

The Effect of Audit Delay on Stock Price (Study On Companies Listed on The Indonesia Stock Exchange for the 2020 And 2021 Period)

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ABSTRACT

The purpose of this research is to test whether there is an effect of audit delay on stock prices. The theory used in this study is to use the agency theory which in this study is to enter into agreements involving two or more people who have their respective interests. Then the data obtained was from the Indonesia Stock Exchange (IDX) with a sample of 156 companies that experienced audit delays in the 2020 and 2021 periods and were obtained using the purposive sampling method, the analytical technique used in this study is the panel data regression analysis method (pooled data) and get the result that the variable audit delay has no effect on stock prices.

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1. INTRODUCTION

The Indonesia Stock Exchange (IDX) is experiencing rapid development, even today there are so many companies that have gone public, these go public companies are required to report audited annual financial statements because this is useful for convincing users of information that the financial statements are in accordance with applicable financial accounting standards and auditing standards. In this case, of course, the auditor has a very big responsibility, so the audit must be able to work more professionally, such as in terms of timeliness in submitting the audited financial statements because if there is a delay, the report will lose the conformity of the information produced in the financial statements. the.

In Law No. 8 of 1995 concerning capital market regulations states that all companies registered on the capital market must submit their financial reports continuously to the capital market supervisory agency and announce their reports to the public. If the company is late in reporting its financial statements, it will be subject to administrative sanctions in accordance with the existing provisions in the law established by the capital market supervisory agency, which was updated in 1996. Generally Accepted Auditing Standards (GAAS) state that an audit must be carried out properly. – full of care and thoroughness and according to work standards, it must also be carried out with careful planning in order to collect sufficient evidence. Even though Bapepam-LK has stipulated sanctions and fines for companies that violate regulations, it turns out that there are still several companies that are late in releasing their financial reports to the public.

According to CNBC Indonesia, the Indonesia Stock Exchange (IDX) announced that as many as 88 public companies (issuers) had not submitted audited financial reports for the financial year period ending December 31, 2020.

In the announcement submitted by the stock exchange authority which was

signed by the Head of the Corporate Valuation Division 1, Adi Pratomo Aryanto, Head of the Corporate Valuation Division 2, Vera Florida and Head of the Corporate Valuation Division 3, Goklas Tambunan, IDX provided a deadline for submitting audited financial reports December 31, 2020 on December 31, 2021. The IDX noted that out of 780 securities and listed companies on the stock exchange, 755 securities and listed companies are required to submit audited financial reports ending December 31, 2019. "There are 88 listed companies and 8 ETFs have not submitted financial reports ending December 31, 2020," said the stock exchange announcement.

Therefore, pursuant to provision II.6.1 of the Exchange Regulation Number IE explaining the Obligation to Submit Information in writing, that audited financial reports must be submitted no later than the end of the third month after the date of the financial statements. Thus, for the audited financial statements for 2020, the current submission deadline is at the end of May 2021. With the audited financial statements as of December 31, 2020 not being submitted by 52 companies, it means that there are 703 listed companies that have fulfilled their obligations.

The 703 companies consist of 653 companies that have listed shares, then 46 companies have registered Exchange Traded Funds (ETF), and 4 companies have registered Real Estate Investment Funds (DIRE) and Infrastructure Investment Funds (DINFRA). In fact, there are 786 companies that have listed their securities on the IDX, but only 755 companies are required to submit audited financial reports as of December 31, 2020. Because, as many as 7 listed companies have different financial years and 24 securities and listed companies (consisting of one KIK Mutual Fund and 23 companies listed after December 31, 2020) are not required to submit audited financial statements for 2020.

Then in 2021 the Indonesia Stock Exchange (IDX) announced that there were 68 listed companies that had not submitted Financial Statements ending December 31,

2021. Even though the deadline for submitting audited financial reports ending December 31, 2021 after Written Warning I was May 30, 2022 which then (KONTAN.CO.ID-JAKARTA).

The Indonesia Stock Exchange issued a written warning II and a fine of Rp. 50 million to 68 listed companies that do not fulfill the obligation to submit Audited Financial Statements ending December 31, 2021 according to a predetermined time limit.

Even though the IDX has imposed sanctions on issuer companies that are late in reporting audited financial reports, late submission of audited financial reports continues to occur every year. That way, this becomes crucial and becomes a concern for the company in terms of handling delays in financial reports. The issue regarding the issuer's level of discipline relates to late submission of financial reports in relation to the time span of the auditor in auditing the financial statements.

The share price is the price that occurs on the stock market at a certain time determined by market participants and is determined by the demand and supply of the relevant shares in the capital market. There are many types and ways of investing, one of the products that is important to know is stock investment as well as stock prices. In general, shares can be interpreted as a sign of equity participation from a person or party, which includes business entities, in one company or limited liability company. Basically, the share price is the value of the shares in the market or what is commonly referred to as the market value or market price which fluctuates from time to time depending on the company's prospects in the future. Share price values change all the time. The value of a share is influenced by the supply and demand that occurs between sellers and buyers of these shares.

The reason for conducting this research is because in 2020 and 2021 many companies are different from previous research, namely in the 2020 and 2021 periods and also not from one sector but from all companies listed on the IDX, because in that period many companies were listed on the

Stock Exchange Indonesia (IDX) experienced an audit delay. Referring to the background described above, the researcher is interested in conducting research with the title "The Effect of Audit Delay on Stock Prices (Studies of Companies Listed on the Indonesian Stock Exchange (IDX) in the 2020-2021 Period). Based on the background above, the authors get the formulation of the problem as follows:

Does Audit Delay Affect Stock Prices?

2. LITERATURE REVIEW

2.1 Agency Theory (Agency Theory)

Agency theory (Agency) is an explanation of the relationship between the owner (principal) and the manager (agent). Agency theory usually aims on the part of the manager (agent) to maximize the wealth management of the owner (principal). Agency problems occur because the interests of one party are prioritized over shared interests in a company. So that in this case both parties want to achieve their goals (Siahaan and Andayani, 2021)

2.2 Auditing

According to Mulyadi and [1], namely: "A systematic process to objectively obtain and evaluate evidence regarding statements about economic activities and events, with the aim of determining the degree of conformity between these statements and predetermined criteria, as well as delivery of the results to interested users.

From a public accountant's point of view, according to [1], namely: "Auditing is an objective examination of the financial statements of a company or other organization with the aim of determining whether the financial statements present fairly, in all material respects, the financial position and results of operations of the company or organization.

2.3 Financial statements

According to [2] " Financial reports are reports that show the company's financial condition at this time or in a certain period". The current condition of the company is the company's financial condition on a certain date (for the balance sheet) and a certain

period (for the income statement). Usually, financial reports are made per period. For example, every three months, or every six months for the company's internal interests. Meanwhile, for broader reports conducted once a year.

According to [3]: "Financial reports are a document that describes the company's financial condition and company performance in a certain period".

According to [4] "Financial reports are the end result of the accounting process which includes two main reports, namely the balance sheet and income statement. Financial reports are prepared with the intention of providing financial information about a company to interested parties as material for consideration in making decisions.

From some of the meanings above, it can be concluded that financial statements are reports that describe the financial condition and results of operations of a company in a certain period.

2.4 Audit Delays

According to [5] "Audit delay is the time span required by the auditor to complete the audit. In other words, audit delay is assumed to be the sum of the end of a company's financial year period until the audited financial statements are signed as the end of the standard field work carried out.

BAPEPAM Regulation No. 38/PM/2003 requires companies that go public to publish independent audit reports to BAPEPAM no later than 0 days or at the end of the third month after the date of the company's annual report. Audit delay is the duration of audit completion which is calculated from the close of the financial year until the date of the audit report is published. This will affect the accuracy of published information, so that it will affect the level of decision uncertainty based on the published information.

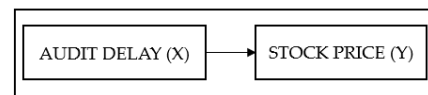
Thus, based on the definition above, it can be concluded that audit delay is the length of time it takes to complete an audit from the end of the company's fiscal year to the date the audit report is issued.

2.5 Stock price

According to [6] stock price is the price that occurs on the stock market at a certain time determined by market participants and determined by the demand and supply of the shares concerned in the capital market.

According to (Darmadji, n.d. 2012) states that stock prices are prices that occur on the exchange at a certain time. Stock prices can change up or down in a matter of time so quickly. Stock prices can change in minutes or seconds. This is likely due to demand and supply between buyers and sellers of shares. Based on the definition above, it can be concluded that the stock price is the price traded in the stock buying and selling market.

Mindset



Effect of Audit Delay on Stock Prices

2.6 Hypothesis Development

Audit delays

Audit delay or audit report lag is a comparison of the time between the end of the fiscal year and the date of issuance of the audit report, this can happen in large or small companies, because it is caused by various factors.

According to [8] "Audit delay is the length of time for audit completion as measured from the closing date of the financial year to the date the independent auditor's report is completed."

Then according to [9] Audit delay is the length of time for audit completion as measured from the closing date of the financial year to the date of issuance of the audit report. [10] also put forward the notion of audit delay, namely the length of time for audit completion starting from the closing date of the financial year until the date of issuance of the audit delay report.

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The share price is the price that is traded in the buying and selling market of shares. The value of the stock price is always changing every time. With the accuracy and timeliness of presentation in financial reports to the public, it is a signal that can be useful for the needs of investors to make a decision. So, the longer the audit delay can cause uncertainty in stock price movements. Thus, investors can interpret the length of the audit delay because the company has bad news so it does not immediately publish its financial reports, which then results in a decrease in the company's stock price [11].

According to [12] in his research, it shows that audit report lag has no effect on stock prices, this indicates that investors do not see the time when the audit opinion is issued by the auditor. The results of this study are in line with what has been done by (Marindah, 2013).

These results are inversely proportional to Sidabutar's research (2014) which states that audit delay affects stock prices, this shows that the shorter the time span between the book closing date and the audit completion date, the faster investors' decisions to invest.

H 1: Audit Delay has an effect on stock prices.

H 0: Audit Delay has no effect on stock prices.

3. METHODS

Types of research

In this study using quantitative research to examine a population or sample. In general, this side technique is carried out for data collection, quantitative data analysis with the aim of testing. According to [14] quantitative research is defined as a research method based on the philosophy of positivism, used to examine certain populations or samples, collecting data using research instruments, data analysis is quantitative or statistical, with the aim of testing established hypotheses.

Population

According to [15] Population is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to

be studied and then drawn conclusions. And according to [16] Population is all values both calculation and measurement results, both quantitative and qualitative, of certain characteristics regarding a group of objects that are complete and clear.

This study aims to examine the effect of audit delay on stock prices, then the population used in this study are all companies listed on the Indonesia Stock Exchange (<https://www.idx.co.id/>)

Sample

According to [14] The sample is part of the number and characteristics possessed by the population. Sampling is done if the population is large and it is impossible for the researcher to study everything in the population.

Sampling technique is a sampling technique that is to determine which sample will be used in research, there are various sampling techniques such as Probability Sampling and Non-Probability Sampling. In this study the purposive sampling method was used as a sample, thus the samples taken in this study were companies listed on the Indonesia Stock Exchange (IDX) companies that experienced audit delay of 156 companies.

The type of data used in this study is secondary data, this secondary data is data obtained indirectly and the researcher is not directly related to the object in question [17].

Data and data sources

In this study using secondary data obtained from the Indonesian Stock Exchange (IDX) at <http://www.idx.co.id>, then the method for collecting data is the documentation method, which collects data and records, and examines secondary data indirectly. directly through intermediary media in the form of closing share prices from the annual statistical reports of all companies listed on the Indonesia Stock Exchange for the 2020 and 2021 periods.

Analysis Method

This study uses panel data regression analysis or also called pooled data, [18] Panel data is data that is a combined combination of time-demanding data and cross-sectional

data, so this data has a combination of two types of data. In this study using panel data regression test in order to determine the relationship between the independent variables, namely audit delay on stock prices as the dependent variable. So thus, the regression model is as follows:

$$Y_{it} = \alpha X$$

Where:

X = Audit Delays

Y = Stock Price

This study uses Eviews 12 software to process data and also explains the relationship between the independent variables and the dependent variable through panel data, Eviews 12 is software used to process statistical and econometric data, the reason for using Eviews software is because there is analysis with panel data in it this is the advantage of the Eviews program compared to other statistical programs, so this software is felt to be appropriate and suitable for this research. In estimating the regression model there are several approaches, namely as follows: (Widarjono, 2009).

a) Common effect Model

The Common Effect method is the simplest technique, that is, by combining time series and cross section data, you can use the OLS method to estimate the panel data model, regardless of differences between time and individuals. As according to [18] in this approach does not pay attention to the individual or time dimensions. It is assumed that the behavior of data between companies is the same in various time periods.

b) Fixed Effects Model

Fixed Effect This model is a technique for estimating panel data using a dummy variable to capture intercept differences. As according to [18] the definition of FEM is generally based on intercept differences. And this model also always assumes that the regression coefficient is fixed between time and company.

c) Random Effects Model

Random Effect Model This is a method for estimating a panel data regression model using the assumption that the slope is constant and the intercept differs between

time and between individuals. This model is often called the error component model. According to [18]. Generalized Least Square (GLS) is a very precise method used in estimating random effects because it can increase the efficiency of least squares estimation.

Panel Data Regression Analysis Phase

To get the best panel data regression analysis, a model selection technique is used, so we can choose between the common effect model, the fixed effect model or the random effect model. There are several tests that can be carried out, namely as follows:

Chow test

The Chow test can be used to compare or to choose which model is the best between the Fixed Effect Model or the Common Effect Model. Decision making by looking at the probability value (p) for Cross-Section F. If $p > 0.05$ then the selected model is the Common Effect Model, but if $p < 0.05$ then the selected model is the Fixed Effect Model.

H0: Choosing to use the common effect model

H1: Choose to use the fixed effect model

Decision making by looking at the probability value (p) for Cross-Section F. If $p > 0.05$ then the selected model is the Common Effect Model, but if $p < 0.05$ then the selected model is the Fixed Effect Model.

Hausman test

The Hausman test can be used to compare or to choose which model is the best between the Fixed Effect Model and the Random Effect Model.

H0: Choosing to use the Random Effect Model

H1: Choose to use the Fixed Effect Model

Decision making can be seen from the probability value (p) for Cross-Section Random. If $p > 0.05$ then the selected model is the Random Effect Model, but if $p < 0.05$ then the selected model is the Fixed Effect Model.

Basic Test of Classical Assumptions

According to [19] the classical assumption test is the initial stage used before multiple linear regression analysis. This test is

carried out to be able to provide certainty so that the regression coefficients are unbiased and consistent and have accuracy in estimation. The classic assumption test was carried out to show that the tests carried out had passed data normality, multicollinearity, autocorrelation, and heteroscedasticity so that the tests could be carried out to linear regression analysis.

However, this study did not use normality tests and autocorrelation tests because according to [20]–[24] concluded that "Other advantages of data panel, namely panel data has the implication that classical assumption testing is not required, so panel data does not require classical assumption testing such as normality or autocorrelation. Another explanation why it does not require normality and autocorrelation testing is as follows:

a) Normality test

Normality test only used if the number of observations is less than 30, to find out whether the error term is close to a normal distribution. If the number of observations is more than 30, then there is no need to do a normality test because the distribution of the sampling error term is close to normal [25]. In this study using a total of 159 observations, the normality test can be ignored.

b) Autocorrelation Test

The autocorrelation test is used to test whether the linear regression model has a correlation between the confounding errors in period t and the confounding errors in the previous period. The Generalized Least Square (GLS) method is a method for discards first-order autocorrelation in an estimated regression equation. This is also confirmed by [26], that "the use of the GLS method can suppress the existence of autocorrelation which usually arises in variance estimation errors so that with the GLS method the problem

Multicollinearity

According to (Suliyanto, 2011) the multicollinearity test aims to test whether in the regression model formed there is a high or perfect correlation between the independent variables or not. If in the regression model

formed there is a high or perfect correlation between the independent variables, then the regression model is declared to contain multicollinear symptoms.

Then according to [18] multicollinearity is performed to see the linear relationship between the independent variables in a regression. One way to detect multicollinearity problems in the regression model is to test the correlation coefficient between the independent variables. If the correlation coefficient is above 0.85, it is suspected that there is multicollinearity in the model

Heteroscedasticity

In Heteroscedasticity there is variable variance, namely the regression model which is not the same or also called constant, if the variables in the regression model have the same value, then this is usually called homoscedasticity. So, in order to find out the existence of a heteroscedasticity problem, it can be done by using graphical analysis methods and also statistical methods. The graphical analysis method is carried out by looking at and paying attention to the scatterplot where the horizontal axis shows the predicted standardized value while the vertical axis shows the studentized residual value.

According to [25] if a scatterplot forms a certain pattern, then there is a problem of heteroscedasticity in the form of the regression model. However, if it spreads randomly, it indicates that there is no problem with heteroscedasticity in the form of the regression model.

In testing whether there is a symptom in the model, the symptom is a symptom of heteroscedasticity so a hypothetical design is made as follows:

H0: there is no heteroscedasticity

H1: there is heteroscedasticity

Significance Test

The significance test or F statistic test is to test all independent variables together on the dependent variable. The way to carry out this significance test is to compare F count and

F table obtained from the magnitude of α and the magnitude of df , where df is determined by the numerator $(k-1)$ and the denominator df is (nk) , where n is the number of observations and k is the number of variables including intercepts as well. If $F_{count} < F_{table}$, then H_0 is accepted and H_1 is rejected, it means that the independent variables simultaneously have no significant effect, but conversely if $F_{count} > F_{table}$, then H_1 is accepted and H_0 is rejected, which means that the independent variables simultaneously have a significant effect on the variable dependent.

As according to [27] "if the calculated probability $F < \alpha 0.05$, it can be said that the estimated regression model is declared feasible, but if the calculated probability F value is $>$ than $\alpha 0.05$, it means that the estimated regression model is said to be infeasible."

Statistical Test t

According to [28] the t statistical test is to show the level of influence of one independent variable individually in explaining the variation of the dependent variable. If the probability value $t_{count} > \alpha$ is 0.05 , it can be said that the independent variable has no significant effect on the dependent variable. However, if the calculated probability t value is $< \alpha 0.05$, it can be said that the independent variable affects the dependent variable (Iqbal; 2015)

Determination Coefficient Test

According to [18] the coefficient of determination serves to explain how large the proportion level of variation in the dependent variable is explained by the variation in the independent variables. The coefficient of determination will not decrease in value even if the independent variables are added, so it can be interpreted that the coefficient of determination will be greater if the independent variables are added to the model.

However, the problem with using the coefficient of determination is that the value of the coefficient of determination always increases when adding the independent variables to the model, even though adding

the independent variables does not necessarily have evidence from economic logic or economic theory. The value of the coefficient of determination is between 0 and 1. If it is close to 0, it can be said that the regression line is not good. However, if the number is close to 1, it can be said that the regression line is getting better because it can explain the actual data.

Operational Definition and Variable Measurement

Each operational definition in this study is as follows:

1. Independent Variable

The independent variables are the variables that affect the dependent variable or cause and effect changes in the dependent variable, then in this study the independent variable is Audit Delay.

Audit Delays

Audit delay is also called audit report lag, which means the time span between the closing time of the financial year, namely December 31, to measure audit delay as an independent variable, this is a quantitative audit delay.

Audit Delay = Financial Statement Date – Audit Report Date

Where:

Audit Delay: Calculated in days

Financial statements: December 31 when the fiscal year closes

Audit Report: The date stated on the independent auditor's report when the auditor signed it.

2. The dependent variable

The dependent variable is the variable that is explained or influenced by the independent variable or several independent variables. The dependent variable in this study is stock prices.

Stock price

The stock price is the value of the stock itself, according to [6] the stock price is the price that occurs on the stock market at certain times and the stock price is determined by market participants. The share price itself arises because of buying and selling activities or the existence of requests and offers for the company's shares on the stock market.

The share price can be measured by how much the stock price is when the stock market closes. This price is also called (closing price), therefore the measurement of stock prices in this study uses measurement by looking at the closing price of the shares of the companies that are sampled.

Closing Price of the Trade

The closing stock price (Closing Price Trade) is the price range that occurs on the stock exchange when the market is about to be closed. Meanwhile, shares are proof that the company is the owner and also the shareholder [29].

4. RESULTS AND DISCUSSION

Results

Model Selection Test

In selecting the panel data regression model, there are 3 approaches to panel data where the 3 approaches are CEM or Common Effect Model, FEM or Fixed Effect Model, and REM Random Effect Model. There are several approaches to estimating the regression model [18], namely:

Common Effects Model

The common effect model is the most basic model or estimation method in panel data regression, which still uses the ordinary least squares principle. Therefore, this method is also known as pooled least squares

The processing results of the Common Effect Model (CEM) Test using Eviews 1

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	158.8276	64.27605	2.471023	0.0146
X	0.112690	0.713225	0.158001	0.8747

R-squared	0.000162	Mean dependent var	168.6642
Adjusted R-squared	-0.006330	S.D. dependent var	199.0408
S.E. of regression	199.6698	Akaike info criterion	13.44395
Sum squared resid	6139679.	Schwarz criterion	13.48305
Log likelihood	-1046.628	Hannan-Quinn criter.	13.45983
F-statistic	0.024964	Durbin-Watson stat	2.304252
Prob(F-statistic)	0.874663		

Fixed Effects Model

The Fixed Effect Model is a model that can show constant differences between objects, even with the same regressor coefficient.

The results of processing the Fixed Effect Model (FEM) Test using Eviews 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-5065.316	1887.473	-2.683649	0.0089
X	59.96188	21.62257	2.773115	0.0070

Effects Specification			
Cross-section fixed (dummy variables)			
R-squared	0.469436	Mean dependent var	168.6642
Adjusted R-squared	-0.068019	S.D. dependent var	199.0408
S.E. of regression	205.6988	Akaike info criterion	13.79747
Sum squared resid	3258023.	Schwarz criterion	15.34195
Log likelihood	-997.2029	Hannan-Quinn criter.	14.42477
F-statistic	0.873442	Durbin-Watson stat	3.949367
Prob(F-statistic)	0.723753		

(Source: Data processed using Eviews 12)

Random Effects Model

The Random Effect Model can be used to overcome the weaknesses of fixed effect models that use pseudo variables. So the residual effect model is considered to have a relationship between time and objects.

Processing results of the Random Effect Model (REM) Test using Eviews 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	158.8276	66.21683	2.398599	0.0177
X	0.112690	0.734760	0.153370	0.8783

Effects Specification			
		S.D.	Rho
Cross-section random		0.000000	0.0000
Idiosyncratic random		205.6988	1.0000

Weighted Statistics			
R-squared	0.000162	Mean dependent var	168.6642
Adjusted R-squared	-0.006330	S.D. dependent var	199.0408
S.E. of regression	199.6698	Sum squared resid	6139679.
F-statistic	0.024964	Durbin-Watson stat	2.304252
Prob(F-statistic)	0.874663		

Unweighted Statistics			
R-squared	0.000162	Mean dependent var	168.6642
Sum squared resid	6139679.	Durbin-Watson stat	2.304252

Panel Data Regression Analysis Phase

Chow test

Chow test processing results using Eviews 12

Effects Test	Statistic	d.f.	Prob.
Cross-section F	0.884480	(77,77)	0.7043
Cross-section Chi-square	98.849719	77	0.0475

From the results of the Chow test table above, it can be seen that the profitability value in the Chi-square Cross-section is 0.0475 < 0.05 so that H0 is rejected. These results can be concluded that based on the Chow Test the correct model used in this study is the Fixed Effect Model (FEM) to strengthen in determining the model used in this study, then a second test is then carried out, namely by using the Hausman Test.

Hausman test

The results of processing the Hausman Test using Eviews 12

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	7.670144	1	0.0056

From the results of the Hausman Test table, the probability value for random cross-section is 0.0056 < 0.05 so that the Hausman test results show that if H1 is accepted and H0 is rejected, then it can be concluded that the Fixed Effect Model is feasible to use.

**Basic Test of Classical Assumptions
Multicollinearity test**

According to [25] the multicollinearity test aims to test whether in the regression model formed there is a high or perfect correlation between the independent variables or not. If in the regression model formed there is a high or perfect correlation between the independent variables, then the regression model is declared to contain multicollinearity symptoms.

Then according to [18] multicollinearity is performed to see the linear relationship between the independent variables in a regression. One way to detect multicollinearity problems in the regression model is to test the correlation coefficient between the independent variables. If the correlation coefficient is above 0.85, it is suspected that there is multicollinearity in the model.

Processing results Multicollinearity test using Eviews 12

	Y	X
Y	1.000000	0.012731
X	0.012731	1.000000

From the results of the processing of the Multicollinearity Test above, it is known that the value of the relationship between one independent variable and another independent variable is less than 0.85. Thus, it can be concluded that the data in this study do not have multicollinearity problems.

Heteroscedasticity Test

According to [19] the heteroscedasticity test aims to test whether in a regression model there is an inequality of

variance from the residuals of one observation to another. If the variance from the residual of one observation to another observation remains, then it is called homoscedasticity and if it is different, it is called heteroscedasticity. A good model is a model that does not have heteroscedasticity. If the significance value is > 0.05, there is no heteroscedasticity. Conversely, if the significance is < 0.05, it means that there is heteroscedasticity.

The results of processing the Heteroscedasticity Test using Eviews 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	67.04493	34.08734	1.966857	0.0510
X	0.363103	0.378242	0.959973	0.3386
R-squared	0.005948	Mean dependent var	98.73960	
Adjusted R-squared	-0.000506	S.D. dependent var	105.8635	
S.E. of regression	105.8904	Akaike info criterion	12.17542	
Sum squared resid	1726766.	Schwarz criterion	12.21452	
Log likelihood	-947.6830	Hannan-Quinn criter.	12.19130	
F-statistic	0.921548	Durbin-Watson stat	2.73E-05	
Prob(F-statistic)	0.338574			

Based on the results of the Heteroscedasticity Test Output above, the results of the probability value of each variable are > 0.05, so it can be interpreted that H0 is accepted. Then it is concluded that if the data in this study does not contain heteroscedasticity.

Test of significance (Test F)

After the Chow and Hausman tests were carried out, the results of the selected test were the fixed effect model. Furthermore, a significance test was carried out according to the results of the selected model.

The results of processing the significance test (Test F) using Eviews 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-5065.316	1887.473	-2.683649	0.0089
X	59.96188	21.62257	2.773115	0.0070
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.469436	Mean dependent var	168.6642	
Adjusted R-squared	-0.068019	S.D. dependent var	199.0408	
S.E. of regression	205.6988	Akaike info criterion	13.79747	
Sum squared resid	3258023.	Schwarz criterion	15.34195	
Log likelihood	-997.2029	Hannan-Quinn criter.	14.42477	
F-statistic	0.873442	Durbin-Watson stat	3.949367	
Prob(F-statistic)	0.723753			

If the calculated probability f value is < 0.05, it can be said that the estimated regression model is feasible. Likewise, if the probability f count is > 0.05, then the estimated

regression model is not feasible (Iqbal et al., 2015).

So, based on the output table above, it can be seen that the value of probability is $0.723753 > 0.05$, it can be concluded that H1 is rejected while H0 is accepted. So, audit delay has no effect on stock prices.

Partial Statistical Test (Statistical Test t)

The results of processing the t test using Eviews 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-5065.316	1887.473	-2.683649	0.0089
X	59.96188	21.62257	2.773115	0.0070

Effects Specification			
Cross-section fixed (dummy variables)			
R-squared	0.469436	Mean dependent var	168.6642
Adjusted R-squared	-0.068019	S.D. dependent var	199.0408
S.E. of regression	205.6988	Akaike info criterion	13.79747
Sum squared resid	3258023.	Schwarz criterion	15.34195
Log likelihood	-997.2029	Hannan-Quinn criter.	14.42477
F-statistic	0.873442	Durbin-Watson stat	3.949367
Prob(F-statistic)	0.723753		

According to [19] the t statistical test basically shows how far the influence of one explanatory/independent variable individually explains the variation of the dependent variable.

If the prob. t count (shown in Prob.) is smaller than the error rate (alpha) 0.05 (which has been determined) so it can be said that the independent variable has a significant effect on the dependent variable, whereas if the prob. t count is greater than the error rate of 0.05, it can be said that the independent variable has no significant effect on the dependent variable [27].

Based on the processing results of the t test above, it can be seen that the value of t calculated on the independent variable is 2.773115 and the probability value is 0.0070. then $0.0070 < 0.05$, so it can be concluded that the Audit Delay variable (X) has no effect on stock prices (Y).

Discussion

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Based on the results of the significance test and hypothesis analysis that has been done, the relationship between audit delay as a significant independent variable and stock price as the dependent variable is as follows:

Audit delay as a variable X or an independent variable has a probability value of 0.0070. by using the level of confidence ($\alpha = 5\%$), it can be concluded that the decision taken is to reject the alternative hypothesis, meaning that Audit Delay does not have a significant effect on Stock Price. The results of the research conducted are in accordance with those conducted by Arthur Kornia Hasudungan Sitanggang (2015), where audit delay has no significant effect on stock prices. Because in making a decision to invest in the Indonesia Stock Exchange (IDX) many things are considered by market players and also investors, so audit delay has no effect on changes in a company's stock price.

As according to Lestari and Nuryatno (2018) investor decisions on the Indonesia Stock Exchange (IDX) are not only based on financial report information presented by independent auditors, but they also use other information that can be accessed via the internet and external environmental conditions that affect the company. such as changes in exchange rates, balance of payments, government policies, political and security conditions, and others.

5. CONCLUSION

1. Based on the significant test that the independent variables have no significant effect simultaneously on the dependent variable Stock Price.

2. Based on the partial test, it can be concluded that the audit delay variable (X) has no effect on the stock price variable (Y).

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