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THE EFFECT OF AUDIT COMMITTEE, INSTITUTIONAL OWNERSHIP, PROFITABILTY, AND AUDIT COMPLEXITY AS MODERATING VARIABLE TO FINANCIAL STATEMENT REPORT DELAY
(Empirical Study on Manufacturing Companies Listed on Indonesia Stock Exchange Year 2017-2019)

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ABSTRACT

The purpose of this study was to determine the effect of the audit committee moderated by audit complexity, institutional ownership, and profitability on financial statement report delay by conducting an empirical study on manufacturing companies listed on IDX in 2017 – 2019. This study uses quantitative methods and explanatory research that aims to prove the research hypothesis. The sample selection was carried out by purposive sampling and based on predetermined criteria; the number of samples used was 83 manufacturing companies. The data analysis technique in this study is multiple linear regression assisted by the statistics application of SPSS. The results showed that institutional ownership and profitability had a negative effect on financial statement report delay, while the audit committee had no significant effect on financial statement report delay. In addition, audit complexity does not moderate the effect of the audit committee on financial statement report delay.

Keywords: financial statement report delay, corporate governance, institutional ownership, audit committee, audit complexity, profitability.

INTRODUCTION

Manufacturing sector are one of the industrial sectors that notice the importance of the timeliness of reporting on financial reports. The manufacturing sector is still the mainstay of investment in the country with the highest contribution of investment from the industrial sector to domestic investment during the 2001 - 2015 period than other sectors (Nurhayani et al., 2017). This is because this industry will continue to develop along with technological advances and the increase in Human Resources (HR). Therefore, the availability of financial statement information for all companies engaged in the manufacturing sector is absolutely necessary. Specifically, the manufacturing industry sector as a study for this research is because the average of the financial statement report delay tends to increase in the 2017 – 2019 period from 77 days in 2017, increasing to 78 days in 2018 and increasing significantly to 85 days in 2019.

From previous studies, it shows that if there are various antecedents related to financial statement report delay. One of interesting issue in the context of modern corporate practices and have a relationship with financial statement report delay is corporate governance implementation. The role of the corporate governance mechanism through the audit committee and institutional ownership is able to suppress the occurrence of financial statement report delay as implied by agency theory. Agency theory states that management decisions need to be monitored and controlled, so the principal (owner) will pay monitoring fees in the form of making auditing reports and accounting reports (Hassan, 2016).

Other's antecedent factor that affects financial statement report delay is profitability. In understanding the relationship between profitability and financial statement report delay, signal theory

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can be used as the basic theory. Companies that experience increased net profit will look more positive to the market. Increasing the percentage of profitability obtained by the company in a period, internal management will certainly really want a short audit process so that the company can immediately publish its financial statements and make it possible to communicate positive signals to shareholders more quickly. (Khoufi & Khoufi, 2018; Shukeri, 2012).

Empirical research conducted by Sari, Subroto, & Ghofar, (2019) is the main inspiration in conducting this research by doing novelty in the form of adding new variables such as institutional ownership and profitability as determinants of the emergence of financial statement report delay. Furthermore, research conducted by Sari, Subroto, & Ghofar, (2019) still had a variable that had no effect, independent commissioner variable, so that this study replaced it with new variables, institutional ownership and profitability, which is considered an antecedent factor to the occurrence of financial statement report delay. The addition of the profitability variable also certainly adds to the understanding related to the development of the theoretical basis that will be used.

Audit complexity as a moderating variable of the relationship between corporate governance and financial statement report delay is based on previous research conducted by Sari et.al, (2019); Putra et.al., (2017); and Putra et.al., (2018). Specifically, in various studies that have been carried out related to the moderating role of audit complexity on the relationship between corporate governance and financial statement report delay, there are still inconsistencies in research results related to the moderating role of audit complexity on the relationship between audit committee and financial statement report delay. Sari et.al, (2019) succeeded in proving the moderating role of audit complexity on the relationship between the audit committee and financial statement report delay, while Putra et.al., (2017); and Putra et.al., (2018) did not find a moderating role of audit complexity on the relationship between audit committee and financial statement report delay. So, this is the basis that only to put the audit committee variable as a corporate governance variable that will see the moderating role of audit complexity related to its relationship with financial statement report delay.

THEORETICAL FRAMEWORK AND HYPOTHESES FORMULATION

The Effect of Audit Committee on Financial Statement Report Delay

According to agency theory, monitoring effectiveness and group cohesion can be increased by a small audit committee size. An increase in the size of the audit committee may result in a lack of active participation by some directors, which in turn undermines cohesion in decision-making, and undermines the control and monitoring functions (Raweh et.al., 2019). Bédard and Gendron (2010) assert that small audit committees have a diversity of expertise and can ensure proper monitoring. It can be concluded that the formulation of the first hypothesis that can be proposed is:

H1: Audit committee has a positive effect on the financial statement report delay.

The Effect of Institutional Ownership on Financial Statement Report Delay

Chen and Zhang (2006) suggest institutional ownership as the percentage of a company that has investment banking, pension funds, insurance, banks, and mutual funds. Therefore, ownership of shares by outsiders or institutions is thought to have the power to sue and require management should convey financial information immediately because the financial reports submitted late will affect the economic decisions that will be taken by the users of the information. The existence of institutional investors can indicate a strong corporate governance mechanism so as to provide oversight of company management. It can be concluded the next hypothesis formulation that can be proposed is:

H2: Institutional Ownership has a negative effect on the Financial Statement Report Delay.

The Effect of Profitability on Financial Statement Report Delay

Carslaw and Kaplan in Ariyani and Budiartha (2014) showed that companies that suffered losses ask their auditors to audit more slower than it should be, and the consequent is late submission of Financial Statement. On the other hand, the increase in net profit by the company at the end of the year will be seen more positively by the market (investors). A positive signal to the market through an

increase in net income causes management want quickly to complete the audit process and publish its financial statements immediately so that the audit delay that occurs will be shorter. This will certainly be very beneficial for the company in communicating this positive information to shareholders more quickly (Basuony et al., 2016). It can be concluded the next hypothesis formulation that can be proposed is:

H3: Profitability has a negative effect on the Financial Statement Report Delay.

The Effect of Audit Committee on The Financial statement report delay and Moderated by Audit Complexity

Audit delay that occurs will be shorter along with the increasing number of audit committees that function to oversee the preparation of financial statements, but companies with complex operational systems will extend the audit process for auditors to complete their audit reports and consolidated reports (Diana & Maggy, 2018). In other words, the company must view that the performance of the audit committee will be affected by the complexity of the audit as a form of implementing the internal control system. On the one hand, companies that have high audit complexity will force a more effective audit committee performance, but on the other hand. will complicate the internal control evaluation process by the audit committee (Sari et al., 2019). It can be concluded the fourth hypothesis formulation that can be proposed is:

H4: Audit complexity will weaken the relationship between the Audit committee and the financial statement report delay.

RESEARCH METHODS

Manufacturing companies listed on IDX (Indonesia Stock Exchange) are research population of this study. The sample will be determined based on non-probability sampling techniques and will specifically use purposive sampling as the basis for determining the sample company through specific considerations (Sugiyono, 2013). The sample criteria that will be used are as follows:

Table 1. Research Sample Criteria

Sample Criteria's	Total
Go public manufacturing companies	162
Delisted manufacturing companies from the period 2017 – 2019	(23)
Incomplete financial statements of manufacturing companies for the period 2017 - 2019	(32)
Manufacturing companies that have data outliers	(24)
Total Sample's	83
Total Observation (83 x 3)	249

Source: Data Processing, (2021)

According to the predetermined sample selection criteria, 83 companies were selected that met the criteria of the samples in this study from 2017 to 2019. The total companies that could be sampled for this study amounted to 83 companies so that the total observations in this study amounted to 249 (83 x 3) observation.

The variables of this study consisted of predictors, moderated and dependent variables, namely:

- Audit Committee (predictors variables) which is proxied by:

Audit Committee = The Number of Audit Committee Members

- Institutional Ownership (predictors variables) which is proxied by:

$$\text{Institutional ownership} = \frac{\text{Shares owned by Institution}}{\text{Number of shares outstanding (Total Shares)}}$$

- Profitability (predictors variables) which is proxied by:

Net profit margin = $\frac{\text{Net Income}}{\text{Net Sales}}$

- Audit Complexity (moderated variables) which is proxied by:

Audit Complexity = Natural logarithm of total assets (LN Total Asset)

- Financial Statement Report Delay which is proxied by:

Financial statement report delay = Date of publication of the audit report – December, 31 (in days)

The data analysis technique for this research is moderated regression analysis, which is a special application of linear multiple regression where the regression equation contains elements of interaction (multiplication of two or more independent variables) (Ghozali, 2018). Specifically, this data analysis technique consists of descriptive statistics, normality test, multicollinearity test, heteroscedasticity test, autocorrelation test, regression model, determination coefficient and hypothesis testing.

RESULT AND INTERPRETATION

Descriptive Statistics

Table 2. Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Fin. State. report delay	249	39	150	79.96	15.663
Audit Committee	249	2	5	3.05	.300
Ins. Ownership	249	.000	1.000	.77859	.254469
NPM	249	-7.846	6.322	.01989	.685272
Audit Complexity	249	89327	351958000	10965531.61	38231782.741
Valid N (listwise)	249				

Source: Data Processing, (2021)

Audit committee is an independent group and has no special relationship with the company. The number of audit committee members is a proxy of this variable. Based on the result which can be seen in table 2. above, it can be seen that the minimum value of the audit committee during the research period in manufacturing companies is 2 which are companies with emitten codes: MBTO and WSBP in period of 2017 - 2019. The maximum value for the audit committee during the research period for manufacturing companies is 5, which are companies with emitten codes: CPIN in period of 2017. Overall, the mean score of audit committees for manufacturing companies in the period 2017 - 2019 is 3.05. This shows that the majority of manufacturing companies have audit committees of three individuals with the lowest mean value of 2 (see appendix 2) that are manufacturing companies with emitten codes MBTO and WSBP and the highest mean value of 5 (see appendix) that are manufacturing companies with emitten codes CPIN.

Institutional ownership is percentage of share ownership in a public company owned by a legal entity institution (financial institution, public company, etc.) (Frischanita, 2018). Based on the result which can be seen in table 2. above, it can be seen that the minimum value of the institutional ownership during the research period in manufacturing companies is 0.000 which are companies with emitten codes: BAJA and CAMP in period of 2017 - 2019. The maximum value for the institutional ownership during the research period for manufacturing companies is 1.000, which are companies with emitten codes FASW in period of 2019. Overall, the mean score of institutional ownership for manufacturing companies in the period 2017 - 2019 is 0.779 (77,9%). The mean value of institutional ownership is close to 1 (100%) so it can be said that the majority of manufacturing companies have implemented good corporate governance principles by including a high percentage of institutional ownership.

Profitability is a measure of the effectiveness and success of the company in obtaining profits. Based on the result which can be seen in table 2. above, it can be seen that the minimum value of the profitability (NPM) during the research period in manufacturing companies is -7.846 which are companies with emitten codes: HDTX in period of 2019. The maximum value for profitability (NPM)

during the research period for manufacturing companies is 6.322, which are companies with emitten codes IKAI in period of 2018. Overall, the mean score of profitability (NPM) for manufacturing companies in the period 2017 - 2019 is 0.020 (2,0%). The mean value of profitability (NPM) is below 10% so it can be said that the majority of manufacturing companies experience a very significant decrease in ability to generate profitability (Kasmir, 2013).

Audit complexity is the complexity of the company's operations by the division of departments or work divisions that are increasingly specific in different work units. Based on the result which can be seen in table 2. above, it can be seen that the minimum value of audit complexity during the research period in manufacturing companies is 89.327 million rupiah which are companies with emitten codes: BIMA in period of 2017. The maximum value for audit complexity during the research period for manufacturing companies is 351.958 billion rupiah, which are companies with emitten codes ASII in period of 2019. Overall, the mean score of audit complexity for manufacturing companies in the period 2017 - 2019 is 10.965 billion rupiah which means the level of audit complexity that will be carried out by auditors in manufacturing companies has a high level of complexity due to the large value of total assets owned by the majority of companies.

Financial statement report delay is the time required to complete the audit process by the external auditor in the year-end period until the publication of the company's audit report which is calculated based on the number of days (Diana & Maggy, 2018). Based on the result which can be seen in table 2. above, it can be seen that the minimum value of audit delay during the research period in manufacturing companies is 39 days which are companies with emitten codes: FASW in period of 2018. The maximum value for financial statement report delay during the research period for manufacturing companies is 150 days, which are companies with emitten codes HDTX in period of 2019. Overall, the mean score of audit delay for manufacturing companies in the period 2017 - 2019 is 79.96 days. The mean value of audit delay is below 90 days so it can be said that the majority of manufacturing companies are fast in completing financial reports and not experiencing delays as stipulated in BAPEPAM decision No. KEP-346 / BL / 2011 and OJK regulation No. 44 /POJK.04/2016.

Normality Test

The Kolmogorov-Smirnov test will be used as an assessment of normality tests by calculating the significance value where if the significance value is above 5% (0.05) so it can conluded that normally distributed of data sample and vice versa (Ghozali, 2018). The following is the results of statistical calculations using SPSS related to the normality test:

Table 3. Normality Test

Kolmogorov - Smirnov Test	
Asymptotic significance 2-tailed	0.085

Source: Data Processing, (2021)

The results that can be seen in table 3. above can be concluded that the data is normally distributed based on the Asymp.sig value. (2-tailed) = 0.085 greater than 5%.

Multicollinearity Test

According to Ghozali, (2018), a variable is said to have no multicollinearity if the tolerance value is above than 0.10 and the variance inflation factor (VIF) value is less than 10. The following is the results of statistical calculations using SPSS related to the multicollinearity test:

Table 4. Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Audit Committee	0.404	2.478
Ins. Ownership	0.868	1.152
NPM	0.973	1.028
AC_AUDIT COMPLEX	0.385	2.600
a. Dependent Variable: Financ. State. Rep. Delay		

Source: Data Processing, (2021)

Based on the result which can be seen in table 4. above, the tolerance value of audit committee, institutional ownership, profitability and audit complexity (0.404; 0.868; 0.973; 0.385) > 0.100 and the VIF value of audit committee, institutional ownership, profitability and audit complexity (2.478; 1.152; 1.028; 2.600) is below 10. This indicates that there is no multicollinearity in the predictor variables (audit committee, institutional ownership, profitability and audit complexity).

Heteroscedasticity Test

The following is the results of statistical calculations using SPSS related to the heteroscedasticity test:

Table 5. Heteroscedasticity Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.177	7.006		0.311	0.756
Audit Committee	0.952	3.203	0.03	0.297	0.767
Ins. Ownership	3.108	2.574	0.082	1.207	0.229
NPM	-0.101	0.903	-0.007	-0.112	0.911
AC_AUDIT COMPLEX	0.079	0.131	0.062	0.603	0.547
a. Dependent Variable: ABS_RES					

Source: Data Processing, (2021)

Based on the result which can be seen in table 5. above, the sig. value of each predictor variable's (audit committee, institutional ownership, profitability, audit complexity and audit committee × audit complexity) are 0.155; 0.201; 0.964; 0.133 and 0.188) is greater than 0.05 which can be concluded that there is no symptom of heteroscedasticity in this regression model, so that the regression model is feasible to use to see the regression model.

Autocorrelation Test

The following is the results of statistical calculations using SPSS related to the autocorrelation test:

Table 6. Autocorrelation Test

Run Test	
Asymptotic significance 2-tailed	0.657

Source: Data Processing, (2021)

Based on the result which can be seen in table 6. above, the asymp.sig.(2-tailed) value of the regression model is 0.657 which is greater than 0.05, it means that in this regression model there is no autocorrelation symptom.

Regression Model

The following is the result of SPSS calculation on the formed regression model:

Table 7. Regression Model

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	79.691	10.761		7.406	0.000
Audit Committee	10.317	4.919	0.198	2.097	0.037
Ins. Ownership	-7.993	3.954	-0.13	-2.022	0.044
NPM	-5.209	1.387	-0.228	-3.756	0.000
AC_AUDIT COMPLEX	-0.556	0.201	-0.267	-2.771	0.006
a. Dependent Variable: Financ. State. Rep. Delay					

Source: Data Processing, (2021)

Based on the result which can be seen in table 4.8 above, the form of the regression model equation is obtained as follows:

AD = 79.691 + 10.317 AC - 7.933 IO - 5.209 NPM - 0.556 MOD

The sign (positive or negative) of the regression coefficient on each predictor variable will determine the increase or decrease in the value of the financial statement report delay where if one of the predictor variable values is expected to increase or decrease by one unit, the value of the other predictor variables is estimated to be constant or equal to zero.

Determination Coefficient (R^2)

The following is the result of SPSS calculation on the value of the coefficient of determination:

Table 8. Determination Coefficient

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.355[a]	.126	.112	14.764
a. Predictors: (Constant), AC_AUDIT COMPLEX, NPM, Ins. Ownership, Audit Committee				
b. Dependent Variable: Financ. State. Rep. Delay				

Source: Data Processing, (2021)

Based on the result which can be seen in table 8. above, an adjusted R Square value is 0.112, meaning that to find the percentage it must be multiplied by 100% (0.112 x 100%) that is 11,2%. This means that 11.2% of audit delay can be explained by variations of all predictor variables (audit committee, institutional ownership, profitability, and moderating), while the rest (100% - 11.2% = 88.8%) that is 88.8% are explained by other variables outside the model.

Hypothesis Testing - t Test

One form of hypothesis testing is the t-test to analyze whether there is a significant effect on each predictor variable to financial statement report delay partially. The following is the results of statistical calculations using SPSS related to the hypothesis testing - t test:

Table 9. Hypothesis Testing - t Test

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	79.691	10.761		7.406	0.000
Audit Committee	10.317	4.919	0.198	2.097	0.037
Ins. Ownership	-7.993	3.954	-0.13	-2.022	0.044
NPM	-5.209	1.387	-0.228	-3.756	0.000
AC_AUDIT COMPLEX	-0.556	0.201	-0.267	-2.771	0.006
a. Dependent Variable: Financ. State. Rep. Delay					

Source: Data Processing, (2021)

According to the table 9. above, it can be concluded that:

- Sig. value of audit committee = 0.037 < 0.05, it means that the decision taken to reject Ho1 and accept Ha1, that is the audit committee has significant effect on Financial statement report delay.
- Sig. value of institutional ownership = 0.044 < 0.05, it means that the decision taken to reject Ho_2 and accept Ha_2, that is institutional ownership has a significant effect on financial statement report delay.
- Sig. value of profitability (NPM) = 0.000 < 0.05, it means the decision to be taken to reject Ho_3 and accept Ha_3, that is profitability (NPM) has a significant effect on financial statement report delay.
- The moderating variable (audit committee × audit complexity) has a value of sig. = 0.006 < 0.05, it can be concluded to reject Ho_4 and accept Ha_4, which means that audit complexity moderates the effect of audit committee on financial statement report delay. Determination of the moderator variable type is based on the results of the audit complexity variable regression as an independent variable in the regression model that is formed on the dependent variable (financial statement report delay) and the results show that sig. = 0.225 < 0.05, it's means that the moderator variable (audit complexity) does not function as a predictor variable (independent) but directly interacts with other predictor variables, namely the audit committee. From the results of this regression model, it can be said that the type of moderator in the audit complexity variable is a pure moderator (Ghozali, 2018).

The Effect of Audit Committee on Financial Statement Report Delay

There is significant effect audit committee on financial statement report delay and the relationship formed is positive and it was based on hypothesis testing results (t test) where the audit committee variable has a value of sig. = 0.037 < 0.05 (with a positive regression coefficient). The mean score of audit committees for manufacturing companies in the period 2017 - 2019 is 3.05. This shows that the majority of manufacturing companies have audit committees of three individuals. Mean value of the audit committee has a high data tendency followed by a high data tendency of mean value of number of days of audit delay during the period of this study.

This significant relationship between audit committee size and financial statement report delay means that the number of audit committee members can affect the number of days for preparing and reporting financial statements. The competence owned by committee members; the functions and roles of the audit committee can run more effectively and simplify the audit process than independent auditors (Frischanita, 2018). However, the correlation is positive, which means that the bigger of audit committee size will increase the number of days of the financial statement report delay, and vice versa,

the smaller of audit committee size will reduce the number of days of the financial statement report delay. This result is in line with agency theory which states that monitoring effectiveness and group cohesion can be increased by a small audit committee size. A smaller of audit committees' size can ensure effective and efficient oversight (Raweh et.al., 2019).

These results are in line with research conducted by Raweh *et.al.* (2019), Umami *et.al.* (2020), Bédard & Gendron (2010), and Eksandy, A. (2017) shows that the audit committee size has positive and significant effect on financial statement report delay.

The Effect of Institutional Ownership on Financial Statement Report Delay

There is significant effect institutional ownership on financial statement report delay and the relationship formed is negative and it was based on hypothesis testing results (t test) where the institutional ownership variable has a sig value. = 0.044 < 0.05 (with a negative regression coefficient). It's means that financial statement report delay (in days) will decrease in line with the increasing number of institutional ownership compositions in manufacturing company shares and vice versa. This result is in line with the high data tendency of institutional ownership where the mean score of institutional ownership for manufacturing companies in the period 2017 - 2019 is 0.779 (77.9%). Mean value of audit committees has a high data tendency so that it can reduce the number of days the average financial statement report delay reaches below the 90 days limit (means score audit delay = 79.96 days).

The conclusions that can be drawn from the results of this study are agency theory explain that the greater institutional ownership on composition of company shareholding as a form of corporate governance mechanism, a company will have great power in improving the quality of financial statement including shorter audit report completion times (shorter financial statement report delay). Institutional ownership that acts as the majority shareholder is expected to provide monitoring of management decisions, so as to reduce the financial statement report delay. Institutional ownership can be an effective internal control function. They have the ability to force management to comply with applicable regulations regarding the issuance of financial statements in the capital market, which is before 90 days from the end of the year. This empirical finding is as same as the research conducted by Frischanita (2018) and Suparsada & Putri, (2017).

The Effect of Profitability on Financial Statement Report Delay

There is significant effect profitability on financial statement report delay and negative relationship and it was based on statistic calculation related to t test where the profitability (NPM) has a sig value. = 0.000 < 0.05 (with a negative regression coefficient). It's means that that financial statement report delay (in days) will decrease when profitability ratio (NPM) of manufacturing company increases and vice versa. The mean score of profitability (NPM) for manufacturing companies in the period 2017 - 2019 is 0.020 (2,0%). The mean value of profitability (NPM) is below 10% so it can be said that the majority of manufacturing companies experience a very significant decrease in ability to increase profitability. The data tendency year on year between profitability (NPM) and financial statement report delay shows the opposite trend where the mean value per year during the research period on profitability (NPM) has decreased while financial statement report delay has increased.

Related to the results of this study, signal theory is able to explain the reason behind it, internal management willing to immediately complete the audit process and publish its annual audit report when the company experiences high profitability, because this information is a "positive signal" for investors. On the contrary, management will try to delay the audit process and have an impact on delaying the publication of its annual audit report when the company experiences a decline in profitability (losses), because this information is a "negative signal" for investors. (Khoufi & Khoufi, 2018). Suparsada & Putri, (2017); Handoyo & Maulana, (2019); and Rubianto (2017) has similar empirical findings related to their research.

The Effect of Audit Committee on The Financial statement report delay and Moderated by Audit Complexity

The audit complexity moderated the effect of the audit committee on financial statement report delay and it was based on statistic calculation related to hypothesis testing (t test) where the moderating

variable (audit committee × audit complexity) has a value of sig. = 0.006 > 0.05. Based on the regression model formed, the moderator variable (audit complexity) does not function as a predictor variable (independent) but directly interacts with other predictor variables (audit committee), then the type of moderator formed from audit complexity is a pure moderator. The regression coefficient of the moderating variable is negative, that means audit complexity will weaken the relationship between the audit committee and the financial statement report delay.

These results can be interpreted that the company needs to consider the aspect of audit complexity in implementing the company's control system. This is because audit complexity can affect the performance of the audit committee as a form of supervision and internal control of the company. The existence of audit complexity conditions can weaken the role of the audit committee, so that the audit committee need to work more effectively and efficiently, and optimal performance will be achieved. The high complexity of the company's audit will make the internal control evaluation process carried out by the audit committee more difficult. This empirical finding in line with the empirical findings by Sari, Subroto, & Ghofar, (2019) where there is a moderating role of audit complexity that weaken the relationship between audit committee and financial statement report delay.

CONCLUSION AND LIMITATION

From the empirical findings that have been described above, the researchers drew several conclusions to answer all the research purposes, as follows first, audit committee has positive effect on financial statement report delay. Second, institutional Ownership has a negative effect on financial statement report delay. Third, profitability has a negative effect on financial statement report delay. Fourth, audit complexity weaken the effect of the audit committee on financial statement report delay.

The data analysis technique used in this study is OLS regression using SPSS tools so that different results will be obtained if using other data analysis techniques such as panel data regression. In addition, the research variables studied were variables that affected financial statement report delay, namely audit committee, institutional ownership, profitability and audit complexity as moderation variables. The result of determination coefficient (R2) value is still small, 11.3%, it means that there is a limited ability related to the explanation of predictor variable to the dependent variable. Therefore, further research analyzes other antecedent factors for the occurrence of financial statement report delay such as audit firm reputation, sales growth, current ratio, market capitalization, bankruptcy, etc.

Suggestions that can be submitted related to the results of this study are` first, manufacturing companies listed on IDX to consider the factors that affect financial statement report delay by evaluating and analyzing these factors in order to avoid delays in the audited financial statements to be published because audit delay can reflect poor management performance in the sight of investors. Second, it is necessary to consider expanding the research population for the next research, namely other company sectors listed on the IDX with a long period of time (more than three years) so that it will produce research that can be generalized. Third, looking at other antecedent factors for the occurrence of audit delay in the next research such as KAP size, audit opinion, managerial ownership with different data analysis methods such as panel data regression.

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