delay.

To efficiently distribute reviewed budget summaries, it is important to carefully examine certain variables. This study focuses on profitability, solvency, and company size since these factors can influence the financial statement preparation process. Additionally, the study considers the reputation of the external auditor (KAP) since it can have a significant impact on the audit delay affected by profitability, solvency, and company size. One of the factors that contributes to audit delay is profitability. Profitability refers to a company's ability to support both short-term and long-term growth through profits derived from sales, total assets, and own capital. Typically, productivity is reflected in the organization's financial statements and explained through the company's financial performance.

Financial backers and different clients of fiscal summaries normally get budget reports from productive organizations as soon as possible. Profitability, as stated Prabasari & Merkusiwati (2017) influences audit delay Cahyanti et. al. (2016) profitability has no effect on audit delay. Another factor that contributes to audit delay is solvency. The ability of a company to pay back all of its short-term and long-term debt is its solvency. As indicated by Aryaningsih & Budiartha (2014), dissolvability can be perceived as a correlation between the organization's obligation to its resources. When a company has debts that are greater than its total assets, auditors will require more time to audit the company's financial statements because of the complexity of the debt audit process and the discovery of more complex audit evidence against the company's creditors. The study by (Aristika et al., 2016) explained that manufacturing firms with high solvency that were listed on the IDX between 2011 and 2013 experienced significantly less audit delay. In contrast, a study by (Hati & Sari, 2020) found that solvency has no effect on audit delay, which is the opposite of what was expected.

The next factor that contributes to audit delay is the size of the business. The total number of employees, total sales, and total assets are all measures of a company's size. (Togasima & Christiawan, 2014). Hossain and Taylor in (Hati & Sari, 2020) due to the additional audit procedures and samples that must be taken, audits of businesses with more total assets take longer to complete than audits of businesses with fewer total assets. According to (Prabasari & Merkusiwati, 2017) he size of the business influences audit delay. The size of the business has an effect on audit delay. On the other hand, according to Aryaningsih & Budiartha (2014) the size of the company has no effect on audit delay. Another factor that affects audit delay is the KAP's good name. declares that audit delay is unaffected by the company's size.

The Public Accounting Firm's reputation explains the public trust, accomplishments, and reputation of the public accountant. A quick audit time is one of Kap's strategies for protecting its reputation and avoiding client loss. To boost the credibility of the audit reports, the company hires a reputable public accountant. affiliated with major Big Four accounting firms. The results of a study conducted by (Jamiah et al., 2021) public accounting firms have a significant impact on audit delay (Aristika et al., 2016).

Believes that the KAP's reputation is being moderated because a KAP with a good reputation will handle audit-related issues with greater professionalism (Rachmawati, 2008), Because it is believed to strengthen and weaken the impact of company size, profitability, and solvency on audit delay, this study makes use of KAP's reputation. On the other hand (Aristika et al., 2016) the reputation of KAP may either strengthen or weaken the link between audit delay and solvency or profitability.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Profitability on Audit Delay

Profitability is the capacity of a company to utilize all of its resources in order to generate a profit in the future. The company does not hold off on making its financial statements available to the general public because high profitability is encouraging new. As a result, the audit delay time decreases with increasing profitability. According to the theory of signaling, high-quality businesses deliberately send signals to the market so that they can differentiate between good and bad businesses.

The company's high profitability is good news. Signal theory holds that businesses with positive news submit their financial statements on time. As a result, the suspect audit delay is shorter the higher

the profitability. This is in line with the findings of studies conducted by Prabasari & Merkusiwati (2017), Suryanto (2016), Wulandari, et.al. (2016) all of which demonstrated that profitability has a negative effect on audit delay. As a result, audit delays will decrease for profitable businesses, allowing them to issue financial statements sooner and on time.
H_1: profitability has a negative impact on audit delay

Solvency on Audit Delay
A company's ability to pay off all of its short-term and long-term debt before it closes or is liquidated is assessed using a ratio known as the solvency ratio. This is accomplished by assessing the company's capacity to safeguard its own assets or assets it owns. When the debt ratio is higher than the equity ratio, auditors will need more time to audit the company's financial statements because of the complexity of the debt account audit process and the discovery of audit evidence against the creditors. Due to the fact that a higher level of solvency for the company will send a negative signal to investors, the management of the business may delay the release of the financial statements in order to raise the level of debt in the business. This will have an impact on the amount of time it takes to complete the audit of the financial statements.

Cahyanti et. al. (2016) asserts that solvency positively influences audit delay. This is because the scope of the company's debt can slow down the auditor's audit reporting process, making it take longer to review and report on company debt audits. Companies that have a higher debt-to-assets ratio than total assets will be more likely to lose money. Because of this, auditors will be able to exercise caution regarding the financial statements that are going to be audited in relation to the company's viability. Thusly it very well may be presumed that the higher the dissolvability, the more extended the review delay.
H_2: Solvency has a positive impact on audit delay

Company Size on Audit Delay
A company's size can be determined by looking at its assets as a whole. Due to a number of factors, large businesses can complete the audit process more quickly than smaller businesses can. For instance, investors, capital regulators, and regulators all keep a close eye on large businesses, so their management is frequently motivated to cut audit delays. Profits drive businesses with substantial total assets. The profits that big businesses make are good news for businesses because it shows the outside world that they can get people to invest in their stocks, which will make the stock price go up.

Experienced managers make fewer mistakes when presenting financial statements when there is a good control and supervision system in place. This makes it easier for the auditor to do his job of auditing large businesses with complex operations. To avoid the late sanctions imposed by BAPEPAM and LK, larger businesses will publish audit reports sooner. Management should be able to file financial statements on time or with fewer audit delays. As per the flagging hypothesis, organizations will ordinarily report their fiscal summaries all the more rapidly when they have positive news (Cahyanti et. al., 2016; Prabasari & Merkusiwati, 2017). The size of the business has a negative effect on audit delay.
H_3 : Company Size has a positive impact on audit delay

KAP Reputation moderates the impact of Profitability on Audit Delay
Beneficial organizations are also more motivated to complete reviews more quickly. It is possible to increase profitability's impact on audit delay by using the services of a reputable public accountant, who typically completes the audit more quickly and reduces the scope of audit delay. Companies with high profitability are more likely than those with low profitability to report their finances sooner. The effect of

productivity on review deferrals can be fortified by utilizing trustworthy KAP administrations, particularly assuming the organization utilizes the administrations of a KAP that accomplices with a Major Four KAP which will in general be enjoyed by financial backers who have confidence in joining forces with the Big Four.

With four KAP, audit reports can be completed more quickly and audit quality can be improved. The profitability of the business will be impacted by a positive kap reputation, and auditors will complete financial statements more quickly and on time, reducing audit delay vulnerabilities. This is in accordance with research completed by Prabasari & Merkusiwati (2017) and Devi & Suaryana (2016) which showed that productivity's effect on review delay was directed by KAP's reputation.
H_4: The reputation of the Public Accounting Firm moderates the impact of profitability on audit delay

KAP Reputation moderates the impact of Solvency on Audit Delay

The ratio of debt utilization to total capital is known as a solvent. An organization with high dissolvability implies that it has high monetary dangers since it is encountering monetary hardships (terrible news). However, according to signaling theory, companies with good news will encourage to immediately release financial statements, thereby reducing audit delays, so companies with low solvency will release financial statements sooner than companies with high solvency.

Consequently, KAP and The Big Four were chosen to perform audits more effectively and reduce the number of delayed financial statements The high quality of the KAP's services shows how big it is, which has an effect on how long it takes to finish the audit. Quick audit times are one way for top-notch KAP to keep up with its standing. This is in line with the results of a study (Ginting & Hidayat, 2019), which showed that KAP's reputation moderates the effect of solvency on audit delay.
H_5: The reputation of the Public Accounting Firm moderates the impact of solvency on audit delay

KAP Reputation moderates the impact of Company Size on Audit Delay

The company's size and the total asset value of each company indicate that this one is good because its assets are worth a lot of money. The amount of money the business makes can affect how much assets are worth. The company receives positive publicity from large corporations' profits, which encourages investors to invest in the company's shares and drives up the stock price. Signal theory says that when there is good news, big companies share information more quickly and immediately, which makes audit delays for big companies shorter or timelier.

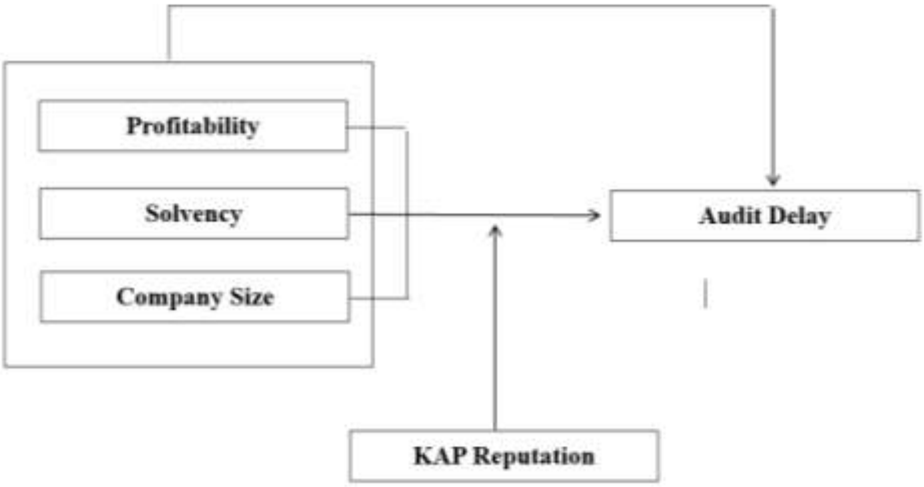

Figure 1. Framework

Accounting firms with good reputations typically have sufficient resources to carry out audit procedures more effectively, allowing audit reports to be completed on time. Bigger organizations will generally accelerate the most common way of getting ready fiscal reports, giving inspectors additional opportunities to lead reviews. This is in line with the study's findings by Prabasari & Merkusiwati (2017) which showed that the reputation of KAP moderates the effect of company size on audit delay.

H_6: The reputation of the Public Accounting Firm moderates the impact of company size on audit delay

RESEARCH METHOD

The research methodology employs descriptive and affirmative methods. The population of this study, or 245 figures, are the financial statements of 49 mining manufacturing companies that were listed on the Indonesia Stock Exchange between 2015 and 2019. There are 31 businesses sample. The analysis method use logistic regression.

RESULTS AND DISCUSSION

Logistic Regression Analysis Results

The Hosmer and Lemeshow test, as shown in Table 1, yielded a df of 8, a significance level of 0.463, and a chi-square value of 7,704. These findings have a significance level greater than 0,05, indicating that neither the prediction classification nor the observation classification differs. Because it meets the data's adequacy (fit), it can be concluded that the utilized logistic regression model is suitable for hypothesis testing.

Assessing the Overall Model (Overall Model Fit)

Table 4.4 shows the coefficient of determination tests that were used to figure out how much the strength of the model's independent variable affects the dependent variable. The review established that the factors of benefit, dissolvability and company size played a part or commitment size of 78.9%, while the leftover is still up in the air by the review. Other variables' explanations were not investigated. This was demonstrated by the Cox and Snell R-squared value of 0,124 and the Nagelkerke R-squared value of 0,789 in the logistic regression-based data processing.

Coeffesient of Determination (Nagelkerke R Square)
The coefficient of determination tests used to determine how much the strength of the model's independent variable affects the dependent variable are presented in Table 4.4. The study determined that the variables of profitability, solvency, and company size had a role or contribution size of 78.9%, while the remaining 21,1% was determined by the study. The explanation of other variables was not investigated. In logistic regression-based data processing, the Cox and Snell R-squared value of 0,124 and Nagelkerke's R-squared value of 0,789, showed this.

Simultaneous Test / G Test (Omnibus Test of Model Coefficients)
From Table 3 it tends to be deciphered that the chi-square worth is 23.253, with 3 levels of opportunity, and the importance level or p-esteem is 0,000 which is under 0,05. This recommends that H0 is dismissed and H1 is acknowledged, and that implies that the free factors for example benefit, dissolvability and company size together influence review delay (accepted hypothesis).

Table 1. Regression Model Feasibility Hosmer and Lemeshow Test

Step	Chi-square	Df	Sig.
1	7,704	8	0,463

Partial Test/Wald Test and Moderate Regression Analysis Test Results
Table 4 shows the results of the Wald test with a significance value of all variables > 0.5. This shows that all hypotheses are accepted.

Profitability, Solvency, and Company Size on Audit Delay
The results of simultaneous testing indicate that the size, profitability, and solvency of the business all have a significant positive impact on audit delay simultaneously. Because of their significant effects, this study's findings are applicable to the entire population. A company's ability to make a profit increase with its profitability, which is good news for the company's ability to publish its financial statements on time and entice investors to invest their money.

Theoretically, a signal of good news is one that quickly informs the public of the company's state. Because the company has a high ratio of total debt to total assets, which increases the likelihood of losing money, the audit delay is longer when solvency is higher than solvency. Because of this, auditors will be able to exercise caution regarding the financial statements that are going to be audited in relation to the company's viability. According to signal theory, the business will delay breaking bad news to the public. An external factor that affects audit delay is the company's size.

The amount of money the business makes can affect how much assets are worth. The profits that big companies make are good news for businesses because they show the world that they can get people to invest in their stocks, which will make the stock price go up. According to signal theory, large businesses with good news will communicate information more quickly and immediately, allowing for shorter or quicker audit delays. This study's determination test analysis reveals that profitability, solvency, and company size contributed to or influenced 78.9 percent of audit delay, while other variables that were not studied influenced the remaining 21.1 percent.

Profitability on Audit Delay
Profitability had a significant negative impact on audit delay, according to some test results. Because of their significant effects, this study's findings are applicable to the entire population. The negative effect on profitability as measured by ROA demonstrates that the audit delay is shorter the higher the company's ROA. According to signaling theory, businesses with useful information will be encouraged to share it with

potential investors. A company's profitability is its capacity to utilize all of its resources to generate future profits. A company's ability to generate a profit is demonstrated by its high profitability, which is encouraging news. The good news will lessen audit delays by causing the business to immediately release its financial statements in order to attract investors.

Consequently, an organization with high productivity will be all the more opportune in its fiscal reports contrasted with an organization with low benefits. The company's management will postpone the release of financial statements in order to increase the level of profitability of the company, which will affect the length of time it takes to complete the audit. The low level of profitability of the company causes a delay in the release of financial statements because the company sends a negative signal to investors of his accounting records. The results of this study are in line with research conducted by Prabasari & Merkusiwati (2017), Devi & Suaryana (2016), dan Ginting & Hidayat (2019) stating that profitability has a negative influence on audit delay.

Table 2. Coeffesient of Determination (Nagelkerke R Square)

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	164,888a	,124	,789

Solvency on Audit Delay

Solvency has a significant positive effect on audit delay, according to some test results. Because of their significant effects, this study's findings are applicable to the entire population. According to the positive impact of solvency as measured by DER, a longer audit delay is associated with a company with a higher DER.

According to signaling theory, businesses with useful information will be encouraged to share it with potential investors. Since financial statements may be less reliable and indicate that the company is experiencing poor financial difficulties (bad news), a high percentage of DER raises auditors' level of skepticism. The auditors must look for sources of the company's high percentage of causes when auditing debt accounts, and it will take a long time to identify the parties (debtors) associated with the company. As a result, auditing debt accounts will take a long time. The company's management will postpone the release of financial statements in order to increase the company's debt level, which will affect the length of time it takes to complete its financial audit of the company. Higher solvency of the company will cause the company to send a negative signal to investors. report. As a result, businesses with low solvency will provide financial statements more promptly than businesses with high solvency. The results of this study are in line with research conducted by (Cahyanti & Dyna Nuzul. Nengah Sudjana., 2016), (Prabasari & Merkusiwati, 2017), (Devi & Suaryana, 2016), dan (Ginting & Hidayat, 2019) stating that solvency has a positive effect on audit delay.

Company Size on Audit Delay

According to some of the test results, the size of the business had a significant negative impact on audit delay. Because of their significant effects, this study's findings are applicable to the entire population. According to the negative effect of the company's size on the total value of its assets, the shorter the audit delay is, the higher the value of the company's assets. The signaling theory states that businesses with useful information will be encouraged to share it with potential investors.

The total asset value of each company shows how big it is, indicating that the company is good because its asset value is high. The amount of money the business makes can affect how much assets are worth. The company receives a positive signal from the outside world that it is capable of attracting attention to invest in its shares, which will raise the stock price. The profits made by large corporations are good news for the company. Good news enables large businesses to have audit delays that are either shorter or shorter in duration for large businesses. Huge endeavors have complex activities, ventures have great control and oversight frameworks, rich administration experience, and less mistakes in performing review assignments. This study's findings are consistent with previous research by Cahyanti, et al., (2016), Prabasari & Merkusiwati (2017), Devi & Suaryana (2016), dan Ginting & Hidayat (2019) stating that the size of the company has a negative influence on audit delay.

Table 3. Simultaneous Test

Omnibus Tests of Model Coefficients

		Chi-square	Df	Sig.
Step 1	Step	23,253	3	0,000
	Block	23,253	3	0,000
	Model	23,253	3	0,000

Profitability on Audit Delay Moderated KAP Reputation

The moderate regression analysis test reveals that the KAP's reputation has a significant impact on profitability, allowing it to moderate the impact of profitability on audit delay. Because of their significant effects, this study's findings are applicable to the entire population. According to signaling theory, investors will be more inclined to put their money into stocks or securities if good news prompts businesses to immediately publish their financial statements in order to boost the value of the business. Compared to businesses with low profitability, those with high profitability report their finances more frequently.

The profitability of the business will be impacted by a favorable KAP reputation, and auditors will complete financial statements more quickly and on time, reducing audit delays. The results of this study are in line with research conducted by Cahyanti et. al. (2016), Prabasari & Merkusiwati (2017), Devi & Suaryana (2016), dan Ginting & Hidayat (2019) showing that the reputation of KAP has been proven to moderate the influence of profitability on audit delay.

Solvency on Audit Delay moderated KAP Reputation

The moderate regression analysis test demonstrates that the KAP's solvency and reputation have a significant impact, allowing the KAP's reputation to moderate the effect of solvency on audit delay. Because of their significant effects, this study's findings are applicable to the entire population. A company's solvency indicates a high level of financial risk due to financial difficulties (bad news). However, according to signal theory, companies with good news will encourage them to immediately publish their financial statements, thereby reducing the audit delay, so businesses with low solvency will report financials sooner than businesses with high solvency.

Investors believe that a KAP with a Big Four KAP will produce good audit quality and better performance, resulting in faster audit times, which is why every company that uses the services of a KAP with a Big Four KAP tends to be liked by investors. The results of this study are in line with research conducted by (Cahyanti & Dyna Nuzul. Nengah Sudjana., 2016), (Prabasari & Merkusiwati, 2017), (Devi & Suaryana, 2016), dan (Ginting & Hidayat, 2019), showing that the reputation of KAP has been proven to moderate the effect of profitability on audit delay.

Company Size Audit Delay moderated KAP Reputation

The moderate regression analysis test reveals that the size of KAP-recognized businesses has a significant impact on audit delay. Since the KAP's reputation can moderate the impact of company size on audit delay, the findings of this study can be applied to all populations.

Table 4. Moderate Regression Analysis Test Results

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0,180	0,055		3,296	0,001
	Profitabilitas*Reputasi KAP	0,001	0,001	0,133	1,834	0,048
	Solvabilitas*Reputasi KAP	0,000	0,000	0,283	3,804	0,000
	Ukuran Perusahaan* Reputasi KAP	0,001	0,003	0,013	2,177	0,039

The amount of money the business makes can affect how much assets are worth. The company will send a positive signal to the outside world that it can attract attention to invest in its shares by earning profits from large corporations, which will raise the stock price.

According to signal theory, audit delays are reduced when large businesses receive positive news immediately and communicate information more quickly and promptly.Due to the company's experienced management team, which will reduce errors in the presentation of financial statements and thus assist the auditor in carrying out his audit duties, larger businesses typically speed up the process of preparing financial statements. Because it has a flexible schedule and sufficient resources to carry out audit procedures more efficiently and complete audit reports on time, a reputable KAP will increase the impact of company size on audit delay. In order to submit financial statements in a timely manner and reduce audit delays, auditors will be encouraged to work professionally because they have a great deal of responsibility and consequences to provide high-quality audit results for the public companies they manage. The results of this study are in line with research conducted by (Cahyanti & Dyna Nuzul. Nengah Sudjana., 2016), (Prabasari & Merkusiwati, 2017), (Devi & Suaryana, 2016), dan (Ginting & Hidayat, 2019), showing that the reputation of KAP has been proven to moderate the influence of company size on audit delay.

CONCLUSION

In conclusion, the completed study demonstrates that profitability, dissolvability, and company size have a fundamental impact on review delay. When these variables fluctuate simultaneously, it affects the audit delay. Specifically, profitability has a significant impact on audit delay, with an increase in profitability leading to a decrease in audit delay and vice versa. Solvency also plays a significant and positive role in reducing audit delay, with higher solvency leading to longer audit delay and vice versa. Company size is another factor that significantly impacts audit delay, with smaller businesses experiencing longer audit delays than larger ones. The study also reveals that the KAP's good reputation can mitigate the impact of profitability, solvency, and company size on audit delay. Specifically, the KAP reputation can lessen the effect that profitability has on audit delay, reducing and strengthening the profitability of audit delays.

The KAP reputation can also reduce the impact of solvency on audit delay, improving and lessening the relationship between audit delay and solvency. Finally, the KAP reputation can moderate and strengthen the relationship between audit delay and company size, lessening the effect that company size has on how long an audit takes. Based on the findings of this study, it is crucial to maintain a good reputation in order to mitigate the negative impact of factors such as profitability, solvency, and company size on audit delay. This can help in building trust with clients and in turn, increase the demand for their services. By understanding the relationship between these factors, regulator or goverment can implement policies and regulations that promote timely and efficient auditing practices. This study also can provide useful insights into the financial health of companies. By analyzing audit delay, investors can gauge the quality and reliability of financial statements, which can in turn impact their investment decisions.

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