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The Role of Emerging Uses Technology-based in Accounting Information Processing (A Study of Property & Real Estate Sector in Indonesia)

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ABSTRACT: Financial statements present the financial position and performance of an entity. The timeliness of submitting financial statements is crucial to make the decisions correctly. This research empirically tests the influence of providing modified opinions, the complexity of company operations, and company size on delays in submitting financial statements—the study was conducted using quantitative research methods. We are gathering data through analyses of the financial statements in the property and real estate sectors in 2020-2022. The results show that the complexity of a company's operations significantly positively affects delays in submitting financial reports. Meanwhile, providing a modified opinion and company size does not affect the delay in presenting financial statements. The results of this research imply the importance of using technology-based accounting information processing to meet user needs for timelines in financial statements submitted.

KEYWORDS: Modified Opinions, Operational Complexity Company Size, Company Size, Delay in Submitting Financial Reports, Property and Real Estate Sector

INTRODUCTION

Financial reports present structured information about the financial position and financial performance of an entity (A. D. Saputra & Fadjarenie, 2022). The purpose of financial reports is to provide information about assets, liabilities, equity, income and expenses of an entity that reflects whether a company is in good financial condition or not so that the information is useful for the majority of users of financial reports in making economic decisions and for assessing the company's sustainability (Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia, 2022).

The conceptual framework for financial reporting states that financial information is mostly very useful for users of financial reports if it meets qualitative characteristics including relevance, materiality and accurate representation. The usefulness of financial information can be increased if the information is comparable, verified, timely and understandable. The qualitative characteristics of financial reports mean that the submission of financial reports must be published on time so that when the users of the financial reports need them, the information is available and useful for the users. If there is a delay in submitting financial reports, it will result in the financial reports not being available when needed by users. So, the relevance of the financial information contained in the financial report is lost so that it cannot meet the needs of financial report users and becomes useless (Ikatan Akuntan Indonesia, 2019).

The deadline for submitting financial reports is stated in article 7 paragraph 2 POJK Number 44/POJK.04/2016 concerning Depository and Settlement Institution Reports which states that every issuer or public company registered on the Indonesian Stock Exchange is required to immediately publish its annual financial report to the Services Authority. financial statements no later than 90 (ninety) days after the financial year ends (Financial Services Authority of the Republic of Indonesia, 2016). In article 19 POJK Number 29/POJK.04/2016, sanctions will be imposed if the company experiences delays in submitting financial reports. Sanctions for violating these regulations include written warnings and fines, namely the obligation to pay a certain amount of money, restrictions on business activities, freezing of business activities, revocation of business permits, cancellation of approvals, and cancellation of registration (Otoritas Jasa Keuangan Republik Indonesia, 2016).

The phenomenon that has occurred is related to the late submission of financial reports. This case occurred at PT Bakrieland Development which experienced delays in submitting financial reports for three consecutive years. Throughout 2020 to 2022, PT

Bakrieland Development received a written warning along with a fine from the Indonesian Stock Exchange because it had not submitted financial reports (Indonesian Stock Exchange, 2023).

The factors suspected by the authors to affect the delays in submitting financial reports, include providing modified opinions, the complexity of company operations, and company size. Giving a modified opinion is a statement of opinion given by the auditor after going through an audit process in accordance with general accounting principles, however, there are certain conditions that require an explanation regarding these conditions. Then company operational complexity is the number of subsidiaries of a business entity to carry out business expansion. As well as company size is a scale that can be calculated using the total asset value, total sales, and number of workers which shows the condition of the company during a certain period.

Based on the literature review, various factors affect the delays in submitting financial reports, one of which is providing a modified opinion. According to the results of research conducted by Oradi (2021), Durand (2018), Hussin et al. (2018), and Habib et al. (2018) which states that providing a modified opinion affects delays in submitting financial reports. Factors of complexity of company operation were also revealed to play a role in the integrity of financial statements. Based on the research results by Budi & Henny (2022), Isnaeni & Nurcahya (2021), and Rizkinov & Silalahi (2021) states that company operational complexity has a positive and significant effect on delays in submitting financial reports. Some literature also reveals that company size can affect the delays in submitting financial reports. According to the research results of Stewart et al. (2019), Escaloni & Mareque (2021), and Al-qublani et al. (2020) stated that company size has a significant negative effect on delays in submitting financial reports.

Based on the background and problem formulation described, this research aims to examine the effect of providing modified opinions, company operational complexity, and company size on delays in submitting financial reports in property and real estate companies listed on the IDX in 2020-2022. The theoretical benefit of this research is that it can add insight into concepts and theories regarding factors that influence the delays in submitting financial reports and can also be a reference as well as a comparison for similar researchers by discussing the same study to advance the world of education, especially in the field of auditing.

LITERATURE REVIEW

Agency Theory

According to Jensen & Meckling (1976) agency theory is a relationship between two parties consisting of the owner (principal) and management (agent) which can be interpreted as a contractual relationship between one or more people (principal) involving another person (agent) in carrying out something. services, actions and giving authority to management in managing the company on behalf of shareholders to make decisions in running the company.

Transaction Cost Theory

According to McCole et al. (2010) The main factor in transaction cost theory is uncertainty. The uncertainty factor occurs when experiencing difficulty in predicting actions taken by other parties in a transaction, because it is based on opportunism and limited rationality. This uncertainty can lead to the risk of financial statement misstatement, where misstatement is a component of audit risk. If an economic downturn occurs, companies will be under pressure to meet investor expectations, so management may be tempted to manipulate the company's financial reports. This creates more consideration for auditors in considering audit risks in audit planning, audit program design and final evaluation so that they spend a lot of time in the audit process.

Delay in Submitting Financial Reports

According to Ashton et al. (1987), delay in submitting financial reports is a term for the time period used to complete an audit starting from the closing date of the financial year to the date the audit report is issued.

Dyer & McHugh (1975) explained that there are three characteristics of gaps in the submission of financial reports:

1. Auditors signature lag is the interval of days between the closing date of the balance sheet and the date of signing the financial report which has gone through the audit process by the auditor.
2. Preliminary lag is the interval of days between the closing date of the balance sheet and the date of submission of the audited financial report to the stock exchange.
3. Total Lag is the interval of days between the closing date of the balance sheet and the stock exchange publication date.

This research uses characteristics auditor’s signature lag and using a deadline regulation of 90 days after the financial year ends because this regulation is in accordance with previous research and is more general in nature and does not change quickly.

Meanwhile, regulations are easing the deadline for submitting financial reports due to the emergency status of the disease outbreak caused by the corona virus being temporary.

Late Submission of Financial Reports = Date the audit report was signed - closing date of the financial year

Providing a Modified Opinion

According to Badan Pemeriksa Keuangan (2004), a modified opinion is given using the following criteria: the internal control system is adequate, but there are material misstatements in several financial statement items. Financial reports with a Qualified Opinion can be relied upon, but stakeholders need to know several problems raised by the auditor regarding the excluded items so as not to experience errors in decision making. Based on ISA 705 concerning Modification of Opinions in Independent Audit Reports, it states several situations that determine whether a modified opinion is given:

1. Fair With Exceptions: Based on adequate audit evidence, material misstatements occurred but did not have a pervasive impact on the financial statements. Unable to obtain sufficient audit evidence to draw a conclusion that the financial statements as a whole are free of material misstatement.
2. Unreasonable: Based on adequate audit evidence, there are material misstatements that have a pervasive impact on the financial statements.
3. Not Giving Opinion: The auditor is unable to obtain adequate audit evidence on which to base an opinion and determine that there are undetected misstatements in the financial statements. In uncertain conditions, even though the auditor obtains adequate audit evidence, the auditor cannot determine an opinion because the uncertainty has a cumulative impact on the financial statements.

In this research, the opinions given by auditors are classified into two, namely companies that receive a modified opinion are given code 0 while companies that receive an unqualified opinion are given code 1 (Khoufi & Khoufi, 2018).

Company Operational Complexity

According to Azzuhri et al. (2019) subsidiaries are established to develop the company in producing products in a particular economic environment and to diversify business operations. By establishing subsidiaries spread across various regions, it can support the company in introducing its business to the wider community. Company operational complexity occurs when departments are formed and work is divided into different units.

Compx = total subsidiaries

Company Size

According to Toni et al. (2021) company size is a scale that can be calculated using the total asset value, total sales and number of workers which shows the condition of the company during a certain period. Company size is classified as follows:

1. Large companies: Large companies are companies that have net assets of more than IDR 10 billion including land and buildings and have annual sales of IDR 50 billion.
2. Medium Company: Medium companies are companies with net worth of IDR 1-10 billion including land and buildings. Have annual net sales greater than IDR 1-10 billion and less than IDR 50 billion.
3. Small company: A small company is a company with net assets of IDR 200 million excluding land and buildings and has annual sales of at least IDR 1 billion.

Companies can be classified into different categories, including total assets, log size, and stock market value. Large companies tend to be more careful in managing the company and profits efficiently. Large companies pay more attention to the general public in carrying out more accurate financial reporting. This research uses log size to determine the size of the company based on the size of the company in terms of total company assets. Because the total asset value of each company is different and even has a large difference in value, this can lead to extreme values. To avoid extreme values that can affect statistical tests, in this study the total asset value needs to be Ln. The formula for measuring company size refers to research by Toni et al., (2021):

Size = Ln (Total Assets)

Thinking Framework and Hypotheses

The Effect of Providing a Modified Opinion on Delays in Submitting Financial Reports

Companies that receive a modified audit opinion will delay publishing their audited financial statements because the auditor will negotiate with auditees and consultation with more senior auditor partners so that it takes longer to gain confidence in the audit opinion, so that the publication of financial reports can be delayed (Rahmawati & Suryono, 2015).

Based on previous research conducted by Durand (2018), Habib et al. (2018), Lai et al. (2020), and Oradi (2021)state that providing a modified opinion has a positive significant effect on delays in submitting financial reports.

H1: Providing a Modified Opinion has a positive effect on Delays in Submitting Financial Reports.

The Effect of Company Operational Complexity on Delays in Submitting Financial Reports

According to Rizkinov & Silalahi (2021),the complexity of a company's operations can be seen from the number of subsidiaries of a business entity in carrying out business expansion. The number of subsidiaries reflects that the more operating units that must be reviewed by the auditor in each transaction and their records means that the auditor will expand his scope and tend to take longer to complete the audit process. This will affect the time the company's financial reports are published.

Based on previous research conducted by Aulia & Setiawati (2020), Mahayani & Wirakusuma (2019), and Rizkinov & Silalahi (2021)states that the complexity of a company's operations has a positive significant effect on delays in submitting financial reports.

H2: Company Operational Complexity has a positive effect on Delays in Submitting Financial Reports.

The Effect of Company Size on Delays in Submitting Financial Reports

Small companies have limited resources. Meanwhile, larger companies have an incentive to shorten the delay period for submitting financial reports because the larger the company, the better the company has an internal control system and can reduce the error rate in financial reports so that financial report audits can be carried out more quickly. In addition, large companies are supervised by investors and government capital regulators, have more resources and can pay higher audit fees to auditors so that audit reports can be completed more quickly. Therefore, large companies tend to immediately publish audited financial reports, so that the larger the company size, the shorter the delay in submitting financial reports and vice versa (Azizah & Kumalasari, 2012).

Based on previous research conducted by Yuliusman et al. (2020), Escaloni & Mareque (2021), and Al-qublani et al. (2020) stated that company size has a significant negative effect on delays in submitting financial reports.

H3: Company size has a negative effect on delays in submitting financial reports.

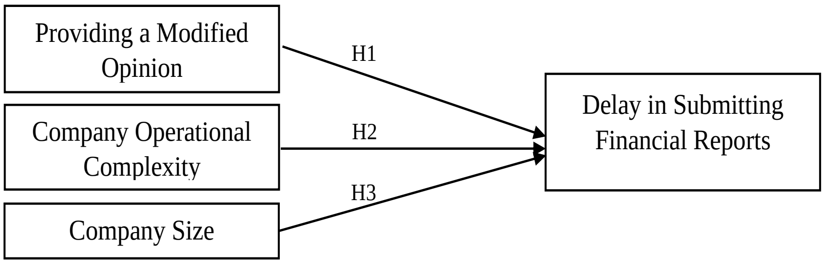

Figure 1. Thinking Framework

METHOD

Types of Research

This research uses quantitative data and the type of research used in this research is a causal approach. The causal approach is a type of research where this research aims to test the hypothesis of a causal relationship between several variables (independent variables) and other variables (dependent variables) (Hasanah, 2021).

Population and Sample

The population in this research is all property and real estate sector companies listed on the Indonesian Stock Exchange during the 2020-2022 period. The method for collecting data uses method purposive sampling. Method purposive sampling is a method that aims to determine a sample from a certain point of view. The aim of using this method is to obtain a representative sample that meets the criteria.

Data Collection and Analysis techniques

Data collection is carried out by accessing data provided by the company in the form of annual data which can be accessed via the website. The data used is secondary data in the form of audited financial reports for 3 years starting from 2019 to 2021 obtained through the official website of the Indonesia Stock Exchange at www.idx.co.id. In this research, testing was carried out using quantitative analysis with theory testing through secondary data analysis using descriptive statistical procedures and multiple linear regression analysis with IBM SPSS version 25 software analysis tools. Classic assumption tests and hypothesis tests were carried out based on multiple linear regression models.

RESULTS AND DISCUSSION

Description of Research Object

This research used secondary data obtained from the audited financial reports of property and real estate companies listed on the Indonesia Stock Exchange in the 2020-2022 period. Based on the method of purposive sampling with the criteria that have been determined, a sample of 65 companies was obtained with a total of 195 company data observations, but in detail, the sampling has been carried out as the outlier. Outlier This was done because there were 57 data that had extreme values and could influence the results of the classical assumption test so that they were not normally distributed. To detect extreme data, this research uses an Outlier Box Plot by looking at the Z value above 2.5 or below -2.5 (Ghozali, 2018). Once done outlier, the number of samples in this study was 138 data.

Table 1. Research Samples After Outlier

No.	Sample Criteria	Number of Companies
1.	Number of sector companies property and real estate listed on the Indonesian Stock Exchange for the 2020-2022 period	88
2.	Companies that have not been registered on the IDX since the year the observations began, namely 2020	(10)
3.	Companies that do not display complete financial report information on the IDX for the 2020-2022 period	(13)
4.	Companies that meet the criteria	65
	The total sample used in research for 3 years (3 years x 65)	**195**
5.	Outlier	57
	The number of samples after the outlier	**138**

Source: Data is processed with SPSS version 25

Descriptive Statistic

Table 2. Descriptive Statistic

	N	Minimum	Maximum	Mean	Std. Deviation
Providing a Modified Opinion	138	0	1	0.98	.146
Company Operational Complexity	138	0	78	9.45	12.332
Company Size	138	24.85	31.58	28.4607	1.47503
Delay in Submitting Financial Reports	138	0	149	20.33	32.582
Valid N (listwise)	138				

Source: Data is processed with SPSS version 25

Table 3. Descriptive Statistics Frequencies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	3	2.2	2.2	2.2
	1	135	97.8	97.8	100.0
	Total	138	100.0	100.0	1.47503

Source: Data is processed with SPSS version 25

1. Delay in Submitting Financial Reports

Delay in submitting financial reports which is the number of audit days in submitting financial reports starting from the 1st to the date the audit report is issued. The Delay in Submitting Financial Reports received an average value (mean) of 20.33 and a standard deviation of 32.582. The Delay in Submitting Financial Reports with the lowest value or having the shortest delay of 0 days is owned by PT Metro Realty Tbk and the Delay in Submitting Financial Reports with the highest value or having the longest delay of 149 days is owned by PT Pollux Properties Indonesia Tbk.

2. Providing a Modified Opinion

The providing a modified opinion is proxied by a dummy variable, where a score of 0 indicates that the company has a financial report with a modified audit opinion and 1 indicates that the company has a financial report with an unqualified audit opinion. The Providing a Modified Opinion has a standard deviation value of 0.146 and an average value (mean) of 0.98. The maximum value is 1 because the company obtained an unqualified opinion. The minimum value of 0 is owned by PT Binakarya Jaya Abadi Tbk and PT Bliss Properti Indonesia Tbk because these companies received a modified opinion.

3. Company Operational Complexity

The company operational complexity is calculated using the number of subsidiaries. The company operational complexity has a standard deviation value of 12.332 and an average value (mean) of 9.45. The maximum value of 78 is owned by PT City Retail Developments Tbk because the company has 78 subsidiary companies. The minimum value of 0 is owned by PT Trimitra Propertindo Tbk because the company does not have subsidiaries.

4. Company Size

The company size variable is measured using Log n Total Assets. The company size variable has a standard deviation value of 1.47503 and an average value (mean) of 28.4607. The maximum value of 31.58 is owned by PT Lippo Karawaci Tbk in 2020 and 2021 because the total asset value of PT Lippo Karawaci Tbk is the highest compared to sector companies property and real estate other. For a minimum value of 24.85 owned by PT Metro Realty Tbk in 2022 because the total asset value at PT Metro Realty Tbk is the lowest compared to sector companies property and real estate other.

Classic Assumption Test

Table 4. Normality Test

One-Sample Kolmogorov Smirnof Test		
		Unstandardized Residual
N		138
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.48936180
Most Extreme Differences	Absolute	.106
	Positive	.106
	Negative	-.070
Test Statistic		.106
Asymp. Sig. (2-tailed)		.001[c]
Exact Sig. (2-tailed)		.082
Point Probability		.000
Test distribution is Normal.		
Calculated from data.		
Lilliefors Significance Correction.		

Source: Data is processed with SPSS version 25

Based on the table above, the results of the normality test output in the One-Sample Kolmogorov-Smirnov Test (K-S) table show that data is normally distributed. This can be seen from the Exact. Sig. (2-tailed) of 0,082 > 0,05, so the regression model in this research is good, and the data has been normally distributed. In other words, the regression model can be used in this research because it meets the normality assumption. This research, research was carried out using an approach exact because in the asymptotic approach, the significance probability is not greater than 0.05 so it does not meet the approach asymptotic (Ghozali, 2018).

Table 5. Multicollinearity test

Coefficients[a]			
Model		**Collinearity Statistics**	
		Tolerance	**VIF**
1	Providing a Modified Opinion	.982	1.019
	Company Operational Complexity	.782	1.279
	Company Size	.785	1.274
Dependent Variable: Y			

Source: Data is processed with SPSS version 25

Based on the table above, the results of the multicollinearity test output show that the tolerance value is > 0,10 and VIF < 10,00. Referring to the basis for decision making in the multicollinearity test, it can be concluded that there are no symptoms of multicollinearity in the regression model.

Table 6. Heterocedasticity Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.319[a]	.102	.053	3.87264
Predictors: (Constant), X2X3, X1X3, X3_Quadrat, X2_Quadrat, X1X2, X2, X3				

Source: Data is processed with SPSS version 25

In this research, the method used to test heteroscedasticity is the White test. According to Ghozali (2018), the White test can be carried out by regressing the squared residual value with the independent variable, the squared independent variable and the multiplication of the independent variables.

C2 count = n x R square
= 138 x 0,102
= 14,076
C2 tabel = 138 – 1
= 137
= 165,316

Based on the table above, the value is known as C2 count (14,076) < C value2 table (163.316), it can be concluded that there are no symptoms of heteroscedasticity in the regression model.

Table 7. Autocorrelation Test

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.263[a]	.069	.048	1.49030	1.963
Predictors: (Constant), LAG_X3, LAG_X1, LAG_X2					
Dependent Variable: LAG_Y					

Source: Data is processed with SPSS version 25

Based on the table above, the autocorrelation test results are between 1,767 (du) and 2.233 (4-du), it can be concluded that the regression model does not have autocorrelation.

Table 8. Test Results of Determination (R^2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.296[a]	.088	.067	1.50594
Predictor: (Constant), X3, X1, X2				

Source: Data is processed with SPSS version 25

Based on the table above, the Adjusted R Square is 0.067. From the calculation results obtained, the magnitude of the independent influence on the dependent variable which can be explained by this equation model is 6.7%. This shows that the influence of the variables Providing a Modified Opinions, Company Operational Complexity and Company Size on Delays in Submitting Financial Reports can be explained by this equation model, which is 6.7% and the rest is influenced by other factors not included in the regression model.

Table 9. Coefficient Determinant (Test f)

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	29.224	3	9.741	4.925	.006[b]
	Residual	303.893	134	2.268		
	Total	333.117	137			
Dependent Variable: Y						
Predictors: (Constant), X3, X1, X2						

Source: Data is processed with SPSS version 25

Based on the table above, it can be seen that the calculated F value is 4.295 with a significance level of 0.006, while the F table value at the 0.05 level is 2.67 which is obtained from the formula df1 = k – 1 (k is the number of variables) or 4 – 1 = 3 and df2 = n – k (n is the number of samples) or 138 – 4 = 134. Because the significant level is 0.006 < 0.05 and F count is 4.295 > F table 2.67, it can be concluded that simultaneously (simultaneously) all independent variables have a significant effect on the dependent variable. Thus, the regression model used in this research can explain that Providing a Modified Opinions, Company Operational Complexity, and Company Size simultaneously influence Delays in Submitting Financial Reports.

Table 10. Individual Parameter Significance Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	17.921	5.488		3.265	.001
	Providing a Modified Opinion	.464	.887	.044	.523	.602
	Company Operational Complexity	.289	.081	.335	3.588	.000
	Company Size	-1.659	1.050	-.147	-1.581	.116
Dependent Variable: Y						

Source: Data is processed with SPSS version 25

1. The first hypothesis (H1) in this research states that Providing a Modified Opinion has no effect on Delays in Submitting Financial Reports. The calculated t value for Providing a Modified Opinion obtained a value of 0.523. Modified Opinion Giving Variable with t = (α; (df = n-k)), then a value of 1.65630 is obtained so that when compared between t count and t table obtained 0.523 < 1.65630 with a significant value of 0.62, which is greater than the alpha significance level of 0.05 (0.602 > 0.05). It can be concluded that the first hypothesis has no effect on Delays in Submitting Financial Reports. Thus, the hypothesis (H1) which states that providing a modified opinion has a positive effect on delays in submitting financial reports is rejected.
2. The second hypothesis (H2) in this research states that Company Operational Complexity positively affects the Delays in Submitting Financial Reports. The calculated t value for Company Operational Complexity obtained a value of 3,588. Modified Opinion Giving Variable with t = (α; (df = n-k)), then a value of 1.65630 is obtained so that when compared between t count and t table obtained 3,588 > 1.65630 with a significant value of 0.000, which is less than the alpha significance level of 0.05 (0.000 < 0.05). It can be concluded that the second hypothesis positively affect the Delays in

Submitting Financial Reports. Thus, the second hypothesis (H2) which states that company operational complexity has a positive effect on delays in submitting financial reports is accepted.

3. The third hypothesis (H3) in this research states that Company Size has no effect on Delays in Submitting Financial Reports. The calculated t value for Providing a Modified Opinion obtained a value of -0.581. Modified Opinion Giving Variable with t = (α; (df = n-k)), then a value of 1.65630 is obtained so that when compared between t count and t table obtained 0.581 < 1.65630 with a significant value of 0.116, which is greater than the alpha significance level of 0.05 (0.116 > 0.05). It can be concluded that the third hypothesis has no effect on Delays in Submitting Financial Reports. Thus, the third hypothesis (H3) which states that company size has a negative effect on delays in submitting financial reports is rejected.

Multiple Linear Regression Analysis

Delay in Submitting Financial Reports = 17.921 + 0,464 (Providing a Modified Opinion) + 0.289 (Company Operational Complexity) – 1.659 (Company Size) + e

1. The constant α = 17,921, meaning that if the independent variables, namely Providing a Modified Opinions, Company Operational Complexity and Company Size, are considered constant or have a value of zero, then the dependent variable Delay in submitting Financial Reports has a value of 17,921.
2. The regression coefficient value for the variable Providing a modified opinion is 0.464. This shows that if the value of Providing a Modified Opinion increases by 1% it will increase the value of Delay in Submitting Financial Reports by 0.464.
3. The regression coefficient value for the Company Operational Complexity variable is 0.289. This shows that if the Company Operational Complexity value increases by 1%, the value of Delay in Submitting Financial Reports will increase by 0.289.
4. The regression coefficient value for the Company Size variable is -1,659. This shows that if the Company Size value increases by 1%, the value of Delay in Submitting Financial Reports will decrease by -1,659.

DISCUSSION

The Effect of Providing a Modified Opinion on Delays in Submitting Financial Reports

Based on the results of research that has been carried out, it can be seen that the Providing a Modified Opinions has no effect on Delays in Submitting Financial Reports. Thus, the first hypothesis which states that providing a modified opinion has a positive effect on delays in submitting financial reports is rejected.

A modified opinion can be interpreted as the opinion given using the following criteria: the internal control system is adequate, but there are material misstatements in several financial statement items. The results of this study indicate that Providing a Modified Opinion does not affect the Delay in Submitting Financial Reports. That is, by the auditor's independence and integrity, the auditor must be neutral and not provide opinions that are not by the actual situation. Companies should submit their financial reports even if they are given an opinion other than unqualified (Anam, 2017).

This study's results align with research conducted by Prabandari (2021) and Saputra et al. (2020) stated that providing a modified opinion does not affect delays in submitting financial reports. However, this research is not in line with research conducted by Durand (2018), Habib et al. (2018), and Oradi (2021) which state that providing modified opinions has a positive effect on delays in submitting financial reports.

The Influence of Company Operational Complexity on Delays in Submitting Financial Reports

Based on the results of research that has been carried out, it can be seen that the Company Operational Complexity has a significant positive effect on Delays in Submitting Financial Reports. Thus, the second hypothesis which states that company operational complexity has a positive effect on delays in submitting financial reports is accepted.

Company Operational Complexity can be interpreted as the subsidiaries are established to develop the company in producing products in a particular economic environment and to diversify business operations. By establishing subsidiaries spread across various regions, it can support the company in introducing its business to the wider community. Company operational complexity occurs when departments are formed and work is divided into different units. The results of this study indicate that the Company's Operational Complexity positively affects the Delays in Submitting Financial Reports. Thus, the second hypothesis which states that company operational complexity positively affects the delays in submitting financial reports is accepted. That is, Auditors will spend a lot of time in the audit process in companies that have complex company operations. This is because the complexity of a company's operations depends on the number of subsidiaries, location of subsidiaries, product range, and market diversification. The auditor will review every transaction carried out along with the records. Companies with operational complexity have consolidated reports that must be carried out by the auditor, so the auditor will expand the scope of the audit. So it can be concluded that the more subsidiaries there are, the longer the deadline for carrying out the audit process, which can lengthen the delay in submitting financial reports (Rizkinov & Silalahi, 2021).

This positive relationship is supported by transaction cost theory, the higher the level of complexity of a company's operations, the more complex the transactions carried out will be. Because it is based on opportunism and bounded rationality, uncertainty is a major factor in transaction cost theory. These uncertainty factors can lead to material misstatements where misstatements are a component of audit risk. To overcome this, auditors need more consideration in considering audit risks.

This study's results align with research conducted by Aulia & Setiawati (2020), Isnaeni & Nurcahya (2021), and Mahayani & Wirakusuma (2019)which states that the complexity of company operations has a significant positive effect on delays in submitting financial reports. However, this research is not in line with research conducted by Putra & Wiratmaja (2019), Hari et al. (2022), and Nurhairunnisa et al. (2021) which states that the complexity of a company's operations does not affect delays in submitting financial reports.

The Influence of Company Size on Delays in Submitting Financial Reports

Based on the results of research that has been carried out, it can be seen that the Company Size variable has no effect on Delays in Submitting Financial Reports. Thus, the third hypothesis which states that company size has a negative effect on delays in submitting financial reports is rejected.

Company Size can be interpreted as the scale that can be calculated using the total asset value, total sales, and number of workers which shows the condition of the company during a certain period (Toni et al., 2021). The results of this study indicate that Company Size does not affect the Delay in Submitting Financial Reports. That is, Companies of large and small sizes try to submit their financial reports promptly to maintain the company's good name to the public. Companies listed on the Indonesian Stock Exchange are always monitored by investors, the government, and various other parties. It can be concluded that companies both large and small are required to immediately submit their financial reports (Ananda et al., 2021).

This study's results align with research conducted by Gustini (2020), A. J. Saputra (2022), Pattinaja & Siahainenia (2020), and Prabandari (2021), which states that company size has no effect on delays in submitting financial reports. However, this is not in line with research conducted by Putri & Setiawan (2021), Gaol & Duha(2021), and Krisyadi & Noviyanti (2022) which states that company size has a positive effect on delays in submitting financial reports.

CLOSING

CONCLUSION

Based on the test results, data analysis, and discussions that have been carried out, the conclusion that can be obtained is that Providing a Modified Opinion has no effect on Delays in Submitting Financial Reports. This is because in accordance with the auditor's independence and integrity, the auditor must be neutral and not provide opinions that are not in accordance with the actual situation. Companies should submit their financial reports even if they are given an opinion other than unqualified. Company Operational Complexity has a positive and significant effect on Delays in Submitting Financial Reports. This is because the complexity of a company's operations depends on the number of subsidiaries, location of subsidiaries, product range and market diversification. Companies with operational complexity have consolidated reports that must be carried out by the auditor, so the auditor will expand the scope of the audit. Company size has no effect on delays in submitting financial reports. Companies of large and small sizes try to submit their financial reports in a timely manner to maintain the company's good name to the public. Companies listed on the Indonesian Stock Exchange are always monitored by investors, the government and various other parties.

SUGGESTION

For future researchers, consider the other independent variables outside of this research such as corporate governance, financial distress, and other variables. In addition, it is recommended to use a large number of sample data to get better results. For the development of science and technology, can increase insight into concepts and theories regarding factors that influence delays in submitting financial reports. For companies, it is best to continue working professionally and regularly evaluate the performance of each company division in order to control the factors that influence the speed of presenting financial reports to the public. Companies are expected to be able to provide complete, precise, and accurate data so that the audit process becomes faster, which ultimately results in shorter delays in submitting financial reports. For auditors, it is hoped that external auditors will increase awareness regarding matters that need more attention so that the audit process can run effectively and efficiently. For internal auditors, it is hoped that this research can be used as a reference for maximizing internal supervision in companies so that the financial reporting process can run well. For OJK, it is important to use an accounting information processing system that can meet the company's needs in order to present accounting information in a timely manner. OJK should make a policy regarding this matter for issuers that have many business units.

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