A Moderating Variable Audit Opinion was Used in The Analysis of The Impact of Firm Size, Audit Committee, and Institutional Ownership on the Timeliness of Financial Reporting

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Abstract. The audit opinion will serve as a moderating variable in this study as we examine the impact of firm size, audit committee, and institutional ownership on financial reporting timeliness. The study's population consists of infrastructure, utility, and transportation companies listed on the Indonesia Stock Exchange (IDX) between 2019 and 2021. A purposive sampling technique was used, with 204 businesses making up the entire sample, and logistic regression analysis was used to analyze the data. According to the findings, firm size has a positive impact on timely financial reporting, whereas the audit committee and institutional ownership have no such impact. The audit opinion cannot increase the importance of timely financial reporting. The audit opinion cannot mitigate the impact of firm size, institutional ownership, and the audit committee on financial reporting timeliness.

Keywords: Audit Opinion, Institutional Ownership, Firm Size, Audit Committee, and Timeliness of Financial Reporting.

1. Introduction

In order to avoid legal issues, companies listed on the Indonesia Stock Exchange are expected to submit accurate yearly performance reports. Punctuality is always associated with financial statements. The timeliness case is an example of financial statement falsification. Professor Budi Kagramanto, an Airlangga University business law expert, examined the practice of window dressing, or embellishing financial accounts, which frequently harms investors. Window dressing techniques have an impact not only on investors, but also on the company's reputation and the market sector as a whole. Consider the cases of false financial statements involving Enron (2001), Toshiba (2015), Jiwasraya insurance (2017), Garuda Indonesia (2018), and others. The Case occurs when a company overstates its profits despite experiencing losses and financial difficulties. Following the revelation of the scam, Enron's stock price rose to USD 90.56 to USD 1, at which point the company formally declared bankruptcy. In this case, investor losses totaled up to USD 11 billion, or IDR 159.5 trillion (at a IDR 14,000 exchange rate). The case also resulted in the dissolution of Arthur Anderson, the accounting firm in charge of Enron's financial accounts. Toshiba's stock price dropped by about 20% when the case was made public. Toshiba's business value has dropped by nearly $1.67 trillion (equivalent to IDR 174 trillion). Two of Toshiba's directors were also fired. The losses from the Jiwasraya insurance scam were estimated to be Rp 37 trillion. In addition to

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falsifying financial figures, Jiwasraya is expected to engage in corruption, putting Rp 16.8 trillion in state funds at risk. As a result, the judges in the corruption trial sentenced Hary Prasetyo (Jiwasraya Finance Director from 2008 to 2018), Hendrisman Rahim (Jiwasraya President Director from 2008 to 2018), Syahmirwan (former head of Jiwasraya investigation and Finance Division), Joko Titro (director of Maxima Integra), Benny Tjokrosaputro (President Director of Hanson International Tbk), and Heru Hidayat.

Valid financial information is defined as transparent information that is free of engineering. It is appropriate to display such information to the general public in order to inspire investor confidence. As can be seen from year to year, the number of businesses that do not properly present financial statements remains relatively high. As a result, it is critical to consider the variables that may influence how quickly financial statements are submitted. [1], and [2] mentioned factors influencing financial reporting timeliness. They stated that a company's size influences its financial reporting timeliness. Contrarily, [3] According to their findings, the size of the company has no bearing on how quickly financial reports are made public.

[4], and [5] All agreed that the audit committee has an impact on financial reporting timeliness. in comparison, [6] claimed that the audit committee has no effect on financial reporting timeliness in their respective studies

According to studies by [7], [8], [6], and others, institutional ownership has an effect on financial reporting timeliness. According to, institutional ownership has no effect on the timeliness of financial reporting [9].

Researchers want to re-examine the variables that are said to influence financial reporting timeliness in light of discrepancies in previous studies. The variables that will be examined again in this study are the company's size, the audit Committee, and institutional ownership. The audit opinion also served as a moderating factor in this investigation. This is done so that firms that go public can report on their annual financial statements without having to wait for an audit by an OJK-registered accountant, as required by the Financial Services Authority's regulation.

The audit opinion is the auditor's assessment of the financial statements under examination. Companies that receive unqualified opinions typically interpret this as good news and submit their financial statements on time. Businesses that receive audit opinions other than unqualified opinions, on the other hand, tend to interpret this as bad news and postpone presenting their financial accounts. An audit opinion is defined in the dictionary of accounting standards as a report issued by a registered public accountant following an evaluation of the fairness of the company's financial report. The auditor's opinion, according to accounting rules, is a statement of fairness in all material respects regarding the financial situation, operating results, and cash flows.

The company's overall size can be thought of as a scale for categorizing the size or size of a corporation. The total asset value, total sales, market capitalization, number of employees, and other factors all contribute to the business's size. The size of the company grows in proportion to the size of these goods. Modern information technology, a large human resource pool, and large corporations are all assets. Large corporations bear a greater burden of satisfying investors' informational needs. The size of the company is assumed to have an impact on the timeliness of financial reporting. This is due to the intense scrutiny that large corporations face from investors, government officials, and the media. To protect its reputation and image from unwelcome rumors and media attention, the company will file its financial statements on time. Analysts frequently monitor large corporations and advise them on data collection. Large corporations are currently under enormous pressure to deliver financial

statements on time. The audit committee was formed by the board of commissioners to oversee the company's management. The audit committee is responsible for establishing the duties of the board of commissioners, whose members are chosen and removed by the board of commissioners. The audit committee's roles, financial reporting, and duties include supervising and monitoring the audit of financial statements as well as ensuring compliance with relevant financial standards. The audit committee may be able to influence whether or not financial statements are submitted on time. Because the audit committee in a company is made up of at least three people, is chaired by an independent commissioner of the company with two independent outside individuals, and has a background in accounting and finance, financial statements will be released in a timely manner.

The term "institutional ownership" refers to the ownership of stock by organizations such as insurance companies, banks, investment firms, and others. Because institutional ownership has the ability to sway management decisions through voting rights, it has the authority to demand and force management to provide financial accounts on time. Because the more shares an institution owns, the more effectively it can supervise managers and prevent them from acting opportunistically, institutional ownership is thought to have an impact on how quickly financial reports are submitted. As a result, as an investor, the institution will put more pressure on management to submit financial reports to interested parties on time.

2. Development of Theories and Hypotheses

2.1 Agency Theory

The concept of agency explains the relationship between the principal and the agent (management) (shareholders) [10] used delegation of some decision-making authority to demonstrate how the agency relationship is a contract between the principal and the agent The contract is expected to satisfy and ensure that the agent earns rewards from the company's management operations while also maximizing the principal's utility. One of the fundamental ideas of agency theory is that principals and agents have different preferences or goals because everyone acts in their own best interests. In contrast to agents, who are assumed to benefit from extraneous benefits associated with an agency relationship such as plenty of free time, desirable working conditions, Club membership, and flexible working hours, shareholders as principals are assumed to be only interested in the financial return on their investment in the company.

Another feature of agency theory is information asymmetry, which results from unequal information distribution among agents and principals. The principal should ideally collect the data needed to calculate the success rate of the agent's performance. In practice, however, the principal's measure of success is unable to fully explain how the agent's effort and success are related. In practice, there is a dilemma (the agency problem) due to the conflict of interest between the shareholders, who own the company, and the board of directors or management, who acts as an agent. While the principal competes to maximize the return on its resource utilization based on payments made to the agent, agents compete to maximize contractual payments based on the level of labor required.

Halim believes that there may be conflicts of interest between management, which prepares and presents financial statements, and those who will use them. Conflicts of interest will always arise in the company's ownership structure, which is classified into two types: ownership distributed to the general public (outside investors) and ownership concentrated (controlled) on a small number of shareholders (concentrated ownership). When a capital

owner seeks maximum profit, the risk that is assumed is also substantial (High risk high return). Because failure to meet the goal may jeopardize their careers, the agent or firm management is hesitant to take risks. [11].

To communicate with the principal and the agent, financial statements can be used. The agent has greater access to internal company information than the principle. The agent must communicate the internal conditions of the company to the principal in order for the principal to supervise and regulate performance based on financial statement information provided by the agent. Internal and external financial statements are provided. Internal users (management) are less reliant on accounting information than external users because they interact directly with the entity or business and are kept informed of important events. As a result, management's timely financial statement reporting has become mandatory in order to eliminate information asymmetry and avoid Agency Conflicts. [3]. According to [11], The root causes of financial reporting and disclosure are knowledge asymmetry and agency conflict between managers and investors. As a result, in the agency relationship, management is expected to adhere to corporate policies, particularly those concerning finances that benefit the business's owners. When management decisions are detrimental to the company's owner, agency issues will arise.

2.2 Signalling Theory

The signaling theory is one of the foundational theories for understanding financial management. A company's signal to investors is commonly regarded as a gesture. These signals can manifest themselves in a variety of ways, both directly observed and requiring further investigation. The signal could be either positive or negative [3]. The signal theory proposes a method for a business (agent) to communicate with those who use financial accounts. Signaling is used by the company to reduce information asymmetry. When agents know more about the organization and its prospects than outsiders, there is an informational imbalance (investors, creditors). Investors will always need balanced data as a decision-making tool. Because there is no outside knowledge of the company, they protect themselves by offering a low price for it. By reducing information asymmetry, agents can increase the value of a company. One strategy for reducing information asymmetry is to send signals to third parties. One such signal is reliable financial data, which can reduce uncertainty about the company's future prospects. Using the degree of information sharing, a corporation can be distinguished from competitors based on its quality and performance, according to signal theory. [12] implies that organizations with poor performance will use financial information to send signals to the market. Companies with high levels of performance, on the other hand, typically limit information exposure to their users.

Signal theory can help agents, principals, and outsiders reduce information asymmetry by generating accurate financial reporting. It is critical to obtain an unqualified audit opinion from the auditor in order to ensure that interested parties believe the financial information provided by the agent is accurate. The auditor's unqualified audit opinion signal represents the legality, integrity, and dependability of financial information generated by the audited organization.

2.3 Compliance Theory

In accordance with [12], Compliance is defined as behavior motivated by a desire to avoid punishment and the expectation of rewards. The term "agent State" is a new concept in

compliance theory introduced by Milgram in 1974 to describe people who pose as the agents of an organization. Agent Status, also known as agentic state, is a state of consciousness in which a subordinate is aware that he is the vehicle through which his superior achieves his goals [10]. Compliance is defined as the extent to which all actions adhere to the relevant policies, rules, regulations, and laws. The populace's direction is more important. When violating propriety does not always imply violating compliance. Furthermore, compliance examines whether the audited party followed specific policies, guidelines, and regulations established by the appropriate authorities. Its goal is to determine whether the inspection was carried out in accordance with the circumstances, pera tuan, and applicable legislation. [1] claims that there are two fundamental perspectives on legal compliance: instrumental and normative Individuals with an instrumental perspective have personal interests and responses to behavioral changes. In contrast, the normative approach is concerned with morality and is hostile to self-interest. People prefer to obey laws that are seen as appropriate and consistent with their regulations. Normative commitment through morality entails obeying the law because it is deemed necessary, whereas normative commitment through legitimacy entails obeying the law because the body responsible for its creation has the authority to impose it. Furthermore, the requirement to submit financial statements on a regular basis is governed by the Financial Services Authority (POJK) No. 29 of 2016 rule. The Financial Services Authority (OJK) and the general public must receive yearly financial statements and independent auditor reports from public companies no later than the end of the fourth month (120 days) following the fiscal year's end. As a result, the theory of compliance's description of financial statement reporting timeliness.

The total asset value, total sales, market capitalization, number of employees, and other factors all contribute to the business's size. The size of the company grows in proportion to the size of these goods. The more assets the company has, the more money it has invested, the more sales it makes, the more money it turns over, and the more money it has in the bank, the more widely known it is in the community. Large corporations are frequently the focus of investor attention, and they are under greater pressure to provide information quickly. Large corporations typically work hard to maintain a positive public image. As a result, major corporations are more consistently on time when it comes to updating their financial accounts than small businesses. In this study, the size of the company is calculated based on its assets. A company with significant assets will have access to a larger accounting team and cutting-edge information technology, allowing for timely public disclosure of financial statements.

Research by [1], [13] [2], This claim is supported by evidence that the size of the company has a significant impact on the timeliness of financial reporting. However, research by [8] indicates that the size of the organization has no significant impact on financial reporting timeliness. The study's initial hypothesis, according to this explanation, is as follows:

H1: The size of the company has a significant impact on how quickly financial reports are produced..

The audit committee's role is to assist the board of commissioners in monitoring how management handles finances in order to improve financial statement reliability. The audit committee is also responsible for evaluating internal controls, external reporting systems, accounting standards, and reporting compliance. Members of more than one audit committee will collaborate and work together to increase oversight of the board of directors' actions. An audit committee comprised of members who are qualified in the field of accounting and have prior work experience in public accounting firms can reduce the risk of irregularities and omissions in decision-making during the audit process. Reduced deviations within the

organization can help to remove roadblocks to financial statement preparation, accelerate the audit process, and allow for timely submission of financial statements.

The audit committee significantly affects the timeliness of financial reporting, according to study by [5] [4]. However, [6] research suggests that the audit committee has little impact on how quickly financial reports are made public. In line with this explanation, the second research hypothesis is as follows:

H2: The audit committee has a significant impact on when financial reports are released.

A significant portion of shares held by financial institutions or other institutional investors is referred to as institutional ownership. Because institutional investors provide the majority of the company's money, institutional ownership of the company has a significant impact on its ability to continue operating. The ability to demand and enforce management's timely submission of financial statements comes from the ownership of shares by institutions or third parties, as timely financial reporting can influence business decisions. Institutional ownership has the potential to alter how a firm is managed. The firm's management initially operates in accordance with management's wishes before changing to become a corporation under supervision. The company will submit financial statements more promptly the more institutional ownership it has. The findings of studies by [6], [8] indicate institutional ownership has an impact on financial reporting timeliness confirm this. Contrary to studies by [2], institutional ownership has no impact on how quickly financial reports are made public. According to this explanation, the third research hypothesis is as follows:

H3: Institutional ownership improves the timeliness of financial reporting significantly.

The creation of financial statements may be influenced and determined by the company's size. A corporation has more resources the bigger it is. This substantial amount of resources can accelerate the production of financial statements because it is supported by an effective information system and has strong internal controls. Compared to businesses with lower assets, those with higher assets typically file their reports sooner. Large asset companies have access to more information, more accounting personnel, and the scrutiny of investors, regulators, and Spotlight Society, which enables them to timely submit their financial statements. Because large companies receive special consideration from stakeholders, major corporations whose financial statements earn unqualified views from auditors will typically file their financial statements on time. This is consistent with studies by [14] [15], and [13], which found that companies who get opinions other than ungualified opinions tend to submit financial accounts more slowly than those that do notThis is so that it will be timely in the filing of financial reporting since timeliness is related to the auditor's opinion, where the auditor who provides the unqualified opinion is evaluated and used as good news. According to this explanation, the fourth research hypothesis is as follows:

H4: The impact of a company's size on timely financial reporting can be strengthened by an audit opinion.

The board of commissioners established the audit committee, a group whose duty it is to the board of commissioners to oversee the corporation. The audit committee's responsibilities and functions also include recommending the appointment of accountants, reviewing and implementing internal auditor inspections, and reviewing financial information, company compliance with laws, complaints regarding the company's accounting and financial

reporting processes. The audit committee can encourage the company to immediately submit financial reports on time by using its functions. This is consistent with the assumption that the audit committee acts as a type of oversight in the agency relationship to guarantee the timely release of the company's financial statements. The frequency of financial reporting will increase as the audit Committee meets more frequently. By making suggestions for the nomination of accountants to evaluate and conduct internal auditor inspections, the audit committee can indirectly enhance the audit process. The quality of the financial statements has increased as a result of the oversight provided by the audit committee, and the audit opinion provided on the financial statements by the independent auditor has become unqualified. The audit committee's attitude toward encouraging management to speed up financial reporting in order for it to be timely will be impacted by this unqualified opinion. According to studies by [14], [15], and [13], businesses that acquire ungualified opinions have a tendency to submit financial statements more quickly than businesses that obtain opinions other than ungualified opinions. This is so that it will be timely in the filing of financial reporting since timeliness is related to the auditor's opinion, where the auditor who provides the unqualified opinion is evaluated and used as good news. In line with this explanation, the fifth research hypothesis is as follows:

H5: An audit opinion can increase the audit committee's influence on timely financial reporting.

The biggest shareholder is institutional ownership, making it able to keep an eye on the management. Institutional ownership will result in more oversight, and as a result of this extra oversight, there will be more compliance with regulations [2]. Due to institutional ownership's restriction on management's ability to make profits, a company that was previously managed at will may now be managed under supervision. Because the financial statements produced are needed by entities that make decisions, the organization will supply them on time [7]. A corporation will present its financial accounts with more precision the more institutional ownership it has [8]. The prospect of a business relationship between institutional shareholders and the company was mentioned by Pound [6] in order to align the level of interest of each party. Companies with unqualified audit opinions and institutional ownership will work to hasten the release of financial statements since it benefits shareholders. Furthermore, the company delivered the company promptly due to pressure from the main shareholder. According to research by [14], [15], and [13], businesses who acquire ungalified opinion opinions have a tendency to submit financial statements more quickly than businesses that obtain opinions other than ungalified opinion. This is so that it will be timely in the filing of financial reporting since timeliness is related to the auditor's opinion, where the auditor who provides the unqualified opinion is evaluated and used as good news. According to this explanation, the study's sixth hypothesis is as follows:

H6: The impact of institutional ownership on timely financial reporting can be strengthened by an audit opinion.

3. Research Methods

3.1 Population and Sampel

79 infrastructure, utility, and transportation businesses listed on the Indonesia Stock Exchange in 2019–2021 made up the study's sample.

In order to generate a representative sample or utilize a sample determination procedure with certain considerations, the sample used in this study must meet certain criteria. This is known as a purposive sampling approach [14]. The following criteria were utilized to sample this study:

Table 1. Research Sample Criteria

No.	Sample Criteria	Amount
1.	In 2019–2021, companies in the infrastructure, utility, and transportation sectors will list on the Indonesia Stock Exchange.	79
2.	Companies involved in infrastructure, utilities, and transportation whose financial results for 2019–2021 were not published	(8)
3.	Infrastructure, utilities and transport companies who experienced delisting during the period 2019-2021	(1)
4.	Infrastructure, utilities and transport companies who has experienced changes in business groups during the period 2019-2021	(2)
	Total Sample	68
Total of observations 68 (companies) x 3 (years 2019-2021)		204

3.2 Operational definition of research variables

Table 2. Definition Of Variables By Operation

No.	Variable	Contingent Definition	Indicators	Scale
1.	Company Size (X1)	The size of the company's assets, as determined by the corporation, can be used to gauge its size.	SIZE = Ln (Total Asset)	Ratio
2.	Audit Committee (X2)	committee created by the board of commissioners with the responsibility of monitoring the company's management	$CA = \frac{\text{audit committee members in the company}}{\text{total audit committee members}} \times 100\%$	Ratio
3.	Ownership by an Institution (X3)	Institutions like insurance companies, banks, investment firms, and other institutions may own shares of a corporation.	$IO = \frac{\text{total shares of the institution}}{\text{number of shares}} \times 100\%$	Ratio

			outstanding	
4.	Financial Reporting Timeliness (Y)	The period between the date of closing the book and the date of submission to Otoritas Jasa Keuangan in which the audited annual financial statements are made public (OJK)	A dummy variable is used to assign a value of 1 to companies that are on time and a value of 0 to companies that are not on time.	Nominal
5.	Audit Opinion (Z)	An auditor's assessment of the fairness of a financial statement	Measured using dummy variables, the unqualified opinion category of the auditor was rated 1 and the category of companies that received opinions other than ungualified opinion was rated 0	Nominal

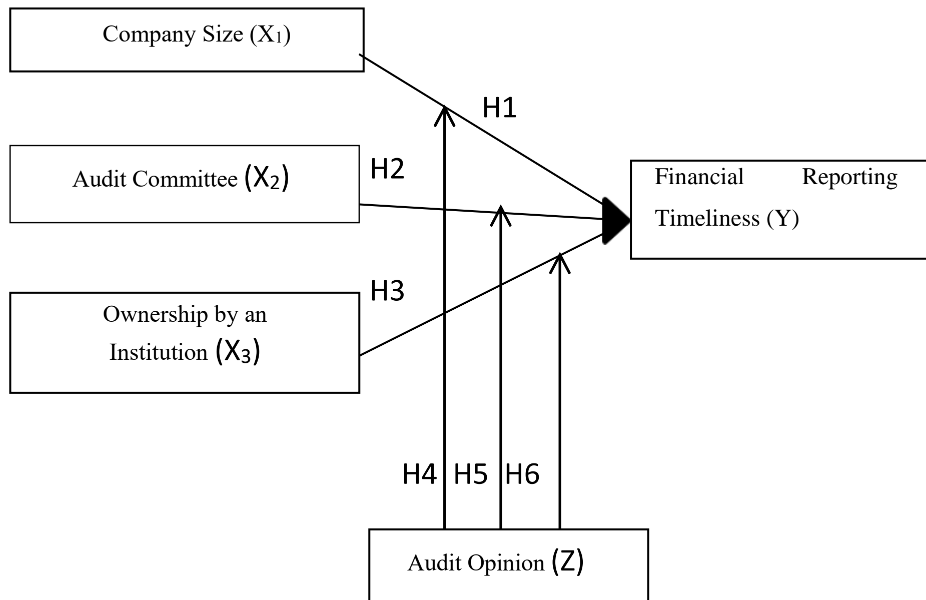

Fig. 1. Research Model

4. Result and Discussion

According to the hypothesis testing results, the company size variable has a positive regression coefficient of 0.221 with a significance level of 0.0280.05. This partially demonstrates that the size of the company has a positive effect on financial reporting timeliness, so H1 is accepted. The variable size of the company as measured by total assets has an impact on financial reporting timeliness. This result contradicts the theory that the larger the assets, the more timely the financial statements because it has more accounting staff and sophisticated information systems. Large companies have a tendency to be on time, whereas small businesses are not always late in reporting financial statements. Large and small businesses are both required to provide timely information to the public about their operations. This is because investors are not influenced by a company's size or size, but rather by its performance in generating profits and maintaining the company's sustainability. The findings of this study are consistent with those [1], and [2], who found that company size influences the timeliness of financial reporting. On the contrary, this contradicts the findings of [8], and [14], who found that company size has no effect on financial reporting timeliness.

Table 3. The Equation's Variables

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	Company Size	,221	,100	4,857	1	,028	1,248
	Audit Committee	-,302	,287	1,109	1	,292	,739
	Ownership by an Institution	,007	,008	,733	1	,392	1,007
	Constant	-4,432	2,525	3,081	1	,079	,012

a. Variable(s) entered on step 1: Company Size, Audit Committee, Ownership by an Institution.

Source : *Output SPSS*

The audit committee variables have a negative regression coefficient of -0.302 with a significance level of 0.292>0.05, according to the results of hypothesis testing. This partially demonstrates that the audit committee has no positive effect on financial reporting timeliness, and thus H2 is rejected. The results of logistic regression testing for audit committee variables or the second hypothesis as measured by the number of audit committee members empirically show that the audit committee has no effect on financial reporting timeliness. The findings of this study show that the number of audit committee members in a company has no effect on the timing of financial reporting. The increasing number of audit committee members made it difficult for many members to participate and make decisions, resulting in the failure to establish a good coordination and communication network among audit committee members. The audit committee's function in this study is to assist the board of Commissioners in carrying out responsibilities to conduct independent supervision of the Financial Statement process has not been able to encourage the agent in reporting financial statements on time. As a result, it contradicts the theory that states that the audit committee should act as a form of supervision in the agency relationship so that the company can report financial statements on

time. The findings of this study agree with those of [6], [18], and [16], who found that the audit committee has no effect on financial reporting timeliness. In contrast, this study contradicts research by [5], [4] that claims the audit committee influences financial reporting timeliness.

The audit committee variables have a positive regression coefficient of 0.007 with a significance level of 0.392>0.05, according to the results of hypothesis testing. This partially demonstrates that institutional ownership has no effect on financial reporting timeliness. In this study, institutional ownership is defined as the percentage of shares owned by the institution. The impact of institutional ownership on financial reporting timeliness is negligible and inversely related. Companies with a high percentage of ownership are not always on time in submitting financial reports, and small businesses are not always late in submitting financial reports. This study demonstrates that institutional ownership is not a determining variable in determining the possibility of timely financial reporting. The size of institutional investors' ownership of shares has no effect on the timeliness of financial reporting, allegedly because the institution as a shareholder is only concerned with the profit from the investment they make rather than carrying out oversight on the timeliness of financial reporting. This is supported by the facts that occurred in the research sample, namely PT. Sidomulyo Selaras Tbk has the smallest percentage of share ownership by institutions of 18.06 percent in the period of 2018, submitting financial statements with a vulnerable time of 88 days, and PT. Inti Bangun Sejahtera Tbk has the highest percentage of share ownership by institutions of 99.98 percent in the 2020 period, submitting financial statements with a vulnerable time of 96 days. Thus, institutional parties with a large or small percentage of shares must report financial statements to the Financial Services Authority on time (OJK). As a result, institutional ownership in this study has no bearing on its timeliness. The findings of this study agree with those of [9] and [3]who found that institutional ownership has no effect on financial reporting timeliness. In contrast, this study contradicts [6], [8], and [7] findings that institutional ownership influences financial reporting timeliness.

According to the results of hypothesis testing, the audit opinion that strengthens the influence of company size on financial reporting timeliness has a significance level (GIs) of 0.495>0.05 and a negative regression coefficient value of -0.108. This demonstrates that, at least in part, the audit opinion is unable to strengthen the influence of company size on financial reporting timeliness. The findings of this study contradict the theory that states that large companies that obtain a reasonable opinion without exception will be more timely in reporting financial statements. Apparently because the audit opinion is not the most important factor for the company to consider when reporting financial statements. The Auditor bases his or her opinion on the fairness of the financial statements presented by the company, not on its size. Furthermore, companies that did not submit financial statements on time but received unqualified opinions were discovered. This means that the audit opinion does not guarantee a company's compliance as an organization with responsibilities to parties other than the company, as described in the compliance theory. As a result, it is possible to conclude that the audit opinion is unable to mitigate the impact of company size on financial report timeliness. The findings of this study are consistent with those of [1] and [3], who found that the audit opinion was unable to moderate the influence of company size on financial report timeliness.

According to the results of hypothesis testing, the audit opinion that strengthens the influence of company size on financial reporting timeliness has a significance level (GIs) of

0.495>0.05 and a negative regression coefficient value of -0.108. This partially concludes that the audit opinion is unable to strengthen the audit Committee's influence on financial reporting timeliness. According to the findings of this study, companies that have members of the audit committee in accordance with the standards set by the Financial Services Authority (OJK) and have a reasonable opinion without exception are not timely in reporting financial statements. This contradicts the theoretical concept that the audit committee's effectiveness increases with the number of members. The audit opinion's inability to moderate the audit committee's influence is suspected because the auditor's opinion is based on the fairness of the financial statements, not on the effectiveness of the audit committee's number of members and functions in controlling management in terms of financial reporting. The findings of this study are consistent with the findings of [3], who found that the audit opinion has no influence on the timeliness of financial reporting.

In this study, institutional ownership is defined as the percentage of shares owned by the institution. The impact of institutional ownership on financial reporting timeliness is negligible and inversely related. Companies with a large ownership structure are not always on time in submitting financial statements, and small businesses are not always late in submitting financial statements. This study demonstrates that institutional ownership is not a determining variable in determining the possibility of timely financial reporting. The audit opinion's inability to strengthen the influence of institutional ownership on timeliness because the auditor evaluates based on the fairness of financial statements rather than the percentage of institutional ownership. This demonstrates that the percentage of ownership held by the institutional and unqualified opinion is not a determining factor in the company's timely submission of financial statements. This is supported by facts observed in the research sample, namely PT. Telekomunikasi Indonesia (Persero) Tbk, which has a 99.25 percent shareholding by the institution with an unqualified opinion but still reports financial statements on time. The findings of this study are consistent with the findings of [3], who found that the audit opinion cannot moderate the influence of institutional ownership on financial reporting timeliness.

5. Conclusion

Based on the findings of this study's data analysis, the following conclusions were reached: the size of the company has a positive effect on the timeliness of financial reporting, so the first hypothesis is accepted. The audit committee had no positive effect on financial reporting timeliness, so the second hypothesis was rejected. Because institutional ownership has no positive effect on financial reporting timeliness, the third hypothesis is rejected. The audit opinion did not strengthen the influence of company size on financial reporting timeliness, so the fourth hypothesis was rejected. The audit opinion did not strengthen the audit Committee's influence on financial reporting timeliness, so the fifth hypothesis was rejected. The audit opinion does not support the influence of institutional ownership on financial reporting timeliness, so the sixth hypothesis is rejected.

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