

## Financial Reports Of Manufacturing Companies To Capital Market Supervisors 2022 - 2023

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### Abstract

This study focuses on yearly financial reports that have been audited for the public, from the end of the company's fiscal year until the date of submission to the Capital Market Supervisory Agency. The purpose of this study is to examine how firm size affects the timeliness with which financial reports are submitted to the Indonesia Stock Exchange. Analyze the impact of public accounting companies' reputations. The purpose of this study is to look at how audit views affect the timeliness with which financial reports are submitted to the Indonesia Stock Exchange. The research approach adopted was quantitative. The data source utilized is secondary data, and the population in this study includes manufacturing sector businesses from 2022-2023. The purposive sampling approach was used. The data analysis techniques employed were logistic testing analysis and regression model feasibility testing. Based on the study findings, it was discovered that profitability impacts the company's punctuality in submitting financial statements.

**Keywords:** Company Size, Audit Opinion, Profitability

### Introduction

Indonesia's stock market is presently in full swing as a result of a rise in youthful investors, which has had an influence on the country's economy. The investing industry is quite sophisticated and competitive. The most crucial aspect of the investing industry is gathering information to evaluate when making policy decisions. The company's annual financial report is a valuable source of information for investors. The yearly financial report is complete when it includes the profit and loss balance sheet, a report on unbiased changes in cash flow, and notes from all financial reports (Karim et al., 2021). Financial reports may provide insight into a company's success. The financial department plays a crucial role in the company's future plans. Various Indonesian firms that have issued initial public offerings and been listed on the Indonesian Stock Exchange are obliged to publish annual and company financial reports. Timeliness might indicate the openness and quality of financial reporting. Annual financial reports must be timely since they are used to inform policy decisions. Dummy variables are used to determine financial report timeliness, with group 1 representing firms who submit annual financial reports on time and group 0 representing enterprises that submit them late (Suryanto, 2022). Financial reports should be issued on time so that investors may make judgments based on suitable facts (Suryanto, 2023).

### Literature Riview

#### Understanding Financial Reports

According to Suryanto (2019), financial reports are a summary of the recording process, which includes a list of financial transactions that happened during the relevant fiscal year. This financial report is created by management to account for the duties allocated to it by the company's owner. Financial reports include information with qualitative features, making them helpful to consumers of the company's financial reporting.

#### Company Size

A major corporation has strong resources and technology, which allows it to prepare and disclose its financial reports on time. A company's total asset value, number of sales, market capitalization, number of workers, and other metrics may be used to assess its performance. The bigger the value of the firm's assets, the more capital investment, the higher the sales, the better the flow of money in the company, and the higher the market capitalization, suggesting that the company is more well recognized by the public (Suryanto, 2021).

## Hypothesis Development

A firm with high profitability may be considered to have excellent financial reports, and companies with positive news are more likely to file financial reports on time. This also applies when a corporation fails to produce its financial reports on time because they are unprofitable or include negative information (Karim, 2022). According to Abdul Karim (2019), major firms have greater resources that allow them to produce financial reports on schedule. They have a robust internal control system inside the firm that assists auditors in auditing vast quantities of transactions, as well as a contemporary accounting system that requires little time to complete. A quality auditor is excellent news for investors, unless the final financial report is audited by an auditor with a strong reputation and presented by management Suryanto (2017). The primary goal of a financial statement audit is to offer a judgment on whether the client's financial statements are presented honestly in all significant aspects and in line with Indonesian generally accepted accounting principles (Karim, 2022). An audit report is a formal instrument used by auditors to provide findings concerning audited financial statements to interested parties.

## Methods

### Research Population and Sample

The population included in this study includes all manufacturing businesses registered on the Indonesia Stock Exchange from 2022 to 2023. Three periods were utilized to assess the consistency of each independent variable's effect on the dependent variable. This study sample selection employed a purposive sampling strategy, which means choosing samples based on particular criteria.

## Results and Discussion

### Testing Regression Coefficients.

Regression coefficient analysis was used to examine how well the independent variable predicts the profitability of the dependent variable. Therefore, it is required to do this analysis. Table 1 displays the findings of the regression coefficient analysis.

**Table 1 shows the results of regression analysis for the variables in the equation.**

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 1 <sup>a</sup>	ROA	5,471	2,015	7,354	1	,007	237,530
	COMPANY SIZE	,235	,127	3,434	1	,054	1,255
	CAPTAIN'S REPUTATION	-,241	,745	,071	1	,005	,775
	AUDITOR'S OPINION	,753	,537	2,575	1	,107	2,371
	Constant	-7,512	3,702	5,011	1	,025	,000

Variable(s) entered on step 1: COMPANY SIZE, REPUTATION, AUDITOR'S OPINION

Based on the table above, the regression equation for this study is as follows:

$$Y = -7.512 + 5.471$$

- The equation above shows that increasing the KAP reputation variable by one unit results in a 0.241 unit decrease in timeliness, assuming the other independent variables remain constant.
- The auditor's opinion variable has a coefficient value of 0.753 with a positive sign, indicating that if the ROA variable rises by one unit, timeliness will increase by 0.753 units under the assumption that the other independent variables remain constant.

### The impact of firm size on the timely submission of financial reports.

The significance test results reveal a probability value of 0.054 (0.054 is greater than 0.05). The findings of evaluating the firm size hypothesis show that it has no influence on timeliness. This is consistent with Suryanto's (2023) finding that firm size has no influence on yearly financial report submissions. This indicates that the company's size has no effect on the timeliness with which financial reports are submitted.

### The influence of audit opinion on the timely submission of financial reports

The significance test yielded a probability value of 0.107 (0.107 > 0.05). The study's findings revealed that the audit opinion variable had no significant impact on financial reporting timeliness.

Companies who obtain an unqualified or qualified opinion cannot tell whether they have submitted their financial reports correctly or incorrectly.

## Conclusion

According to the findings and debate, profitability determines the company's punctuality in submitting financial accounts. The size of a corporation has little bearing on its ability to publish financial accounts on time. The company's reputation effects its ability to publish financial accounts on time. The audit opinion affects the company's timeliness in reporting financial results.

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