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Leverage, Profitability, Auditor Reputation, and Audit Delay: Evidence from Indonesian Food and Beverage Companies

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Abstract

This study examines the effects of Leverage, Profitability, and Public Accounting Firm Reputation on Audit Delay among food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2022–2025 period. Previous studies have reported inconsistent findings regarding the determinants of audit delay, particularly concerning leverage, profitability, and auditor reputation, indicating an unresolved empirical gap. This study addresses this gap by simultaneously investigating the influence of Debt-to-Asset Ratio (DAR), Return on Assets (ROA), and Public Accounting Firm Reputation on audit delay using recent financial data from Indonesian food and beverage companies. A quantitative explanatory research design was employed using purposive sampling, resulting in 46 companies with 184 firm-year observations. Secondary data obtained from audited annual financial statements were analyzed using multiple linear regression. The findings reveal that leverage does not have a significant effect on audit delay, whereas profitability and Public Accounting Firm Reputation have significant effects on audit delay. Simultaneously, leverage, profitability, and Public Accounting Firm Reputation significantly influence audit delay. These findings support Signaling Theory by demonstrating that corporate financial performance and auditor quality influence the timeliness of audited financial reporting. This study contributes to the auditing literature by providing updated empirical evidence regarding the determinants of audit delay among Indonesian food and beverage companies during the 2022–2025 period.

Keywords: Audit Delay; Leverage; Profitability; Public Accounting Firm Reputation; Food and Beverage Companies

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INTRODUCTION

Audit timeliness is an essential characteristic of high-quality financial reporting because it determines the relevance and usefulness of accounting information for investors, creditors, regulators, and other stakeholders. Timely audited financial statements reduce information asymmetry and enhance investor confidence by ensuring that financial information is available for decision-making before its value diminishes. Conversely, delays in the completion of external audits may reduce the credibility of financial reports and negatively affect market perceptions of a company's financial condition. Therefore, audit delay has become one of the most important indicators of financial reporting quality in publicly listed companies.

The food and beverage industry represents one of the most significant manufacturing subsectors in Indonesia because it contributes substantially to national economic growth and provides products with relatively stable consumer demand. Despite its strategic role, companies operating in this sector continue to face increasing operational complexity, high transaction volumes, inventory management challenges, and stricter regulatory requirements. These conditions may increase the complexity of audit procedures and ultimately influence the length of audit completion. Furthermore, during the 2022–2025 period, several food and beverage companies listed on the Indonesia Stock Exchange (IDX) experienced delays in publishing their audited financial statements, indicating that audit delay remains an important issue for both regulators and market participants.

Audit Delay refers to the period between the company's fiscal year-end and the date on which the independent auditor signs the audit report. According to Indonesian financial reporting regulations, publicly listed companies are required to submit audited annual financial statements within the prescribed deadline. Failure to comply with this requirement may reduce information relevance, increase uncertainty among investors, and expose companies to administrative sanctions. Consequently, identifying the determinants of audit delay has become increasingly important for improving financial reporting quality and strengthening corporate governance practices.

Several corporate characteristics have been identified as potential determinants of audit delay, particularly leverage, profitability, and Public Accounting Firm (PAF) reputation. Leverage, measured by the Debt-to-Asset Ratio (DAR), reflects the proportion of corporate assets financed by debt. Companies with higher leverage generally face greater financial risk, requiring auditors to perform more extensive audit

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procedures to evaluate debt obligations and financial stability, thereby potentially extending audit completion time.

Profitability, measured by Return on Assets (ROA), reflects management's ability to generate earnings from corporate assets. Companies with stronger profitability generally possess healthier financial conditions, more effective internal controls, and lower audit risk. Moreover, according to Signaling Theory, profitable companies are motivated to disclose favorable financial information more quickly, encouraging faster completion of the audit process and reducing audit delay.

Another important determinant is the reputation of the Public Accounting Firm. Audit firms affiliated with the Big Four are generally recognized for possessing superior professional competence, standardized audit methodologies, extensive industry experience, and advanced audit technologies. These advantages enable them to complete audit engagements more efficiently while maintaining high audit quality, thereby reducing the likelihood of prolonged audit delay.

Although numerous studies have investigated factors affecting audit delay, empirical findings remain inconclusive. Agustina and Jaeni (2022) reported that leverage does not significantly influence audit delay, whereas Suhendi and Firmansyah (2022) found the opposite result. Similarly, Flaviana Seltin Varinda Masto and Diana Airawaty (2024) concluded that profitability has no significant effect on audit delay, while Lubis and Pusposari (2023) reported a significant relationship. In addition, inconsistent findings have also been reported regarding Public Accounting Firm reputation, with some studies identifying a significant influence and others finding no significant effect. These contradictory findings indicate an unresolved empirical gap regarding the determinants of audit delay among Indonesian public companies.

Compared with previous studies, this research provides several important contributions. First, it specifically focuses on food and beverage companies listed on the Indonesia Stock Exchange, an industry characterized by complex operational activities and relatively high audit risk. Second, the study employs the most recent observation period (2022–2025), providing updated evidence under current economic and regulatory conditions. Third, this study simultaneously examines leverage, profitability, and Public Accounting Firm reputation within a single empirical model, enabling a more comprehensive evaluation of financial and audit-related factors influencing audit delay.

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OBJECTIVES

This study aims to:

1. Examine the effect of Leverage on Audit Delay.
2. Analyze the influence of Profitability on Audit Delay.
3. Investigate the effect of Public Accounting Firm Reputation on Audit Delay among food and beverage companies listed on the Indonesia Stock Exchange.

The novelty of this study lies in providing updated empirical evidence regarding the determinants of audit delay among Indonesian food and beverage companies during the 2022–2025 period. While previous studies have examined leverage, profitability, and Public Accounting Firm reputation separately, empirical findings remain inconsistent. This study addresses these inconsistencies by simultaneously examining the effects of Debt-to-Asset Ratio (DAR), Return on Assets (ROA), and Public Accounting Firm Reputation within a single empirical model. Furthermore, the study extends the application of Signaling Theory by demonstrating how corporate financial performance and auditor reputation jointly influence the timeliness of audited financial reporting. Accordingly, this research contributes to the auditing literature while providing practical implications for corporate managers, auditors, investors, regulators, and other stakeholders in improving financial reporting timeliness and audit quality.

LITERATURE REVIEW

Signaling Theory

Signaling Theory was first introduced by Spence (1973) and explains that organizations possessing superior information provide signals to external stakeholders to reduce information asymmetry. In the context of financial reporting, timely disclosure of audited financial statements serves as a positive signal indicating good corporate governance, financial transparency, and management credibility. Conversely, delays in issuing audited financial statements may be interpreted as negative signals regarding the company's financial condition or operational performance. Therefore, Signaling Theory provides an appropriate theoretical foundation for explaining factors influencing audit delay. Companies with favorable financial performance are generally motivated to publish audited financial reports more quickly to communicate positive information to investors, creditors, and other stakeholders.

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Audit Delay

Audit Delay refers to the period between the company's fiscal year-end and the date on which the independent auditor signs the audit report. It represents the length of time required to complete the audit process before audited financial statements can be publicly released. Longer audit delays reduce the relevance of accounting information and may negatively influence investor confidence because delayed reporting is frequently interpreted as an indication of financial or operational problems within the company. Indonesian public companies are required to submit audited annual financial statements within the deadline established by financial regulations; therefore, minimizing audit delay has become an important aspect of financial reporting quality. In this study, Audit Delay serves as the dependent variable representing the timeliness of audited financial reporting. The formula for Audit Delay is:

Audit Delay = Date of Auditor's Report − Fiscal Year-End Date (31 December)

Leverage (Debt-to-Asset Ratio – DAR)

Leverage reflects the proportion of company assets financed through debt and indicates the level of financial risk borne by the company. In this study, leverage is measured using the Debt-to-Asset Ratio (DAR), which compares total liabilities with total assets. Companies with higher leverage generally require more comprehensive audit procedures because auditors must carefully evaluate debt obligations, financial solvency, and the risk of material misstatements. Consequently, higher leverage may increase audit complexity and extend audit completion time. Within the framework of Signaling Theory, companies with high financial risk may experience longer audit processes before financial information is disclosed to the public. The formula for Debt-to-Asset Ratio is:

DAR = Total Liabilities / Total Assets × 100%

Profitability (Return on Assets – ROA)

Profitability represents a company's ability to generate earnings from its available resources. This study measures profitability using Return on Assets (ROA), which reflects management efficiency in utilizing total assets to produce net income. Companies with higher profitability generally possess stronger financial performance, lower business risk, and better internal control systems. Consequently, auditors may

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complete audit procedures more efficiently because profitable companies usually present fewer financial reporting problems. According to Signaling Theory, companies reporting favorable financial performance are also more likely to accelerate the publication of audited financial statements to communicate positive information to the capital market. The formula for Return on Assets is:

ROA = Net Income / Total Assets × 100%

Public Accounting Firm Reputation

Public Accounting Firm (PAF) Reputation reflects the perceived credibility, competence, and audit quality of an external auditor. In this study, Public Accounting Firm Reputation is measured using a dummy variable, where companies audited by Big Four accounting firms receive a value of one, while companies audited by non-Big Four firms receive a value of zero. Big Four firms generally possess more experienced auditors, standardized audit methodologies, advanced audit technologies, and stronger quality-control systems. These characteristics enable them to complete audit engagements more efficiently while maintaining high audit quality, thereby reducing the likelihood of audit delay. The measurement of Public Accounting Firm Reputation is:

1 = Big Four Public Accounting Firm
0 = Non-Big Four Public Accounting Fir

Hypotheses Development

Leverage reflects the proportion of corporate assets financed by debt and represents one of the primary indicators of financial risk. Companies with higher leverage generally require auditors to perform more comprehensive audit procedures because greater debt obligations increase audit risk and require additional verification regarding financial solvency. As a result, audit completion may require a longer period. Previous empirical findings remain inconsistent. Suhendi and Firmansyah (2022), Flaviana Seltin Varinda Masto and Diana Airawaty (2024), and Putriningsih and Parinduri (2025) reported that leverage significantly affects audit delay, whereas Agustina and Jaeni (2022) found no significant relationship. Therefore, the following hypothesis is proposed:

H1: Leverage has a significant effect on Audit Delay.

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Profitability reflects management's effectiveness in generating earnings from corporate assets. Companies with stronger profitability usually experience lower financial risk and better internal control, allowing auditors to complete audit procedures more efficiently. Furthermore, Signaling Theory suggests that profitable firms tend to disclose favorable financial information more quickly by accelerating the completion of audited financial statements. Previous studies by Nuzhat Maghfur et al. (2025), Lubis and Pusposari (2023), and Apriwandi et al. (2023) found that profitability significantly influences audit delay. Therefore, the following hypothesis is proposed:

H2: Profitability has a significant effect on Audit Delay.

Public Accounting Firm Reputation represents the quality and credibility of external auditors. Companies audited by Big Four accounting firms generally benefit from superior audit expertise, standardized audit procedures, and greater technological resources, enabling more efficient completion of audit engagements. Consequently, reputable auditors are expected to reduce audit delay by improving audit efficiency without sacrificing audit quality. Previous studies by Rahma et al. (2025), Lusiana Maria Samosir et al. (2024), and Nuzhat Maghfur et al. (2025) reported that Public Accounting Firm Reputation significantly affects audit delay. Accordingly, the following hypothesis is proposed:

H3: Public Accounting Firm Reputation has a significant effect on Audit Delay.

RESEARCH METHOD

Research Approach

This study employed a quantitative research approach with an explanatory research design to examine the effects of Leverage, Profitability, and Public Accounting Firm Reputation on Audit Delay among food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2022–2025 period. A quantitative approach was selected because the study aims to examine causal relationships among financial variables using statistical analysis based on secondary numerical data. The explanatory design enables the researcher to evaluate the influence of independent variables on audit delay through hypothesis testing using multiple linear regression analysis.

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Types of Research Data

This study utilized secondary quantitative data obtained from audited annual financial statements of food and beverage companies listed on the Indonesia Stock Exchange. The data consisted of financial information required to calculate Debt-to-Asset Ratio (DAR), Return on Assets (ROA), Public Accounting Firm Reputation, and Audit Delay during the observation period from 2022 to 2025.

Research Data Sources

Research data were collected from publicly available sources, including:

1. Audited annual financial statements published by the Indonesia Stock Exchange (IDX);
2. Annual reports available on each company's official website; and
3. Supporting scientific literature, including accounting textbooks and peer-reviewed journal articles related to auditing, financial reporting, leverage, profitability, and audit delay.

Technique for Determining Respondents (Sampling Technique)

The population consisted of food and beverage companies listed on the Indonesia Stock Exchange during the 2022–2025 period. This study employed purposive sampling to obtain companies meeting predetermined research criteria. The sampling criteria were:

1. Food and beverage companies consistently listed on the Indonesia Stock Exchange during 2022–2025.
2. Companies publishing complete audited annual financial statements throughout the observation period.
3. Companies providing complete financial information required to calculate all research variables.
4. Companies presenting financial statements in Indonesian Rupiah (IDR).

Based on these criteria, 46 companies satisfied the sampling requirements, resulting in 184 firm-year observations over the four-year observation period.

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Variable Measurement

Variable	Measurement	Formula
Audit Delay (AD)	Measures the number of days required to complete the external audit process from fiscal year-end until the auditor signs the audit report.	Audit Delay = Date of Auditor's Report − 31 December
Leverage (DAR)	Measures the proportion of company assets financed through liabilities.	DAR = Total Liabilities / Total Assets × 100%
Profitability (ROA)	Measures management efficiency in generating net income from total assets.	ROA = Net Income / Total Assets × 100%
Public Accounting Firm Reputation (PAFR)	Measures auditor reputation using a dummy variable.	1 = Big Four; 0 = Non-Big Four

Research Instruments

The primary research instrument was a documentation sheet (data extraction form) developed to record financial statement data and calculate each research variable. Variable measurements were based on standardized financial ratio formulas for Debt-to-Asset Ratio (DAR), Return on Assets (ROA), and Audit Delay, while Public Accounting Firm Reputation was measured using a dummy variable distinguishing Big Four and non-Big Four audit firms.

Data Collection Techniques

Data were collected using two techniques. First, library research was conducted by reviewing accounting textbooks, scientific journals, previous empirical studies, and relevant regulations related to auditing, leverage, profitability, Public Accounting Firm Reputation, and audit delay. Second, the documentation method was employed by collecting audited annual financial statements from the Indonesia Stock Exchange website and each company's official website. These financial statements were subsequently used to calculate all research variables.

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Theoretical Fraework

This study adopted Signaling Theory as its primary theoretical framework. The theory explains that managers communicate information regarding corporate performance to external stakeholders through financial reporting. Timely publication of audited financial statements represents a positive signal indicating transparency, sound financial performance, and effective corporate governance. Conversely, prolonged audit delay may be interpreted as a negative signal concerning financial condition or reporting quality. Within this framework, Leverage, Profitability, and Public Accounting Firm Reputation are expected to influence the timeliness of audited financial reporting.

Data Analysis Techniques

Data analysis was performed using IBM SPSS Statistics version 26. The analytical procedures included:

1. Descriptive statistical analysis to summarize the characteristics of each research variable.
2. Classical assumption tests, consisting of:
    a. Normality test;
    b. Multicollinearity test;
    c. Heteroscedasticity test; and
    d. Autocorrelation test.
3. Multiple linear regression analysis to examine the effects of Leverage (DAR), Profitability (ROA), and Public Accounting Firm Reputation on Audit Delay.
4. Hypothesis testing, including:
    a. Partial significance test (t-test);
    b. Simultaneous significance test (F-test); and
    c. Coefficient of determination (Adjusted R^2) to evaluate the explanatory power of the regression model.

Data Credibility

Data credibility was ensured by utilizing audited annual financial statements obtained from official sources, namely the Indonesia Stock Exchange and each company's official website. To improve reliability, all financial data were cross-checked across official publications before calculating the research variables. Furthermore, standardized financial ratio formulas and consistent measurement procedures were

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applied throughout the analysis to minimize measurement errors and improve the validity and reliability of the research findings.

RESULTS AND DISCUSSION

Overview of the Research Object

The object of this research is the food and beverage subsector companies listed on the Indonesia Stock Exchange (IDX) over the 2022–2025 period. This subsector was chosen because it has a relatively large number of listed issuers and comparatively stable operating activity compared to other sectors, so the financial statements published by these companies can be expected to give a fairly representative picture of how leverage, profitability, and audit-firm reputation relate to audit delay.

The data used in this study come from the audited annual financial statements published on the official IDX website (www.idx.co.id). The variables observed for each company are the leverage level, measured with the Debt to Total Assets Ratio (DAR); profitability, measured with Return on Assets (ROA); audit-firm reputation, measured with a dummy variable for Big Four affiliation; and audit delay, calculated as the number of days between the fiscal year-end (31 December) and the date stated on the independent auditor's report. The observation period covers four years, 2022 through 2025, so that the resulting pattern of audit delay in the food and beverage subsector can be captured more comprehensively.

The population of this study consists of all food and beverage subsector companies listed on the IDX during 2022–2025, totaling 83 companies. The sample was drawn using purposive sampling, in which companies were selected based on criteria appropriate to the research objective, as shown in Table 1.

Table 1. Sample Selection Criteria

No.	Sample Criteria	Number
1	Population of food and beverage subsector companies listed on the IDX during 2022–2025	83
2	Food and beverage companies that did not publish financial statements consistently during 2022–2025	(14)
3	Food and beverage companies that recorded losses during 2022–2025	(23)
	Number of companies meeting the sample criteria	46

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4	Observation years	4
	Total research data (46 companies × 4 years)	184

Based on the selection process in Table 1, 46 food and beverage companies satisfied all of the criteria and were considered eligible for the research sample. With an observation period of four years (2022–2025), the total number of observations used in this study is 46 × 4 = 184, which were subsequently analyzed using multiple linear regression to examine the effect of leverage, profitability, and audit-firm reputation on audit delay. Similar attention to audit delay in this sector has also been raised by Sopi and Nafiah (2022), who examined the food and beverage companies listed on the IDX and found that the length of the audit process in this subsector still varies considerably from one firm to the next.

Descriptive Statistics

Descriptive statistical analysis was used to summarize the characteristics of the research data. It presents the minimum, maximum, mean, and standard deviation of the dependent variable, Audit Delay, and the independent variables, namely leverage, profitability, and audit-firm reputation. The results of the descriptive statistical test are presented in Table 2.

Table 2. Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Dev.
DAR	184	6.52	83.23	39.6446	19.78943
ROA	184	.10	34.24	8.4339	6.15269
Audit Firm Reputation	184	.00	1.00	.5000	.50136
Audit Delay	184	51.00	118.00	77.3967	13.04889

The dependent variable, Audit Delay, shows an average of 77.39 days with a standard deviation of 13.05. The shortest audit delay recorded is 51 days, while the longest reaches 118 days. This indicates that, on average, the sample companies complete the audit process within roughly 77 days, with a variation of about 13 days around that mean.

Leverage (DAR) has an average of 39.64 with a standard deviation of 19.79. The minimum value obtained is 6.52, while the maximum reaches 83.23. This range shows

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that the leverage level among the sample companies is fairly diverse, with a fairly wide gap between the lowest and highest values.

Profitability (ROA) shows an average of 8.43 with a standard deviation of 6.15. The lowest value is 0.10, while the highest reaches 34.24. This suggests that the profitability of the sample companies is fairly varied, although the differences are not as pronounced as those observed for leverage.

Audit-firm reputation has an average of 0.50 with a standard deviation of 0.50, with a minimum of 0.00 and a maximum of 1.00. These figures confirm the dummy nature of the variable and indicate that, within the sample, the proportion of companies audited by Big Four firms is fairly balanced against those audited by non-Big Four firms.

Classical Assumption Testing

The classical assumption test was carried out to ensure that the regression model used in this study meets the requirements of a Best Linear Unbiased Estimator (BLUE), covering four assumptions: normality, multicollinearity, heteroscedasticity, and autocorrelation. Normality of the residuals was assessed using the Kolmogorov-Smirnov test, with an Asymp. Sig. (2-tailed) value above 0.05 indicating that the residuals are normally distributed. Multicollinearity was examined through the Tolerance and Variance Inflation Factor (VIF) values, where the model is considered free of multicollinearity if Tolerance exceeds 0.10 and VIF is below 10. Heteroscedasticity was tested using the Spearman-rho correlation between each independent variable and the absolute residual value, with a significance value above 0.05 indicating that heteroscedasticity is not present. Autocorrelation was detected using the Durbin-Watson (DW) statistic, under which the model is considered free of autocorrelation if $dU < d < 4 - dL$ (Ghozali, 2021). The combined results of these four tests, processed with SPSS version 26, are summarized in Table 3.

Table 3. Classical Assumption Test Results

Classical Assumption Test	Indicator / Variable	Value	Criterion	Conclusion
Normality	Asymp. Sig. (2-tailed)	0.200	> 0.05	Normally distributed

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(Kolmogorov-Smirnov)	Monte Carlo Sig. (2-tailed)	0.620	> 0.05	Normally distributed
Multicollinearity (Tolerance & VIF)	DAR	0.957 / 1.045	Tolerance > 0.10; VIF < 10	No multicollinearity
	ROA	0.909 / 1.100	Tolerance > 0.10; VIF < 10	No multicollinearity
	Audit Firm Reputation	0.948 / 1.055	Tolerance > 0.10; VIF < 10	No multicollinearity
Heteroscedasticity (Spearman-rho)	DAR	Sig. = 0.624	> 0.05	No heteroscedasticity
	ROA	Sig. = 0.061	> 0.05	No heteroscedasticity
	Audit Firm Reputation	Sig. = 0.722	> 0.05	No heteroscedasticity
Autocorrelation (Durbin-Watson)	DW = 1.968	dU=1.7920; 4–dL=2.2743	dU < d < 4–dL (1.7920 < 1.968 < 2.2743)	No autocorrelation

Table 3 shows that the residuals are normally distributed, with an Asymp. Sig. (2-tailed) value of 0.200 and a Monte Carlo Sig. (2-tailed) value of 0.620, both above 0.05. All independent variables also record Tolerance values above 0.10 and VIF values below 10 (DAR: 0.957/1.045; ROA: 0.909/1.100; Audit Firm Reputation: 0.948/1.055), indicating that the regression model is free of multicollinearity. The Spearman-rho test further shows significance values above 0.05 for all variables (DAR: 0.624; ROA: 0.061; Audit Firm Reputation: 0.722), confirming that heteroscedasticity is not present. Finally, the Durbin-Watson value of 1.968 lies between dU (1.7920) and 4 – dL (2.2743), i.e., 1.7920 < 1.968 < 2.2743, so the model is also free of autocorrelation. Taken together,

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these results confirm that the regression model satisfies all four classical assumptions and is therefore appropriate for further analysis.

Multiple Linear Regression Analysis

Multiple linear regression analysis was used to examine the partial effect of the independent variables leverage, profitability, and audit-firm reputation—on the dependent variable, audit delay. The results are presented in Table 4.

Table 4. Multiple Linear Regression Analysis Results

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	90.080	1.944		46.337	.000
DAR	-.006	.036	-.009	-.163	.871
ROA	-1.019	.098	-.578	-10.407	.000
Audit Firm Reputation	-7.709	1.415	-.296	-5.449	.000

Based on Table 4, the multiple linear regression equation of this study is formulated as:

$$AD = 90.080 – 0.006\ DAR – 1.019\ ROA – 7.709\ KAP + \varepsilon$$

Where AD is Audit Delay, DAR is Leverage (Debt to Total Assets Ratio), ROA is Profitability (Return on Assets), KAP is Audit Firm Reputation, and ε is the error term.

The constant value is positive at 90.080, meaning that if leverage, profitability, and audit-firm reputation are all held at zero, the predicted audit delay is 90.080 days.

Leverage (DAR) has a regression coefficient of -0.006, indicating an inverse relationship between leverage and audit delay: each one-unit increase in leverage is associated with a 0.006-day decrease in audit delay, holding the other independent variables constant.

Profitability (ROA) has a regression coefficient of -1.019, again indicating an inverse relationship: each one-unit increase in profitability is associated with a 1.019-day decrease in audit delay, holding the other independent variables constant.

Audit Firm Reputation has a regression coefficient of -7.709, indicating that companies audited by a Big Four firm are associated with an audit delay that is 7.709

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days shorter than that of companies audited by a non-Big Four firm, holding the other independent variables constant.

Model Fit and Hypothesis Testing

Coefficient of Determination (R^2)

The coefficient of determination (R^2) measures the extent to which the independent variables are able to explain the variation in the dependent variable. The results are presented in Table 5.

Table 5. Coefficient of Determination Test Results

R	R Square	Adjusted R Square	Std. Error of the Estimate
.303[a]	.092	.077	10.80695

Table 5 shows an Adjusted R Square value of 0.077. This indicates that leverage, profitability, and audit-firm reputation jointly explain 7.7% of the variation in audit delay, while the remaining 92.3% is explained by other variables outside this research model, such as company size, audit tenure, audit opinion, or the complexity of company operations, given that many other factors can influence how quickly an audit is completed.

F-Test

The F-test was used to determine whether the independent variables jointly (simultaneously) have a significant effect on the dependent variable. A significance value below 0.05 indicates that the independent variables jointly and significantly affect the dependent variable. The results are presented in Table 6.

Table 6. F-Test Results (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	15456.899	3	5152.300	59.059	.000[b]
Residual	15703.139	180	87.240		
Total	31160.038	183			

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Table 6 shows an F-value of 59.059 with a significance value of 0.000. Because this significance value is below 0.05, it can be concluded that leverage, profitability, and audit-firm reputation jointly and significantly affect audit delay in food and beverage companies listed on the Indonesia Stock Exchange. This also indicates that the regression model used in this study is suitable for predicting audit delay.

t-Test

The t-test was used to determine whether each independent variable partially (individually) has a significant effect on the dependent variable. A significance value below 0.05 indicates a significant partial effect, while a value above 0.05 indicates no significant partial effect. The results are presented in Table 7.

Table 7. t-Test Results

Variable	t	Sig.
(Constant)	46.337	.000
DAR	-.163	.871
ROA	-10.407	.000
Audit Firm Reputation	-5.449	.000

Based on Table 7, the results of hypothesis testing can be summarized as follows:

1. The t-value for Leverage (DAR) is -0.163 with a significance value of 0.871. Since this value is above 0.05 (0.871 > 0.05), Leverage has no significant effect on Audit Delay, and the first hypothesis (H1) is rejected.
2. The t-value for Profitability (ROA) is -10.407 with a significance value of 0.000. Since this value is below 0.05 (0.000 < 0.05), Profitability has a significant effect on Audit Delay, and the second hypothesis (H2) is accepted.
3. The t-value for Audit Firm Reputation is -5.449 with a significance value of 0.000. Since this value is below 0.05 (0.000 < 0.05), Audit Firm Reputation has a significant effect on Audit Delay, and the third hypothesis (H3) is accepted.

DISCUSSION OF FINDINGS

Effect of Leverage on Audit Delay

The test results show that Leverage, proxied by the Debt to Total Assets Ratio (DAR), has a significance value of 0.871 (0.871 > 0.05), indicating that leverage has no

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significant effect on audit delay among food and beverage companies listed on the Indonesia Stock Exchange during 2022–2025. The first hypothesis (H1) is therefore rejected.

Viewed through Signaling Theory, a company's debt level does not appear to be a primary consideration for management in deciding when to release its audited financial statements to the public. The obligation to submit an audited annual report is a routine procedure whose deadline is set firmly by capital-market regulators and by creditors, so the proportion of debt to total assets, whether large or small, does not change management's commitment to finishing the audit on schedule and therefore has no real effect on the length of audit delay.

This finding is in line with Apriwandi et al. (2023), who also found that leverage did not significantly affect audit delay among listed companies, arguing that the pressure to meet a fixed reporting deadline applies to highly leveraged and lightly leveraged firms alike. A similar pattern was reported by Flaviana Seltin Varinda Masto and Diana Airawaty (2024), who found that leverage was not among the factors that meaningfully shortened or lengthened audit delay, since auditors tend to treat debt-related disclosures as a routine part of the audit programme rather than as a source of additional risk requiring extended fieldwork. Not every study reaches the same conclusion, however; Putriningsih and Parinduri (2025) found that leverage did contribute to audit delay in their sample, which suggests that the strength of this relationship may still depend on the industry examined and how heavily a sector relies on debt-based financing.

Effect of Profitability on Audit Delay

The test results show that Profitability, proxied by Return on Assets (ROA), has a significance value of 0.000 (0.000 < 0.05), which means Profitability has a significant effect on audit delay. The second hypothesis (H2) is accepted.

This result strongly supports Signaling Theory. A high level of earnings is good news for a company's continuity, so when a food and beverage company records strong profitability, management has a clear incentive to release that good news as soon as possible in order to send a positive signal to the market, attract investor interest, and lift the company's value. To speed up the delivery of that signal, management tends to be more cooperative and more responsive in supporting the auditor's work, so that the fieldwork and reporting process is completed sooner and audit delay becomes shorter.

This finding is consistent with Nuzhat Maghfur et al. (2025), who likewise found that profitability significantly shortens audit delay, arguing that profitable companies are

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more eager to publish their results quickly precisely because the news reflects well on management's performance. It is also consistent with Caroline et al. (2023), who found that higher profitability was associated with faster completion of the audit process. Not all evidence points the same way, though; Arvilia (2023), studying manufacturing companies, did not find a significant link between profitability and audit delay, which indicates that the strength of this relationship can still vary depending on the industry and the years observed.

Effect of Audit Firm Reputation on Audit Delay

The test results show that Audit Firm Reputation has a significance value of 0.000, below 0.05, which means Audit Firm Reputation has a significant effect on audit delay. This indicates that the more reputable the audit firm carrying out the audit, the greater its capacity to keep the completion of the audit report on schedule; a good auditor reputation reflects higher work quality and credibility, which in turn supports more timely delivery of financial statements. The third hypothesis (H3) is accepted.

This result is in line with Signaling Theory, in which management's decision to engage a highly reputable audit firm, such as one affiliated with the Big Four, functions as a strategy for signaling credibility to the public. The signal tells stakeholders that the company's financial statements have been prepared transparently and verified by a trustworthy external party. Operationally, reputable audit firms are supported by more competent staff, more mature audit methodologies, and more advanced audit technology, all of which allow the examination process to run more efficiently, so that food and beverage companies audited by such firms are demonstrably able to shorten the delay in publishing their financial statements.

This finding is consistent with Lubis and Pusposari (2023), who also found that audit-firm reputation significantly shortened audit delay, and with Rahma et al. (2025), who reported a similar negative relationship between audit-firm reputation and the length of the audit process. Both studies attribute this pattern to the greater resources and more standardized audit procedures available to larger, more established audit firms, which allow them to plan and complete fieldwork more efficiently than smaller practices.

CONCLUSION

This study examines the effects of Leverage, Profitability, and Public Accounting Firm Reputation on Audit Delay among food and beverage companies listed on the Indonesia Stock Exchange during the 2022–2025 period. Using multiple linear

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regression analysis on 184 firm-year observations, the findings indicate that leverage, measured by the Debt-to-Asset Ratio (DAR), does not have a significant effect on audit delay. This result suggests that the proportion of assets financed through debt does not necessarily determine the length of the audit process within the observed companies. In contrast, profitability, measured by Return on Assets (ROA), has a significant effect on audit delay, indicating that companies with stronger financial performance tend to complete the audit process more efficiently. The study also finds that Public Accounting Firm Reputation significantly affects audit delay, implying that companies audited by Big Four accounting firms generally experience shorter audit completion periods due to superior audit resources, standardized procedures, and greater professional expertise.

Simultaneously, Leverage, Profitability, and Public Accounting Firm Reputation significantly influence Audit Delay, demonstrating that financial performance and auditor quality collectively contribute to the timeliness of audited financial reporting. These findings support Signaling Theory, which suggests that companies with favorable financial conditions and higher-quality auditors are more likely to provide timely audited financial statements as positive signals to investors and other stakeholders. This study contributes to the auditing literature by providing updated empirical evidence regarding the determinants of audit delay in Indonesian food and beverage companies during the 2022–2025 period and offers practical implications for corporate management, auditors, and regulators in improving the timeliness and credibility of financial reporting.

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