

THE EFFECT OF COMPANY SIZE, PROFITABILITY, AND LEVERAGE ON AUDIT DELAY IN COAL SUBSECTOR MINING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE FOR THE 2020-2023 PERIOD

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ABSTRACT

This study aims to analyze the effect of company size, profitability, and leverage on audit delay in coal sub-sector companies listed on the IDX for the 2020–2023 period. This quantitative study uses secondary data from financial reports obtained through the IDX website and company websites. Company size is measured by total assets in natural logarithm, profitability with Return on Assets, leverage with Debt to Asset Ratio, and audit delay is calculated from the difference between the audit report date and the financial report. The analysis was carried out using panel data regression using Eviews12. The results of the study indicate that company size, profitability, and leverage affect audit delay. Large companies tend to experience longer audit delays due to transaction complexity, while high profitability makes the audit process easier due to a more organized financial system. Meanwhile, high leverage increases audit complexity due to complex debt structures. These findings are supported by agency theory and signaling theory, which emphasize the importance of audits in reducing conflicts of interest and providing relevant information to the market.

Keywords: Audit Delay, Size, Profitability, Leverage, ROA, DAR, Mining.

INTRODUCTION

Companies listed on the Indonesia Stock Exchange (IDX) as of November 8, 2023, have exceeded 900 companies, with a total of 903 companies currently registered (IDX, 2023). These publicly listed companies are required to submit annual financial reports (annual reports) to the Indonesia Stock Exchange (IDX) and shareholders (stockholders), as well as publish them within a specified period after the end of the fiscal year.

Financial reports that are reliable and comply with applicable accounting standards require the audit process to be a mandatory step before such reports are published. However, the audit process often affects the timeliness of financial report submission due to audit complexity, the volume of evidence to be examined, and other factors, which may ultimately lead to delays or audit delay. Audit delay is a primary concern because it can reduce the relevance and usefulness of financial statement information for economic decision-making, particularly for investors.

According to Ashton, Willingham, & Elliot (1987), audit delay is the number of days required in the audit process from December 31 to the date on the auditor's report. Based on Financial Services Authority Regulation Number 14/POJK.04/2022 Article 4 concerning Annual Reports of Issuers or Public Companies regarding Submission of Periodic Financial Reports of Listed Companies/Issuers, audited annual financial reports must be submitted to the Financial Services Authority and announced to the public no later than the end of the 3rd (third) month after the financial report date. This may result in companies receiving written warnings, monetary fines, and suspension if they are late in publishing financial reports. Sanctions are imposed according to the delay period in accordance with Regulation Number 1-H concerning sanctions (OJK, 2022). Delays in submitting audited financial reports still frequently occur in several companies, particularly in the coal sub-sector mining companies for the 2020-2023 period. The following table lists coal sub-sector mining companies that were late in submitting financial reports from 2020 to 2023.

Table 1.
Late Submission of Financial Reports
Coal Sub-sector Mining Companies
in 2020-2023

No	Financial Report Submission Period	Code	Company Name
1.	As of December 31, 2020	ARII	PT Atlas Resources Tbk
		BOSS	PT Borneo Olah Sarana Sukses Tbk.
		GTBO	PT Garda Tujuh Buana Tbk.
		TRAM	PT Trada Alam Mineral Tbk.
2.	As of December 31, 2021	BOSS	PT Borneo Olah Sarana Sukses Tbk
		GTBO	PT Garda Tujuh Buana Tbk
		SMRU	PT SMR Utama Tbk.

		TRAM	PT Trada Alam Minera Tbk
3.	As of December 31, 2022	BOSS	PT Borneo Olah Sarana Sukses Tbk
		TRAM	PT Trada Alam Minera Tbk
4.	As of December 31, 2023	BOSS	PT Borneo Olah Sarana Sukses Tbk
		MYOH	PT Samindo Resources Tbk
		TRAM	PT Trada Alam Mineral Tbk
		BRMS	PT Bumi Resources Minerals Tbk
		PSAB	PT J Resources Asia Pasifik Tbk

Source: <https://www.idx.co.id>

Based on the table above, it is evident that the audit delay phenomenon still occurs in coal sub-sector mining companies in submitting late financial reports, which will trigger negative responses from various parties, because audited financial reports contain information regarding the company's financial performance. In 2020, there were 21 coal sub-sector mining companies listed on the Indonesia Stock Exchange, and 4 companies had not submitted audited financial reports as of May 31, 2021. Furthermore, in 2021, there were 25 companies and 4 of them had not submitted audited financial reports as of May 9, 2022. Then in 2022, there were 29 companies and 2 had not submitted audited financial reports as of May 2, 2023. And in 2023, there were 33 companies and 5 had not submitted audited financial reports as of April 1, 2024. It can be concluded that there has been an increase in delays in submitting audited financial reports, particularly in coal sub-sector mining companies for the 2020-2023 period.

Based on the phenomenon described and reinforced by the existence of differing results in previous studies, the researcher is interested in conducting research with the title "The Effect of Company Size, Profitability, and Leverage on Audit Delay in Coal Sub-sector Mining Companies Listed on the Indonesia Stock Exchange for the 2020-2023 Period."

The purpose of this study is to examine and analyze the effect of company size, profitability, and leverage partially and simultaneously on audit delay in coal sub-sector mining companies listed on the Indonesia Stock Exchange for the 2020-2023 period.

Agency theory was first introduced by (Alchian and Demsetz, 1972) and (Jensen & Meckling, 1976). This theory explains that agency relationships emerge when there is a contract between one or more principals who employ others (agents). Jensen & Meckling (1976) stated that agency relationships arise when principals employ agents to provide services, then delegate decision-making authority for the company.

Agents or management certainly have greater access to information compared to the owners. Thus, there is uncertainty that agents or management may reduce the level of information provided if such information is not beneficial to the agent's interests.

Agency theory emphasizes that differences in interests between shareholders (principals) and management (agents) can trigger conflicts, as each party seeks to maximize their utility. To address this potential conflict, an independent auditor is required as a mediator. Auditors are tasked with auditing financial reports prepared by management, verifying the accuracy of information, and providing an opinion on the fairness of such reports.

Signaling theory was first developed by Michael Spence (1973), which explains the behavior of two parties when they have access to different information. These signals can be financial or non-financial, indicating that the company is better than other companies. Such as the disclosure of accounting information regarding the publication of financial reports or annual reports that have been audited by external auditors, which are subsequently given to stakeholders and responded to as signals of good news or bad news.

Audit delay is crucial for shareholders as it affects the quality of decisions regarding existing and new funding sources. Information published as an announcement provides signals to investors in making investment decisions. If the announcement contains positive value, the market is expected to react at the time the announcement is received by the market.

When information is announced, market participants will first interpret and analyze the information as either a good signal (good news) or a bad signal (bad news). One piece of information released by companies that can serve as a signal to investors is the annual report.

Audit delay is a term within the auditing field. According to Ashton, Willingham, & Elliot (1987), audit delay is the number of days required in the audit process from December 31 to the date on the auditor's report. Audit delay reflects how quickly or slowly the audit process is completed after the end of the fiscal year, which is important for assessing the efficiency and speed of corporate financial reporting. The timing for auditing financial reports has been determined by the government through Financial Services Authority Regulation of the Republic of Indonesia Number 14/POJK.04/2022 Article 4 concerning Submission of Periodic Financial Reports of Issuers or Public Companies, which stipulates that public companies listed on the IDX are required to submit their annual financial reports to the OJK and announce them to the public no later than the end of the third month or 90 days after the closing of the financial report, which is typically on December 31.

In accordance with the objectives of financial reporting, which is to provide useful information for users of financial reports in making economic decisions, management will consider whether a financial report to be submitted is timely or delayed. Audit delay is measured quantitatively as follows:

AD = Audit Report Date – Financial Report Date

According to (Brigham & Houston, 2019), company size is the scale of a company's size, which can be classified in various ways, including revenue size, total assets, and total equity. One indicator chosen for use in this study is total assets. Company size based on total assets is generally used because of the assumption that companies with large total assets are relatively stable and capable of generating substantial profits.

Large companies have a broader stakeholder base. Agency theory explains that large companies have higher agency costs compared to smaller companies (Jensen & Meckling, 1976).

According to the Statement of Financial Accounting Standards (PSAK) of 2011, assets are all wealth owned by individuals or groups, whether tangible or intangible, that have value and provide benefits to any person or company. The formula used to calculate company size is as follows:

Company Size (Firm Size) = Ln (total asset value)

(Brigham & Houston, 2019)

According to (Kasmir, 2019), profitability ratio is a ratio used to assess a company's ability to generate profit. This ratio also provides a measure of the effectiveness of a company's management. The level of profitability describes company performance as seen from its ability to generate profit. The company's ability to generate profit indicates whether the company has good prospects in the future.

This study calculates profitability using Return on Assets (ROA). Return on Assets (ROA) according to (Brigham & Houston, 2019) is the ratio of net income to total assets owned by the company.

This ratio is a profitability ratio often used by companies to determine the extent to which assets used can generate profit. The formula for calculating Return on Assets is to divide net profit after tax by total assets (Kasmir, 2019).

Leverage is a company's ability to meet all its obligations. According to (Kasmir, 2019), leverage is the company's ability to pay all its obligations, both short-term and long-term, if the company is dissolved. Companies with high leverage levels are highly dependent on external debt to finance their activities. High leverage levels indicate that the company has high financial risk.

This study uses the debt ratio or debt to asset ratio to measure leverage. Debt to Asset Ratio (DAR) is a financial ratio used to measure the proportion of total company assets financed by debt. This ratio provides an overview of the company's leverage level, i.e., how much the company depends on debt compared to its assets. The formula for the debt to asset ratio is to divide total debt by total assets (Kasmir, 2019). Based on the theoretical foundation and results of previous studies, the research hypotheses proposed are as follows:

H1: *Company size affects audit delay in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period.*

H2: *Profitability affects audit delay in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period.*

H3: *Leverage affects audit delay in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period.*

H4: *Company size, profitability, and leverage simultaneously affect audit delay.*

METHODS

The research location is where the study is conducted. This research was conducted at the Indonesia Stock Exchange (IDX), accessible through the official website <https://www.idx.co.id>. This location was chosen because it provides financial data and information relevant to the study.

The objects of this research are company size, profitability, and leverage as independent variables and their effect on audit delay as the dependent variable in coal sub-sector mining companies listed on the Indonesia Stock Exchange for the 2020-2023 period.

Panel data is a combination of time series data and cross-section data. Panel data regression analysis is a regression analysis based on panel data to observe the relationship between one dependent variable and one or more independent variables. This study uses a time interval from 2020 to 2023, which is time series data. Meanwhile, cross-section data refers to data collected at a specific point in time from several mining companies in the coal sub-sector. The panel data regression model in this study is as follows:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Description:

Y = Audit delay

a = Constant

$\beta_1 \beta_2 \beta_3$ = Regression Coefficients of Independent Variables

X_1 = Company Size Variable

X_2 = Profitability Variable

X_3 = Leverage Variable

ε = Standard Error

RESULT

Based on the Chow Test, Hausman Test, and Lagrange Multiplier Test, the selected model is the Common Effect Model (CEM).

Table 2.
Panel Data Regression Analysis Results

Method: Panel Least Squares

Date: 01/05/25 Time: 18:39

Sample: 2020 2023

Periods included: 4

Cross-sections included: 21

Total panel (balanced) observations: 84

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	198.6766	115.1377	1.725557	0.0883
X1	8.693055	3.541565	2.454580	0.0163
X2	-0.498217	0.126304	-3.944583	0.0002
X3	0.230448	0.095346	2.416971	0.0179
R-squared	0.329405	Mean dependent var	89.20238	
Adjusted squared	R- 0.304257	S.D. dependent var	23.47199	
S.E of regression	19.57827	Akaike info criterion	8.833165	

Sum squared resid	30664.69	Schwarz criterion	8.948919
Log likelihood	-366.9930	Hannan-Quinn criter.	8.879697
F-statistic	13.09899	Durbin-Watson stat	1.005578
Prob (F-statistic)	0.000000		

Source: Research data, 2024

Based on the panel data regression analysis results shown in the table above, the regression model obtained is as follows:

$$Y = 198.676666 + 8.69305545 \cdot X_1 - 0.498216999 \cdot X_2 + 0.230447782 \cdot X_3$$

Based on the regression equation above, it can be interpreted as follows:

1. The constant value is positive at 198.676666, indicating that when all independent variables (company size, profitability, and leverage) are constant, the Y variable is estimated to be 198.676666.
2. The regression coefficient for company size is positive at 8.69305545. This indicates that if company size increases by 1% and other variable coefficients are constant, audit delay will increase by 8.69305545.
3. The regression coefficient for profitability is negative at -0.498216999. This indicates that if profitability increases by 1% and other variable coefficients are constant, audit delay will decrease by 0.498216999.
4. The regression coefficient for leverage is positive at 0.230447782. This indicates that if leverage increases by 1% and other variable coefficients are constant, audit delay will increase by 0.230447782.

Hypothesis Testing (T-Test)

Table 3.
Partial Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	198.6766	115.1377	1.725557	0.0883
X1	8.693055	3.541565	2.454580	0.0163
X2	-0.498217	0.126304	-3.944583	0.0002
X3	0.230448	0.095346	2.416971	0.0179

Source: Research data, 2024

Based on the t-test results, the t-calculated value is 2.454580, while the t-table value ($\alpha = 0.05$ and $df (n-k-1) = 84-3-1 = 80$) is 1.990063421. Thus, the t-calculated value is greater than the t-table value ($2.454580 > 1.990063421$). Additionally, the probability value is 0.0163, which is less than the significance level (0.05). Therefore, H_0 is rejected and H_a is accepted, so it can be concluded that the company size variable (X_1) affects audit delay (Y). Furthermore, based on the t-test results, the t-calculated value is -3.944583, while the t-table value ($\alpha = 0.05$ and $df (n-k-1) = 84-3-1 = 80$) is 1.990063421. Thus, the t-calculated value is greater than the t-table value ($3.944583 > 1.990063421$). Additionally, the probability value is 0.0002, which is less than the significance level (0.05). Therefore, H_0 is rejected and H_a is accepted, so it can be concluded that the profitability variable (X_2) affects audit delay (Y).

Next, based on the t-test results, the t-calculated value is 2.650741, while the t-table value ($\alpha = 0.05$ and $df (n-k-1) = 84-3-1 = 80$) is 1.990063421. Thus, the t-calculated value is greater than the t-table value ($2.650741 > 1.990063421$). Additionally, the probability value is 0.0179, which is less than the significance level (0.05). Therefore, H_0 is rejected and H_a is accepted, so it can be concluded that the leverage variable (X3) affects audit delay (Y).

Simultaneous Test (F-Test)

Table 4.
Simultaneous Test Results

R-squared	0.329405	Mean dependent var	89.20238
Adjusted R-squared	0.304257	S.D. dependent var	23.47199
S.E of regression	19.57827	Akaike info criterion	8.833165
Sum squared resid	30664.69	Schwarz criterion	8.948919
Log likelihood	-366.9930	Hannan-Quinn criter.	8.879697
F-statistic	13.09899	Durbin-Watson stat	1.005578
Prob (F-statistic)	0.000000		

Source: Research data, 2024

Based on the F-test results in the table above, the F-calculated value is 13.09899. Meanwhile, the F-table value ($\alpha = 0.05$, df_1 (total variables - 1) = $4-3-1 = 3$, and $df_2 (n-k-1) = 84-3-1 = 80$) is 2.718784982. Thus, the F-calculated value is greater than the F-table value ($13.09899 > 2.718784982$). Additionally, the probability value is 0.000000, which is less than the significance level (0.05). Therefore, it can be concluded that company size (X1), profitability (X2), and leverage (X3) simultaneously have a significant effect on audit delay (Y).

Coefficient of Determination Test (R^2)

The coefficient of determination test (R^2) is an important indicator in regression analysis used to measure the extent to which the regression model can explain how much the independent variables can explain changes in the dependent variable. The coefficient of determination value ranges from 0 to 1. A coefficient of determination value close to 0 means the ability of all independent variables to explain the dependent variable is very limited, while a value close to 1 means all independent variables almost provide clear information in explaining and predicting the dependent variable.

Table 5.
Coefficient of Determination Test Results

R-squared	0.329	Mean dependent var	89.202
Adjusted R-squared	0.304	S.D. dependent var	23.471
S.E of regression	19.578	Akaike info criterion	8.833

R-squared	0.329	Mean dependent var	89.202
Sum squared resid	30664.69	Schwarz criterion	8.948
Log likelihood	-366.993	Hannan-Quinn criter.	8.879
F-statistic	13.099	Durbin-Watson stat	1.005
Prob (F-statistic)	0.000		

Source : Research data, 2024

Based on the table above, the Adjusted R-Squared value is 0.304257, meaning the independent variables' ability to explain the dependent variable is 30.42%, while the remaining 69.58% is influenced by other factors not included in the model.

DISCUSSION

The Effect of Company Size on Audit Delay

The panel data regression analysis results in this study indicate that partially, company size affects audit delay, so the first hypothesis is accepted. This means that the larger the company size, the longer the audit delay. Conversely, the smaller the company size, the shorter the audit delay. This can be demonstrated through empirical data from PT Samindo Resources (MYOH), which is classified as a large company based on its total assets. In 2020, it had total assets of 28.42036821 with an audit delay of 80 days; in 2021, total assets increased to 28.48404508 with audit delay increasing to 83 days. Then in 2022, total assets increased to 28.55579853 with audit delay increasing to 93 days; and in 2023, total assets increased to 28.91495363 with audit delay increasing to 124 days.

Large-scale companies are closely monitored by investors, banks, and the government. This indicates that companies with large total assets are likely to face greater pressure than smaller companies regarding financial report submission. The larger the company size, the more financial transactions and information that must be examined by auditors, causing the audit process to become more complex and time-consuming. This complexity increases further because it involves very large assets, such as mines, heavy equipment, and logistics infrastructure present in coal sub-sector mining companies. The volume of transaction data from various operational divisions adds to the auditor's challenges in ensuring the accuracy and completeness of financial reports (Sari, 2022).

In coal mining companies, audit delays are often caused by verification processes covering various aspects, such as exploration costs, production, distribution, and environmental risk management. All these factors make the audit process for large companies in this sub-sector longer compared to smaller-scale companies (Ratmono & Septiana, 2015). Additionally, large companies such as those in the coal mining sub-sector typically have many stakeholders, including investors, government, and surrounding communities. This condition increases external oversight of the company's financial reports. Auditors must work more meticulously to ensure financial reports meet the expectations of various parties, including transparency and regulatory compliance. This

aligns with agency theory, where management as agents have incentives to conceal or delay the presentation of unfavorable financial information. To address this issue, auditors are needed to provide independent assurance over financial reports. However, the audit process for large companies requires more time due to data complexity and large transaction volumes, as well as high accuracy expectations requiring in-depth examination. Thus, the larger the company size, the longer the audit delay. In signaling theory, increased audit delay can be a negative signal regarding management efficiency, but can also indicate the company's efforts to build trust by ensuring audits are conducted thoroughly.

This study aligns with research conducted by Marwati (2024) and Olimsar (2023), which found that company size positively affects audit delay. However, it contradicts research by Yohanes (2022) and Susanto (2022), which found that company size does not affect audit delay.

The Effect of Profitability on Audit Delay

The panel data regression analysis results in this study indicate that partially, profitability measured by Return on Assets affects audit delay, so the second hypothesis is accepted. This means that the higher the profitability measured by Return on Assets, the lower the audit delay. Conversely, the lower the profitability, the higher the audit delay. This can be demonstrated through empirical data from PT Resources Alam Indonesia Tbk (RAIN), where in 2020 it had a Return on Assets value of -7.98 with an audit delay of 127 days; in 2021, the Return on Assets value increased to 17.40 with audit delay decreasing to 87 days. Then in 2022, the Return on Assets value was 22.95 with audit delay decreasing to 86 days; and in 2023, the Return on Assets value was 13.37 with audit delay decreasing to 85 days.

Companies with high profitability generally have organized financial systems and good financial reports, making it easier for auditors to conduct examinations. This impacts coal sub-sector mining companies, as companies with high ROA are typically able to manage large assets such as mines, heavy equipment, and infrastructure efficiently, resulting in neater and more accurate financial documentation. Companies with high profitability levels require less time for auditing financial reports, resulting in shorter audit delays due to the necessity to convey good news to the public as quickly as possible. This aligns with agency theory as an analytical framework to identify and determine solutions to problems in the agency relationship between management and shareholders. Shareholders can assess management's performance in generating high profitability, so timely submission of annual financial reports can reduce errors that lead to information asymmetry. From the signaling theory perspective, companies demonstrating high profitability can send positive signals to the market and auditors, potentially increasing trust.

This study aligns with research conducted by Astuti (2019), Lubis (2021), and Rudianti (2022), which found that profitability negatively affects audit delay. However, it contradicts research by Sari (2022), which found that profitability does not affect audit delay, where companies with high profitability require less time in the audit process.

The Effect of Leverage on Audit Delay

The panel data regression analysis results in this study indicate that partially, leverage measured by Debt to Asset Ratio affects audit delay, so the third hypothesis is accepted. This means that the amount of debt a company has will affect the duration of the audit completion process. This can be demonstrated through empirical data from PT Bumi Resources (BRAM), where in 2020 it had a Debt to Asset Ratio value of 96.13 with an audit delay of 130 days; in 2021, the Debt to Asset Ratio decreased to 84.70 with audit delay decreasing to 118 days. Then in 2022, the Debt to Asset Ratio decreased to 37.20 with audit delay decreasing to 87 days; and in 2023, the Debt to Asset Ratio decreased to 33.98 with audit delay remaining at 87 days. When DAR is high, companies face greater financial risk because more of their assets depend on external funding. High DAR adds to the complexity of financial reports because auditors must thoroughly examine debt structures, compliance with debt covenants, and default risk. In coal mining companies, high leverage is common due to the significant funding needs for mine exploration, heavy equipment purchases, and infrastructure development, which extends the time auditors need to complete the audit.

Auditors must ensure that these obligations are recorded correctly and in accordance with accounting standards, and conduct analysis of the company's ability to pay debt based on operating cash flows. In the coal mining sub-sector, this risk is even more significant due to dependence on commodity price fluctuations. Falling coal prices can affect the company's ability to repay debt, so auditors must evaluate the company's going concern, which adds to the workload and extends audit delay. Therefore, companies with high DAR tend to experience greater audit delays compared to companies with low DAR. This aligns with agency theory, which highlights the relationship between owners (principals) and managers (agents), where managers may have incentives to manage financial reports in certain ways to avoid disclosing unfavorable information. From the signaling theory perspective, companies with high leverage can send negative signals to auditors and other stakeholders. High debt can be considered an indicator of greater risk, making auditors more likely to extend audit time to ensure financial reports reflect the true condition.

These results are consistent with findings by Al-Faruqi (2020), which showed that leverage positively affects audit delay. However, it contradicts research by Wiryakriyana and Widhiyani (2017), Pratiwi (2018), and Handoko and Praptoyo (2020), which stated that leverage has no effect on audit delay.

The Effect of Company Size, Profitability, and Leverage on Audit Delay

The panel data regression analysis results in this study indicate that simultaneously, company size, profitability, and leverage affect audit delay, so the fourth hypothesis is accepted. Based on the test results, this means that all three are interrelated in reflecting the characteristics and conditions of the company that affect the audit process. Large companies with high complexity require more time for auditors to evaluate complex transactions and systems, while companies with high profitability tend to complete audits faster to maintain reputation in the eyes of stakeholders. On the other hand, companies with high leverage add challenges for auditors

because greater financial risk requires more in-depth assessment. When these three factors occur simultaneously, the interaction between detailed audit requirements and company incentives to delay audit completion results in a significant effect on audit delay.

This aligns with agency theory, where the relationship between managers (agents) and owners or stakeholders (principals) is often characterized by conflicts of interest, so audited financial reports become a mechanism to reduce information asymmetry. Large companies with high complexity, low profitability, or high leverage increase the risk of such conflicts, requiring auditors to take more time to ensure reports are accurate and free from bias. Meanwhile, signaling theory states that companies with high profitability attempt to complete audits faster to send positive signals to the market regarding their performance, while also strengthening stakeholder confidence. The interaction between risk mitigation needs (agency theory) and positive signal transmission (signaling theory) makes company size, profitability, and leverage simultaneously affect audit delay.

This research is supported by previous studies by Gustini (2020), Putri (2021), and Ismawati (2023), which stated that company size, profitability, and leverage, both partially and simultaneously, affect audit delay.

CONCLUSION

Based on the analysis and discussion conducted using panel data regression, the following conclusions are drawn: Company size affects audit delay in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period. This means that the larger the company size, the more financial transactions and information that must be examined by auditors, causing the audit process to become more complex and time-consuming. Profitability affects audit delay in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period. This means that companies with high profitability generally have organized financial systems and good financial reports, making it easier for auditors to expedite the audit. Leverage affects audit delay in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period. This means that the amount of DAR adds to the complexity of financial reports because auditors must thoroughly examine debt structures, resulting in audit delay. Company size, profitability, and leverage simultaneously affect the audit delay variable in coal sub-sector mining companies on the Indonesia Stock Exchange for the 2020-2023 period. This means that all three are interrelated in reflecting the characteristics and conditions of the company that affect the audit process. For future researchers, it is recommended to expand the research sample. Not only examining one sub-sector, but also researching all companies listed on the Indonesia Stock Exchange (IDX) so that the results obtained are more accurate and reflect the actual situation. Future research on the theme of audit delay can use other variables not examined by the researcher that may be more accountable with adjusted indicators, such as Auditor Reputation, Public Accounting Firm Size, Company Age, Company Management, Financial Distress, Company Value, and Audit Complexity. Future researchers can also add the number of observation years and use different measurement tools.

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