

# **Audit Delay Analysis Based on Audit Effort, Earning Per Share and Audit Opinions Before and During the Covid-19 Pandemic**

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## **ABSTRACT**

*The audit process is complex and requires a lot of resources causing audit delays resulting in delays in submitting financial reports. The COVID-19 pandemic adds challenges to the audit process. This research aims to determine the effect of audit effort, earnings per share, and audit opinion on audit delay with financial distress as a moderating variable. This research method uses secondary data with a quantitative approach where the sample selected in this research uses a purposive sampling technique. The population of mining sector companies registered on the IDX was 43 companies which were then eliminated to become 25 companies with a research period of 4 years, so there were 100 samples. The testing of data and hypotheses is separated between conditions before the COVID-19 pandemic (2018-2019) and conditions during the COVID-19 pandemic (2020-2021). The research results show that audit efforts had a negative and significant impact on audit delays before the COVID-19 pandemic. On the other hand, audit efforts have a positive impact on audit delays during the pandemic. Earnings per share had a negative impact on audit delays before and during the COVID-19 pandemic. Audit opinion has no effect on audit delays before and during the COVID-19 pandemic. Financial tensions moderated the influence of audit effort on audit delays before and during the COVID-19 pandemic, but financial tensions during the pandemic were unable to moderate the influence of audit effort on audit delays.*

**Keywords:** *Audit Effort, Earning Per Share, Audit Opinion, Financial Distress, Audit Delay*

## **ABSTRAK**

*Proses audit yang kompleks dan memerlukan banyak sumber daya menyebabkan adanya audit delay sehingga terjadi keterlambatan dalam penyampaian laporan keuangan. Adanya pandemi COVID-19 menambah tantangan terhadap proses audit. Penelitian ini bertujuan untuk mengetahui pengaruh audit effort, earning per share, dan opini audit terhadap audit delay dengan financial distress sebagai variabel moderasi. Metode penelitian ini menggunakan data sekunder dengan pendekatan kuantitatif dimana sampel yang dipilih pada penelitian ini menggunakan teknik purposive sampling. Populasi dari perusahaan sektor pertambangan yang terdaftar di BEI adalah 43 perusahaan kemudian dieliminasi menjadi 25 perusahaan dengan periode penelitian 4 tahun, sehingga terdapat 100 sampel. Adapun pengujian data dan hipotesis ini dipisahkan antara kondisi sebelum pandemi COVID-19 (2018-2019) dan kondisi selama pandemi COVID-19 (2020-2021). Hasil penelitian menunjukkan bahwa upaya audit berdampak negatif dan signifikan terhadap delay audit sebelum pandemi COVID-19. Sebaliknya, upaya audit berdampak positif terhadap delay audit selama pandemi. Earnings per share berdampak negatif terhadap keterlambatan audit sebelum dan selama pandemi COVID-19. Opini audit tidak berpengaruh terhadap keterlambatan audit sebelum dan selama pandemi COVID-19. Ketegangan keuangan memoderasi pengaruh upaya audit terhadap keterlambatan audit sebelum dan selama pandemi COVID-19, tetapi ketegangan keuangan selama pandemi tidak mampu memoderasi pengaruh upaya audit terhadap keterlambatan audit.*

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## INTRODUCTION

The financial report functions as an accountability report for the management of the entity's resources that needs to be submitted to investors. Shareholders have the right to obtain this information in looking at the company's financial and operational results and can use it to evaluate management performance as well as make decisions. One of the important prerequisites for attracting investors and creditors to develop economic activities and ultimately achieve economic growth is to convey useful information in terms of making financial, economic and commercial decisions (Wang, 2018). This is in accordance with the opinion of Abdillah et al. (2019) Financial reports containing relevant information have the ability to influence the decisions of managers or users of financial reports. The importance of these financial reports provides the need for high quality financial reports. Financial Services Authority (*Otoritas Jasa Keuangan/OJK*) Regulation no. 29/POJK.04/2016 emphasizes that four months after closing the books is the final deadline for issuers to submit their obligations to the OJK in the form of the company's annual report. Sanctions will be given by the OJK to those who do not or are late in doing this in the form of written sanctions or sanctions in the form of fines. The situation was different when the Government officially declared COVID-19 a national disaster. In these conditions, all activities must be carried out at home to stop the spread of the virus.

The government even responded by creating a Large-Scale Social Restrictions (*Pembatasan Sosial Berskala Besar/PSBB*) policy. These restrictions have forced Auditors to conduct remote audits and change their audit procedures. The highest percentage occurred in the 2021 annual report which reached 8.96%. In that year, there was an increase in the number of listed companies from the previous year by four companies, however, there was also an increase in the number of delays in submitting financial reports by companies by 21 companies, so that the percentage in 2021 increased by 2.74% from 2020, 3.37% from 2019 and 7.34% from 2018. The audit process is a crucial stage in preparing and presenting financial reports in a timely manner, which plays an important role in maintaining the relevance of the value of information to current company and economic conditions (Rani & Triani, 2021). Abernathy et al. (2016) emphasize that the presentation time of financial reports, as measured through audit delay, plays a key role in determining the accuracy and credibility of financial information. Investors use Earning per share (EPS) to evaluate company management, and companies with high EPS have a positive impact on market valuation, minimizing the risk of audit delays (Hanafi & Halim, 2016).

According to Tian & Xin (2017), audit opinions are very important for the capital market and shareholders. Bo & Wu (2011) added that audit opinion can be used as a powerful monitoring tool in influencing investor and stakeholder decisions. Based on previous research, it shows inconsistent results regarding the influence of audit effort, Earning per share (EPS) and audit opinion on audit delay, which proves that there is no influence of audit effort on audit delay, which is inversely proportional to the results of research and this is confirmed by Wijayanti & Effriyanti (2019) which prove the influence of audit effort on audit delay. Meanwhile research into the influence of earnings per share on inconsistent audit delay is proven by Nurlis (2014) which states that earnings per share has a significant positive effect on audit delay. The results of research on the influence of these variables must be re-researched using financial distress as a moderating variable. financial distress situations arise due to uncontrolled growth, expansion with low working capital

The Community Empowerment Program (*Program Pemberdayaan Masyarakat/PPM*) in the mineral and coal sector before the pandemic, to be precise in 2019, realized IDR 2.054 trillion, down from the previous year, namely IDR 2.194 trillion. Reporting from the Ministry of Energy and Mineral Resources (*Kementrian Energi dan Sumber Daya*

*Mineral/ESDM*) (2019), Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak/PNBP*) from the mineral and coal subsector in 2018 reached IDR 50.01 trillion, exceeding IDR 17.91 trillion from the target figure for 2018, namely IDR 32.1 trillion. As for 2019, even though it experienced a decline in value, with a target of IDR 43.27 trillion in that year, the mineral and coal sector were able to achieve the target with revenues of IDR 44.92 trillion. An extraordinary achievement was made the following year, namely in 2021. The realization of PNBP in the mineral and coal sector succeeded in exceeding the target with a figure of IDR 75.16 trillion or 192.2% of the target of IDR 39.1 trillion. The inconsistent situation during the pandemic in 2020-2021 in the mining sector was also experienced by one of the mining issuers, namely PT Bumi Resources Tbk.

In PT Ginting Jaya Energi Tbk's earnings per share, this occurred from 2019 to 2021. In fact, 2021 could be said to be the worst because it had to suffer a loss of IDR 33.5 billion with the lowest earnings per share since 2018 when it only recorded minus 13.68%. This result was worse compared to the previous year which still managed to record a positive figure of IDR 1.27 billion or EPS of 0.53%. Based on a statement from PT Ginting Jaya Energi Tbk. (2020), these bad results were due to the closure and restrictions on company operations for almost 3 months. Due to the case at PT Ginting Jaya Energi Tbk. which experienced a decline in Earnings per Share and was also late in presenting annual financial reports for the 2020-2021 period. The author is interested in researching companies listed on the Indonesia Stock Exchange (*Bursa Efek Indonesia/BEI*) in the mining sector.

The aim of this research is to obtain empirical evidence on the influence of Audit Effort on Audit Delay in mining sector companies listed on the BEI in the 2018-2019 and 2020-2021 periods, the influence of Earning per Share on Audit Delay in mining sector companies listed on the BEI in the 2018 period. -2019 and 2020-2021. The influence of Audit Opinions on Audit delays in mining sector companies listed on the BEI in the 2018-2019 and 2020-2021 periods. The moderating effect of Financial Distress on the relationship between Audit Effort and Earnings per Share on Audit delay in mining sector companies listed on the BEI in the 2018-2019 and 2020-2021 periods

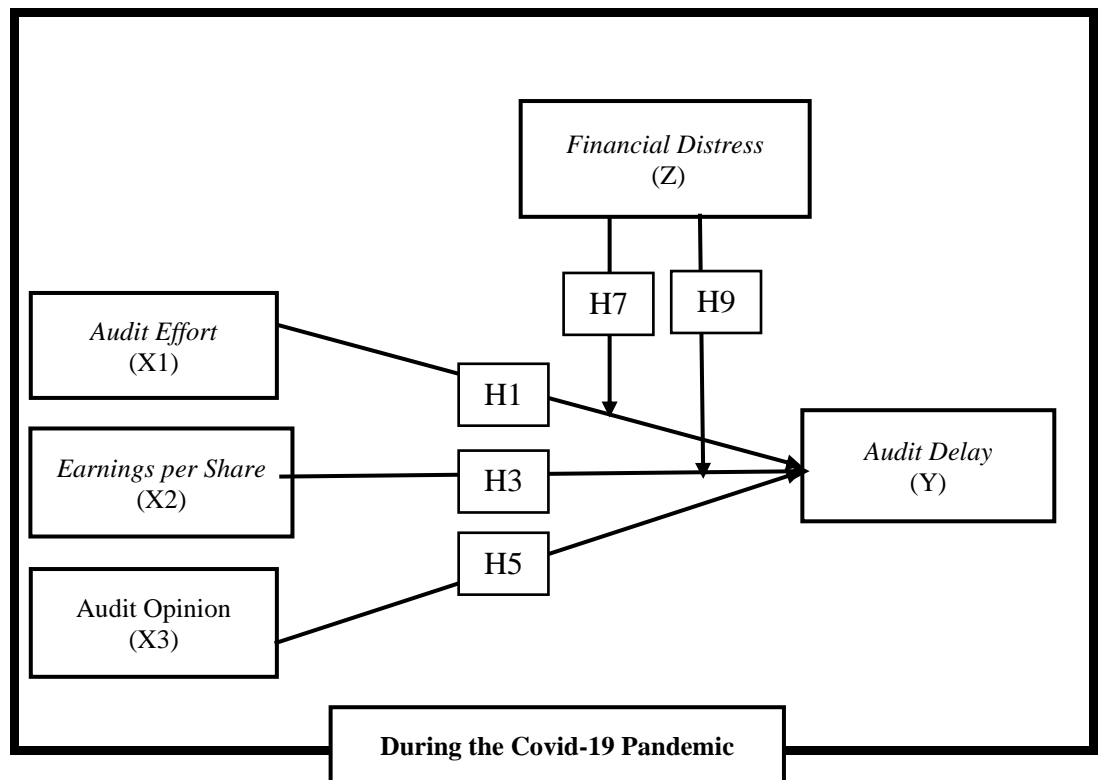
## **LITERATURE REVIEW**

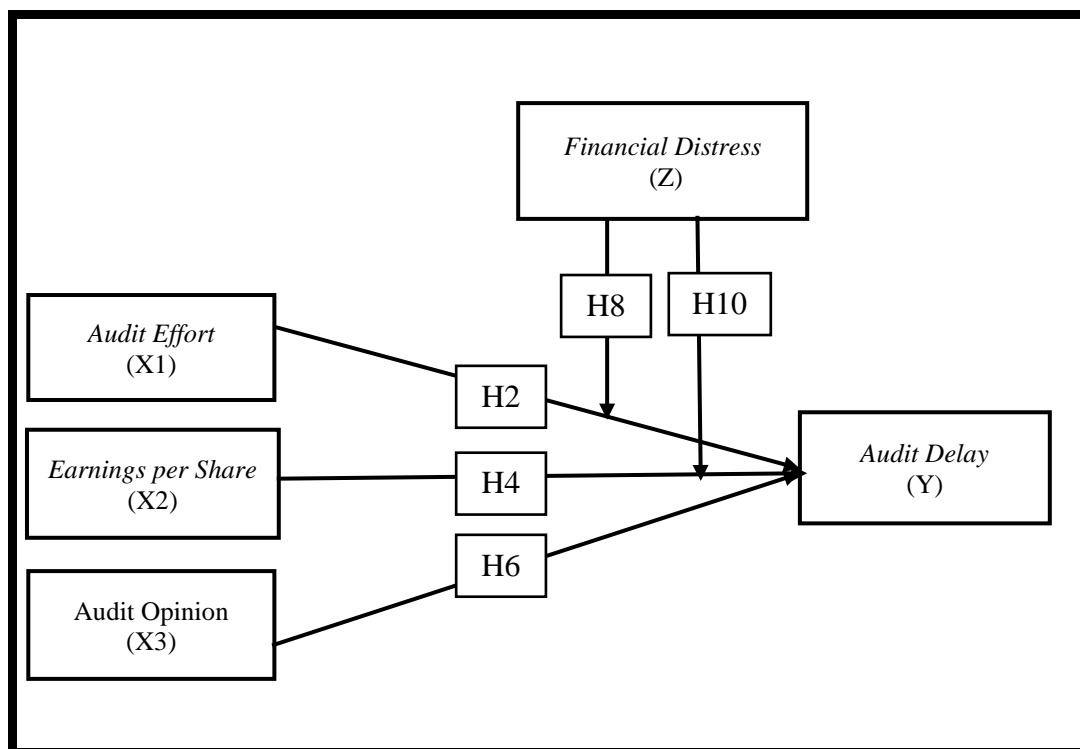
Signal theory can be interpreted as a signal from the company to investors about the condition of the company with the aim of analyzing investment decisions and avoiding differences in information between management and investors or asymmetric information. Information, especially related to economic decisions, will be able to trigger a market reaction. The loss of relevance of information for determining decisions can be caused by audit delays. Investors will interpret that an audit delay is a negative signal because there are problems so they do not immediately publish their financial reports. Audit delay is the time interval from the end of the accounting year to the date of signing the audit report (Mutiarra et al., 2019). Based on Financial Services Authority (*Otoritas Jasa Keuangan/OJK*) regulation number 29/POJK.04/2016 article 7, Public Company Annual Financial Reports must be submitted to the OJK no later than the end of the fourth month after the financial year ends. Preliminary lag is the period of time in days from the end of bookkeeping until the financial report is received by the stock exchange. Submitting financial reports on time is very important. the report is unnecessarily late, then there is a risk of losing the relevance of the information in the report.

Much literature explains that audit effort is the number of days an auditor uses (Caramanis & Lennox, 2008). The stages of the audit process include planning stages, testing information, obtaining results and compiling evaluation results. If audit quality is high, greater audit effort is required by the auditor (Salim & Raharja, 2021). Detection of irregularities in financial reports that require audit adjustments. According to Lennox et al. (2014), audit adjustments occur in two conditions, namely first, when the auditor finds errors in the presentation in the pre-audit financial statements. Second, when the auditor finds a misstatement and the client's management is required to correct it by adjusting the financial statements. In several studies such as Vuko & Mako (2014), Wijayanti &

Effriyanti (2019), Audit Effort can be measured by total inventory and receivables and then dividing it by the company's total assets to assess the extent of effort required in the audit process in a company. Shareholders have a goal in investing in shares, namely trying to get a profit from the investment by indicating an increase in the share price or the amount of dividends. Due to this need, management must also be able to have policies that are able to increase prosperity for both the company and its investors. Earnings per Share (EPS) can be used to assess management performance by looking at how much shareholder profit is from the money that has been invested or it can also be interpreted as EPS which provides an overview of profitability as reflected in the formulated shares per share.

An audit opinion can be defined as a statement by the audit team regarding a fair assessment of all material aspects relating to financial information, operational plans and results as well as cash flow of a company by assessing whether they comply with all Generally Accepted Accounting Principles (*Prinsip Akuntansi Berterima Umum/PABU*). Audit opinions can be used as a benchmark for users, especially in decision making. The condition of a decline in financial performance in a company is called financial distress. This condition can be described by indications of the company's inability to fulfill its obligations and information that the company does not have the ability to pay its obligations. Thus, the framework for thinking and developing research hypotheses is outlined in Figure 1 below:





**Figure 1.** Framework

- H1.a: Audit Effort has a negative effect on audit delay before the COVID-19 pandemic
- H1.b: Audit Effort has a negative effect on audit delay during the COVID-19 pandemic
- H2.a: Earnings per share have a negative effect on audit delay before the COVID-19 pandemic
- H2.b: Earnings per share has a negative effect on audit delay during the COVID-19 pandemic
- H3.a: Audit Opinion has a negative effect on audit delay before the COVID-19 pandemic
- H3.b: Audit opinion has a negative effect on audit delay during the COVID-19 pandemic
- H4.a: Financial distress is able to moderate the relationship between audit effort and audit delay before the COVID-19 pandemic
- H4.b: Financial distress is able to moderate the relationship between audit effort and audit delay during the COVID-19 pandemic
- H5.a: Financial distress is able to moderate the relationship between earnings per share and audit delay before the COVID-19 pandemic
- H5.b: Financial distress is able to moderate the relationship between earnings per share and audit delay during the COVID-19 pandemic
- H6: There is a difference in average audit delay between before the pandemic (2019-2019) and during the pandemic (2020-2021).

## **RESEARCH METHODS**

This research method uses quantitative research methods, namely research methods based on the philosophy of positivism, research on certain populations or samples by collecting data accompanied by quantitative/statistical research instruments, the aim is to test predetermined hypotheses. The research objects are audit effort, earnings per share, audit opinion, financial distress, and audit delay. Meanwhile, the research subject is Mining Companies that have been verified on the IDX for the 2018-2021 period. The population of this research is all mining companies listed on the Indonesia Stock Exchange (*Bursa Efek Indonesia/BEI*). The sample selection technique uses purposive sampling, which is a sampling method based on certain considerations. The author determines several criteria in purposive sampling. Mining sector companies listed on the Indonesia Stock Exchange for the 2018-2021 period. The company publishes audited financial reports on the company website or IDX website for the 2018-2021 period. The

required data regarding the variables tested is completely available during the 2018-2021 period. This research uses secondary data or indirect data obtained from intermediary media, one of which is the Indonesian Stock Exchange Website. Data processing is carried out on financial reports from companies operating in the mining industry listed on the IDX for the 2018-2021 period. The author uses the documentation method in collecting data by collecting evidence, notes and historical documents that have been published in various literature such as books, research journals and company financial reports from the IDX website. classic assumption method in data testing. The research carried out data analysis using multiple linear regression analysis which aims to provide information on changes in independent variables, if two independent variables as predictor factors are manipulated (up and down in value). To find out whether the presence of a moderating variable can strengthen or weaken the relationship between the independent and dependent variables in a regression model, the moderated regression analysis test is used. The Moderated Regression Analysis (MRA) test was used to test the effect of the moderating variables in this research. The author compares audit delay variables measured using the paired t-test or paired t-test or also known as the dependent sample t test. which has the basic assumption that the two samples are paired under the same conditions

## RESULTS AND DISCUSSION

This quantitative research aims to test whether the independent variables in the form of audit effort, earnings per share, audit opinion have an influence on audit delay which is the dependent variable with the moderating variable namely financial distress. From the criteria that have been determined, the research sample consists of 25 mining sector companies listed on the Indonesia Stock Exchange (*Bursa Efek Indonesia/BEI*) during the 2018-2021 period. Each company is represented by a given company code and name. Among them, there are leading companies such as Adaro Energy Tbk (ADRO), Apexindo Pratama Duta Tbk (APEX), Baramulti Sukses Sarana Tbk (BSSR), Bumi Resources Tbk (BUMI), and many others. The presence of these companies in the sample is expected to provide a representative picture of the mining sector as a whole. This sample will then become the focus of analysis in the research to identify the relationship between the variables studied during the specified time period. By involving leading companies in the mining industry, it is hoped that this research can make a significant contribution to the understanding of audit dynamics and the factors that influence audits. Descriptive statistical tests are tests that aim to find out general information on research data. The author uses descriptive testing by dividing 2 conditions, namely before the COVID-19 pandemic (2018-2019) and during the COVID-19 pandemic (2020-2021). Statistical analysis in this research uses minimum, maximum, average and standard deviation values which can provide an overview of the characteristics of the research variables.

**Table 1.** Descriptive Analysis Results Before and During the COVID-19 Pandemic

<b>Before the COVID-19 Pandemic</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
Audit Effort	34	1.00	36.24	15.2335	9.51217
Earnings per Share	34	-48.65	243.14	64.1556	79.64076
Opine Audit	34	0.00	1.00	0.5294	0.50664
Financial Distress	34	-0.43	6.37	2.3976	1.46993
Audit Delay	34	45.00	104.00	77.6765	14.66747
Valid N (listwise)	34				
<b>During the COVID-19 Pandemic</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
Audit Effort	34	2.83	31.41	12.3876	7.34848

Earnings per Share	34	-75.92	164.53	25.8365	56.51915
Opine Audit	34	0.00	1.00	0.5294	0.50664
Financial Distress	34	-2.94	9.27	2.3644	2.95701
Audit Delay	34	57.00	174.00	106.0000	30.67622
Valid N (listwise)	34				

Result in Table 1 show the minimum audit effort value both before and during the pandemic was obtained by PT Golden Eagle Energy Tbk, namely 1% and increased to 2.83% during the pandemic. Meanwhile, the maximum audit effort value before the pandemic was 36.24% and decreased during the pandemic to 31.41%, which in both conditions was obtained by PT Radiant Utama Interinsco Tbk. The average audit effort value before the pandemic was 15.23%, which then decreased to 12.38% during the pandemic. This could mean that there was a decrease in the value of inventories and receivables during the pandemic so that audit effort was measured to be lower than before the pandemic. Earnings per share (EPS) in mining sector companies showed a significant decline during the pandemic.

Before the pandemic, the minimum EPS value reached IDR -48.65 by PT Indika Energy Tbk, while during the pandemic, PT Borneo Olah Sarana Sukses Tbk recorded a minimum value of IDR -75.92. On the other hand, the maximum EPS value before the pandemic was IDR 243.14 by PT Golden Energy Mines Tbk, but experienced a significant decrease to IDR 164.53 by PT Baramulti Sukses Sarana Tbk during the pandemic. The overall average EPS also decreased from 64.15% before the pandemic to 25.83% during the pandemic. This indicates that companies in the mining sector faced significant challenges in their financial performance during the pandemic period. Analysis of audit opinions shows that there have been no significant changes in audit opinions for mining sector companies during the pandemic. The average audit opinion of the entire sample remains at 0.53, which indicates that 53% of the companies in the sample received a reasonable without exception (*Wajar Tanpa Pengecualian/WTP*) audit opinion on their annual financial reports, both before and during the pandemic. Therefore, it can be concluded that the pandemic situation does not have a significant impact on audit opinions of mining sector companies.

Based on the autocorrelation test, the Durbin-Watson (DW) value is 1.578. Meanwhile, the Durbin-Watson table value with 34 sample data of 4 independent variables and a confidence level of 0.05 produces upper limit (du) and 4-du values during the pandemic of 1.728 and 2.422. The result is that the DW position < du value and the DW value < dl value, then in the Durbin-Watson test above you cannot draw a conclusion (no decision). Then a run-test was carried out and the Asymp value was obtained. Sig. (2-tailed) is 0.055, which means it is greater than 0.05, so it can be concluded that there is no autocorrelation in the data during the COVID-19 pandemic. Thus, the data can be used for subsequent analysis. In this research, a test analysis will be carried out on the influence of the variables audit effort, earnings per share, and audit opinion on audit delay. The test uses the IBM SPSS 26 program and is presented in two conditions, namely before and during the COVID-19 pandemic.

**Table 2.** Results of Multiple Linear Regression Analysis Before and During the COVID-19 Pandemic

Variable	Coefficients <sup>a</sup>					
	Before the Covid-19 Pandemic			During the Covid-19 Pandemic		
	Unstandardized Coefficients	t	Sig.	Unstandardized Coefficients	t	Sig.
(Constant)	B			B		
	92.954	21.427	0.000	90.042	8.960	0.000
<i>Audit Effort</i>	-0.467	-2.141	0.040	1.393	2.230	0.033

<i>Earnings per Share</i>	-0.079	-2.848	0.008	-0.357	-4.388	0.000
<i>Opine Audit</i>	-5.890	-1.349	0.187	14.999	1.724	0.095

a. Dependent Variable: *Audit Delay*

Based on the multiple linear regression equation shown in Table 2, conditions before the pandemic (0) and during the pandemic (1). Regression analysis on audit delay data before and during the pandemic produced several important findings. First, the constant intercept value shows that audit delay in the zero condition of all independent variables was 92,954 before the pandemic and 90,042 during the pandemic. This indicates that by default, without the influence of independent variables, audit delays tend to be higher before the pandemic than during the pandemic. Second, the regression coefficient for the audit effort variable shows that there is a significant difference between the period before and during the pandemic. Before the pandemic, a one unit increase in the audit effort variable was correlated with a decrease in audit delay of 0.467, whereas during the pandemic, a one unit increase in the audit effort variable was correlated with an increase in audit delay of 1.393. Third, the regression coefficient for the earnings per share variable shows that there is a significant influence on audit delay. A one unit increase in the earnings per share variable before the pandemic was associated with a decrease in audit delay of 0.079, whereas during the pandemic, the effect was greater with a decrease of 0.357. Finally, the audit opinion variable has a significant impact on audit delay, where a one unit increase in the audit opinion variable before the pandemic is associated with a decrease of 5,890, while during the pandemic, this increase is correlated with an increase of 14,999. These findings provide in-depth insight into the factors that influence audit delays in mining sector companies before and during the pandemic.

The t test analysis according to Ghazali (2016) on research variables provides an in-depth understanding of their influence on audit delay before and during the COVID-19 pandemic in the mining sector. First, the test results show that the audit effort variable had a significant negative influence on audit delay before the pandemic, with a significance value of 0.040. However, during the pandemic, this variable actually had a significant positive influence with a significance level of 0.033. Second, the earnings per share variable have a significantly negative effect on audit delay both before (significance 0.008) and during the pandemic (significance 0.000), showing a positive impact on the efficiency of preparing financial reports. Finally, the audit opinion variable does not have a significant influence on audit delay either before (significance 0.187) or during the pandemic (significance 0.095). These results provide an in-depth picture of the dynamics of the influence of independent variables on audit delay in the context of the mining sector, highlighting significant differences between the periods before and during the pandemic.

Coefficient of determination analysis is an analysis aimed at finding out how the model's ability to explain the dependent variable being studied. The coefficient of determination value is between zero and one ( $0 < R^2 < 1$ ). The higher the  $R^2$  of a regression or the closer it is to one, the better the regression will be because the independent variable studied is able to explain all the information in predicting variations in the dependent variable.

**Table 3** Results of Coefficient of Determination Analysis Before and During the COVID-19 Pandemic  
Model Summary b

Before the COVID-19 Pandemic				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.679a	0.461	0.386	11.489

a. Predictors: (Constant), Financial Distress, Audit Effort, Opine Audit, Earning per Share



Model Summary b				
During the COVID-19 Pandemic				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.664a	0.441	0.364	24.461

a. Predictors: (Constant), Financial Distress, Audit Effort, Opini Audit, Earning per Share

Based on the analysis in Table 3, it shows that the coefficient of determination for conditions before and during the pandemic was respectively at 0.386 and 0.364. These results mean that the independent variables studied had an influence of 38.6% and 36.4% on audit delay before and during the pandemic and the remainder was influenced by other variables of 61.4% and 63.6% which were not used in the research. The moderating variables in this study were analyzed using the Moderated Regression Analysis (MRA) test approach. According to Ghozali (2016), the MRA test is a special application of multiple linear regression where the regression equation contains interaction or multiplication of two or more independent variables. This moderation test has provisions, if it has a significance value  $\leq 0.05$  or 5% then the variable can moderate the influence of the independent variable on the dependent variable. Conversely, if the significance value is  $> 0.05$  then the variable cannot moderate the influence of the independent variable on the dependent variable.

**Table 4.** MRA Test Results Before and During the COVID-19 Pandemic  
**Coefficients<sup>a</sup>**

Variable	Before the Covid-19 Pandemic			During the Covid-19 Pandemic		
	Unstandardized			Unstandardized		
	Coefficients	t	Sig.	Coefficients	t	Sig.
	B			B		
(Constant)	78.540	12.263	0.000	106.523	8.789	0.000
<i>Audit Effort</i>	0.703	1.692	0.102	0.964	1.151	0.259
<i>Earnings per Share</i>	0.006	0.090	0.929	-0.418	-3.271	0.003
<i>Financial Distress</i>	4.595	1.842	0.076	-2.478	-0.651	0.521
X1_Z	-0.444	-3.057	0.005	-0.053	-0.204	0.839
X2_Z	-0.028	-1.447	0.159	0.039	1.448	0.159

a. Dependent Variable: *Audit Delay*

Based on the MRA test results Table 4, conditions before the pandemic (0) and during the pandemic (1). The moderation of financial distress on the influence of audit effort and earnings per share variables on audit delay before and during the COVID-19 pandemic in the mining sector provides significant insight. In the period before the pandemic, financial distress was proven to significantly moderate the effect of audit effort on audit delay with a significance value of 0.005, indicating a significant impact. The regression coefficient value X1\_Z of -0.444 indicates that financial distress weakens the effect of audit effort on audit delay. However, during the pandemic, financial distress was not proven to be a significant moderator of the effect of audit effort on audit delay, with a significance value of 0.839. Previously, financial distress was also proven to significantly moderate the effect of earnings per share on audit delay, although the results were not significant with a significance value of 0.159. The regression coefficient value X2\_Z is -0.028, indicating that financial distress weakens the effect of earnings per share on audit delay. However, during the pandemic, financial distress did not provide significant moderation on the effect of earnings per share on audit delay, with a significance value of 0.159 and a

regression coefficient X2\_Z of 0.039. These results provide an in-depth understanding of the role of financial distress as a moderator of audit effort and earnings per share variables on audit delay in the period before and during the pandemic, providing a basis for better decision making in managing risk and audit efficiency in the mining sector. Before carrying out different tests using the paired sample t-test, the author carried out a normality test on two different audit delay conditions before and during the pandemic with the results.

**Table 5.** Normality Test Results

Tests of Normality						
	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
AUDITDELAY_POST	0.140	34	0.089	0.927	34	0.025
AUDITDELAY_PRE	0.158	34	0.031	0.947	34	0.100

a. Lilliefors Significance Correction

It can be seen from the normality test results in Table 5 that before the pandemic the significance value was  $0.089 > 0.05$  and during the pandemic it was  $0.031 < 0.05$ . So, because there are differences in the normality results of the two conditions, it can be said that the data is not normally distributed. Therefore, the author did not continue with the paired sample t-test, however, the author carried out a different test using another method, namely the Wilcoxon signed rank test with the results of testing the difference in average audit delay before the pandemic and during the pandemic with probability (Sig-t) equal to  $0.000 < 0.050$ . Therefore, it is concluded that there is a significant difference in audit delay between conditions before and during the COVID-19 pandemic.

Based on hypothesis testing through multiple regression analysis, MRA (Moderated Regression Analysis) test, and the previous Paired Sample T-test, the results of hypothesis testing are summarized in the following table:

**Table 6.** Recapitulation of Hypothesis Testing Results

Hypothesis	B	t	Sig	Information
H1 Audit Effort had a negative effect on Audit Delay before the pandemic	-0.467	-2.141	0.040	Accepted
H2 Audit Effort has a negative effect on Audit Delay during the pandemic	1.393	2.230	0.033	Rejected
H3 Earnings per share had a negative effect on Audit Delay before the pandemic	-0.079	-2.848	0.008	Accepted
H4 Earnings per share has a negative effect on Audit Delay during the pandemic	-0.357	-4.388	0.000	Accepted
H5 Audit Opinion had a negative influence on Audit Delay before the pandemic	-5.890	-1.349	0.187	Rejected
H6 Audit Opinion has a negative influence on Audit Delay during the pandemic	14.999	1.724	0.095	Rejected
H7 Financial distress was able to moderate the relationship between audit effort and Audit Delay before the pandemic	-0.444	-3.057	0.005	Accepted
H8 Financial distress is able to moderate the relationship between Audit Effort and Audit Delay during the pandemic	-0.028	-1.447	0.159	Rejected
H9 Financial distress was able to moderate the relationship between Earning Per Share and Audit Delay before the pandemic	-0.053	-0.204	0.839	Rejected
H10 Financial distress is able to moderate the relationship between Earning Per Share and Audit Delay during the pandemic	0.039	1.448	0.159	Rejected

Hypothesis	B	t	Sig	Information
H11 There is a difference in average Audit Delay between before the pandemic (2019-2019) and during the pandemic (2020-2021)			0.000	Accepted

The research results from Table 6 indicate that the audit effort variable has a negative impact on audit delay before the COVID-19 pandemic. This suggests that if auditors measure risks by considering the company's levels of receivables and inventory, the audit time can be shortened to prevent audit delays. According to Knechel & Payne (2021), audit effort is a key factor in determining the delay of audit reports, serving as a way to assess the potential audit risks that arise during the audit process (Putra & Wilopo, 2018). This study demonstrates that audit effort has a significant negative influence on audit delay, contrary to the findings of Oktavia et al. (2021), which found that audit effort before the pandemic had no impact on audit delay. Meanwhile, during the COVID-19 pandemic, there was a change in dynamics where the audit delay variable had a positive impact on audit delay. Although auditors' efforts to identify risks by looking at receivables and inventory levels tend to shorten the audit process, pandemic conditions, especially the Large-Scale Social Restrictions (*Pembatasan Sosial Berskala Besar/PSBB*) policy, affect audit risk assessment, especially in mining companies. This results in higher audit risk requiring additional audit efforts, such as more intensive procedural testing, leading to audit delays. Therefore, these findings indicate that companies with large assets during the pandemic tend to be unable to effectively minimize audit risks, thus prolonging the audit implementation time. This study aligns with findings indicating that audit effort has a positive effect on audit delay, especially because a high invrec value can extend the audit process.

The variable Earning Per Share (EPS) has a negative influence on audit delay before the COVID-19 pandemic. This finding indicates that companies with high EPS values tend to have shorter audit delays, suggesting that financial reports are submitted more quickly. EPS, as a measure of company performance, provides an indication to shareholders about the potential returns on their investment. Signaling theory supports that a high EPS value can be considered good news for investors, indicating the potential for high profits in the future. This finding aligns with previous research by Melosa & Rohman (2022), which also found that EPS has a significant negative effect on audit delay. However, this result differs from the research of Amalia et al. (2020), which states that EPS does not have a significant influence on audit delay. During the COVID-19 pandemic, similar findings were retested and still show that EPS has a significant negative influence on audit delay, affirming that EPS plays a crucial role in the accuracy and timeliness of audited financial reporting, especially amid pandemic conditions that impact the company's financial performance. H4 is also in line with previous research by Saputra & Setiawan (2022), but differs from the research of Trilaksana & Fadjarenie (2021) and Aulia & Setiawati (2022), which state that EPS does not have a significant influence on audit delay during the COVID-19 pandemic.

Multiple regression analysis before the COVID-19 pandemic indicates that audit opinion does not have an influence on audit delay. This finding suggests that in the pre-pandemic period, opinions on audited financial reports did not affect the speed or delay in the audit process. The audit process, involving risk assessment of material misstatement, testing internal controls, verifying transactions and balances, as well as communicating findings and recommendations to management and the audit committee, shows that the time required for these stages is not directly affected by audit opinion. Instead, it is more influenced by the complexity, size, and operational environment of the company. This finding aligns with the research of Shofiyah & Suryani (2020), emphasizing that the more complex a company's operations, the more time and effort auditors need. During the COVID-19 pandemic, multiple regression analysis results affirm that audit opinion still does not have an influence on audit delay, indicating that the type of opinion on audited financial reports does not affect how quickly or slowly the

reports are published. Additionally, differences in the audit process before and during the pandemic provide important context for understanding these findings, considering the pandemic's impact on audit methods and significant external factors affecting delays in financial report publication (Manajang & Yohanes, 2022). H5 and H6 are rejected, not in line with findings from some previous studies, but these results are consistent with certain research indicating that audit opinion does not have a significant influence on audit delay, both before and during the COVID-19 pandemic.

Before the COVID-19 pandemic, financial distress could moderate the influence of audit effort on audit delay, indicating that a low audit effort value could serve as an indicator of the company's financial difficulties. This complexity complicates risk assessment and extends audit delays. However, during the pandemic, findings suggest that financial distress no longer plays a significant moderating role in the relationship between audit effort and audit delay. The level of financial difficulty, whether high or low, does not significantly strengthen or weaken the impact of audit effort on audit delay during the COVID-19 pandemic. This indicates that the pandemic increased audit risks without the moderation effect of the company's financial condition. These results differ from the pre-pandemic period and provide important insights into the changing dynamics of audits during a global crisis. H7 is accepted for the pre-pandemic period, but H8 is rejected for the pandemic period, aligning with the findings of research on mining companies by Aulia & Setiawan (2020), stating that financial distress does not moderate the influence of the level of company risk complexity on audit delay.

The results of moderation testing using the Moderated Regression Analysis (MRA) method indicate that financial distress cannot moderate the effect of earnings per share on audit delay in the period before the COVID-19 pandemic. These findings suggest that, at both high and low levels of financial distress, there is no significant strengthening or weakening of the impact of earnings per share on audit delay before the COVID-19 pandemic. The context of signaling theory suggests that the level of financial distress and earnings per share provides positive or negative signals to shareholders, but the two do not have a direct correlation. Furthermore, earnings per share and financial distress conditions do not affect the professionalism and independence of auditors in accordance with international standards in ISA 220. Auditors are expected to continue carrying out their duties by focusing on collecting and evaluating evidence, without being influenced by earnings per share and financial distress factors in the audit process. Therefore, the length of time for submitting audited financial reports is not influenced by the moderation of financial distress on the effect of earnings per share on audit delay. This finding contradicts previous research and provides important insights into the dynamics of audit delay amid global financial difficulties.

The results of the test for differences in audit delay between conditions before and during the COVID-19 pandemic show a significance value of 0.000. This indicates a significant difference in audit delay data before and during the COVID-19 pandemic. The variations can be attributed to factors emerging during the pandemic, including government social restriction policies, operational complexities, and resource availability. Before the pandemic, auditors could conduct in-person meetings, gather audit evidence, and engage face-to-face with the client's board of directors. However, social restrictions necessitated a shift to virtual audits using technology. Limited data access, particularly in the mining sector, which experienced reduced activity during the pandemic, impacted communication quality between the audit team, clients, and third parties for audit confirmation. Data security emerged as a crucial factor requiring additional preparation by auditors for the virtual audit process. These findings support H11, aligning with research by Fitri et al. (2021), which also identified significant differences in audit delays before and during the COVID-19 pandemic.

## **CONCLUSION**

Conditions before the COVID-19 pandemic, audit efforts had a significant negative effect on audit delays in mining sector companies listed on the IDX before the pandemic.

These results indicate that the auditor's efforts in assessing risk can shorten audit time thereby reducing the risk of audit delays. In the conditions of the COVID-19 pandemic, the audit effort variable has a significant positive effect on audit delays in mining sector companies during the pandemic. This suggests that, in contrast to pre-pandemic conditions, greater audit efforts during the pandemic may actually increase the risk of audit delays, which may be caused by operational restrictions and changes to audit processes during the pandemic. Conditions before the pandemic, the earnings per share (EPS) variable had a significant negative effect on audit delay before the pandemic. This shows that the greater the EPS value, the shorter the audit delay time, in accordance with signal theory that high EPS can be a good signal for investors. Conditions during the pandemic, the EPS variable also had a significant negative effect on audit delay during the pandemic. This means that, both before and during the pandemic, the size of a company's EPS influences how quickly or slowly the company submits audited financial reports. In pre-pandemic conditions, the audit opinion variable had no effect on audit delays in mining companies before the pandemic. This shows that the audit opinion has no direct influence on the financial report audit process at the final stage. The audit opinion variable has no effect on audit delay in mining sector companies listed on the IDX during the pandemic. These findings illustrate that the type of audit opinion a company receives both before and during the pandemic does not affect the level of accuracy of financial report publications.

Before the pandemic, financial distress weakened the effect of audit effort on audit delay. This shows that a low audit effort value can be an indicator that the company is experiencing financial difficulties, making it difficult to assess audit risk and prolonging audit delays. During the pandemic, financial distress did not moderate the effect of audit efforts on audit delay during the pandemic. These findings provide an illustration that the level of financial difficulty of a company does not strengthen or weaken the influence of audit efforts on audit delays during the COVID-19 pandemic. Before the pandemic, financial distress did not moderate the effect of earnings per share on audit delay before the pandemic. This means that the company's financial difficulties before the pandemic did not affect the relationship between audit effort and audit delay. During the pandemic, the level of financial difficulties during the pandemic did not moderate the effect of earnings per share on audit delay. This means that the company's difficult financial condition during the pandemic does not affect the relationship between audit effort and audit delay. The audit delay variable before and during the pandemic shows that there are differences in audit delay before and during the COVID-19 pandemic in mining sector companies listed on the IDX. These results confirm that the COVID-19 pandemic has had a significant impact on the audit process, giving rise to differences in audit delay levels between the two periods.

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