THE ANALYSIS OF THE TIMELINESS OF FINANCIAL STATEMENTS (AN EMPIRICAL STUDY ON CONSUMER GOODS SUBSECTOR LISTED ON IDX 2018-2021)

Janice Lovell[1]
Universitas Multimedia Nusantara
janice.lovell@student.umn.ac.id

Karina Harjanto[2]*
Universitas Multimedia Nusantara
karina.harjanto@umn.ac.id

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Abstract- The timeliness of financial statements is regarded as one of the qualitative attributes of financial statements, denoting the availability of information for decision-making purposes prior to its diminished capacity to impact decisions. The objective of this study is to gather empirical data on the impact of profitability (ROA), leverage (DER), liquidity (CR), and institutional ownership on the promptness of financial statement reporting. The focus of this study encompasses consumer products firms that are publicly traded on IDX within the time frame of 2018 to 2021. The present study employed secondary data and employed a purposive sampling technique to select and analyze samples, utilizing logistic regression as the primary analytical tool, resulting in research sample of 25 companies. The findings indicate that there is no significant impact of profitability and liquidity on the timeliness of financial statement reporting. However, the study does find a significant positive relationship between leverage and the timeliness of financial statement reporting. Additionally, institutional ownership is found to have a positive and significant effect on the timeliness of financial statement reporting. The simultaneous impact of liquidity, profitability, leverage, and institutional ownership on the timeliness of financial statement reporting is found to be considerable.

Keywords: Institutional Ownership; Leverage; Liquidity; Profitability; Timeliness of Financial Statement Reporting

1. INTRODUCTION

1.1 Background

A company definitely needs a source of capital to carry out its operational activities. According to Weygandt et al. (2019), "Company management decides whether to issue shares (equity financing), bonds or debt securities (debt financing), or a combination of both". One instance of equity financing is the implementation of an Initial Public Offering (IPO) inside the realm of the capital market. An Initial Public Offering (IPO) refers to the formal procedure via which a company transitions from being privately held to being a publicly traded entity by issuing its first shares to the broader public. According to data from IDX, it can be observed that between the years 2018 and 2021, a consistent number of over 50 firms engaged in the process of Initial Public Offering (IPO). In the year 2018, a total of 57 firms initiated initial public offerings (IPOs). The subsequent year, 2019, had a slightly lower number of IPOs with

55 companies. Moving on to the year 2020, there was only 51 companies. Finally, in the most recent year, 2021, the number of companies conducting IPOs increased to 54. This demonstrates that there has been a consistent demand for equity funding through Initial Public Offering (IPO) from 2018 to 2021. According to IDX, the companies listed on the IDX are categorized into nine categories based on the economic activity of each listed company.

Table 1. Five Sectors with the Highest Market Capitalization Value

Sectors	Market Capitalization (in billions of IDR)			
	2018	2019	2020	2021
Finance	2.180.757	2.540.022	2.528.669	3.216.148
Consumer Goods	1.455.771	1.170.945	1.056.643	1.104.043
Infrastructure, Utilities, & Transportation	734.432	795.566	707.244	896.345
Trades, Services, & Investments	680.229	687.480	684.546	737.552
Basic Industry	666.874	774.839	740.626	908.328

Source: www.idx.co.id

According to the data presented in Table 1.1, it can be observed that consumer goods companies had a decline in market capitalization value during the years 2018 and 2020, followed by a subsequent growth in 2021. Consumer Goods sector's market capitalization value had a decline between 2018 and 2020, followed by an increase in 2021. However, it is noteworthy that throughout this period, the Consumer Goods sector constantly maintained its position as the second highest in terms of market capitalization value. A substantial market capitalization serves as evidence that a considerable quantity of outstanding shares is accompanied by a correspondingly elevated share price, so indicating a notable level of investor interest in the Consumer Goods sector. The elevated valuation of the Consumer Goods is seen in the statistics of the Sectoral Composite Stock Price Index (JCI). The observed trend indicates a decline in the JCI (Joint Consumer Index) of the Consumer Goods sector between 2018 and 2020, followed by an increase in 2021, which aligns with the corresponding fluctuations in the Market Capitalization of the Consumer Goods sector during those respective years. The subsequent data represents the Sectoral JCI (Jakarta Composite Index) of the top five sectors based on their market capitalization.

Table 2. Sectoral Composite Stock Price Index

Sectors	Sectoral Composite Stock Price Index			
	2018	2019	2020	2021
Consumer Goods	2.569,287	2.052,654	1.832,109	1.962,563
Finance	1.175,67	1.354,661	1.333,176	1.779,556
Infrastructure, Utilities, & Transportation	1.064,290	1.137,544	1.001,019	1.006,765
Trades, Services, & Investments	783,883	769,832	766,373	942,022
Basic Industry	854,733	978,127	920,968	1.353,086

Source: www.idx.co.id

Despite a decline in demand for stocks, consumer goods has consistently maintained the highest position among the six sectors from 2018 to 2021. This observation serves as evidence that the demand for stocks for these companies surpasses that of the other five sectors. Being a firm that is publicly listed on IDX, it is incumbent upon the organization to provide open and transparent information as a means of demonstrating accountability to the general public. This includes investors who have made financial investments in the company, for whom the submission of financial statements is essential. According to Regulation PJOK.04/2021 issued by the Financial Services Authority of the Republic of Indonesia, it is mandated that companies intending to go public to submit financial statements. These statements must undergo an audit conducted by a public accountant who is duly registered with the Financial Services Authority (OJK). The submission deadline for these audited financial reports is set no later than the end of the third month following the annual financial statement's date. As stated by Kieso, et al. (2018), financial statements serve as the primary method employed by corporations to convey financial information to external parties. Following the outbreak of the Covid-19 epidemic, the OJK (Financial Services Authority) and IDX have implemented new regulations pertaining to the extension of deadlines for the submission of financial reports in March 2020. On March 18, 2020, OJK and IDX announced that the deadline for the submission of annual financial statements will be extended by a period of two months beyond the originally scheduled deadline.

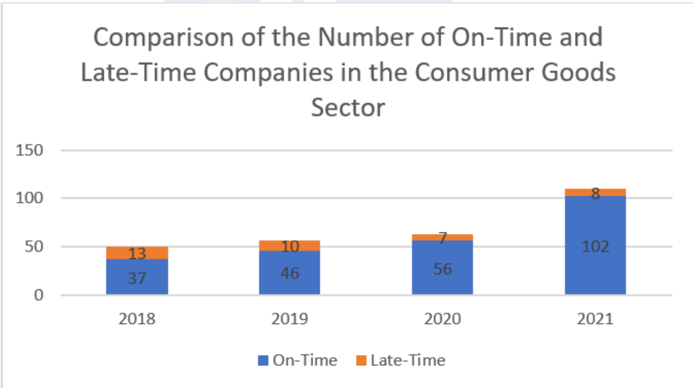

Figure 1 Comparison of the Number of Companies in the Consumer Goods Sector that Submitted Financial Reports On-Time from 2018 to 2021
Source: www.idx.co.id

According to the data presented in Figure 1, it can be observed that the majority of companies within the Consumer Goods sector demonstrated punctuality in submitting their financial reports during the period from 2018 to 2021. Specifically, the percentages of companies that adhered to the deadline for submitting financial reports were 74%, 82%, 89%, and 93% sequentially for the years 2018, 2019, 2020, and 2021. The performance of the Consumer Goods sector in the capital market exhibited a decline from 2018 to 2020, followed by an increase in 2021. However, it is noteworthy that the timeliness of the Consumer Goods industry has demonstrated a consistent upward trend annually. "Timeliness means that information is available to decision-makers at the right time so that it can influence their decisions. In general, the older the information, the less useful it is" (Ikatan Akuntan Indonesia, 2022). According to (Auliyah, 2020), "The need for timeliness of financial reporting is clearly mentioned in the basic framework for preparing financial statements presentation so that the financial statements presented are relevant for decision makers."

By ensuring timely submission of financial reports, the company can effectively circumvent the penalties imposed as a consequence of delayed financial report submission. Along with the inclusion of positive indicators in its financial statements, it can yield advantages for investors. A case in point is PT Indofood Sukses Makmur Tbk (INDF), which submitted its annual statements for the period ending December 31, 2020, on March 23, 2021. According to the financial report as of December 31, 2020, INDF disclosed a significant rise in profitability, amounting to 48.3% compared to the previous year. "The financial report which contains information on the profit generated by the company is used as one of the bases for making decisions to buy or sell ownership owned by investors" (Idawati, 2019). The INDF organization also engages in the development of business concepts aimed at enhancing the welfare of the society. The INDF organization engages in collaborative initiatives with farmers, cattle breeders, and Warung Makan Indomie (Warmindo) establishments. In the year 2020, INDF made further progress in its partnership program by expanding its outreach to a greater number of establishments that offer readily consumable instant noodles.

It is apparent that there was a 5.12% rise in the share price, followed by a 1.12% gain on April 23, 2021. Furthermore, there was a cumulative increase of 6% throughout the course of the month subsequent to the publication of INDF's financial results as of December 31, 2020. When a significant number of investors engage in the purchase of a company's shares, it leads to an upward movement in the share price, resulting in investors realizing gains in the form of capital appreciation. In addition to the perspective of investors, the creditor's viewpoint also warrants consideration. By providing timely financial reports, companies enable creditors to assess their capacity to repay loans. In the case of INDF, the publication of its financial reports in a timely manner in 2020 coincided with an increase in its total debt in 2021. Hence, the corporation will utilize the augmented liabilities to support its future operational endeavors. Hence, it is anticipated that several factors will exert an influence on a company's adherence to timely submission of financial reports, specifically encompassing profitability, liquidity, leverage, and institutional ownership.

The initial factor anticipated to impact the punctuality of financial report submission is profitability. According to Weygandt et al. (2019), "Profitability measures the income or operational success of a company for a certain period of time ." Profitability is measured by Return On Asset (ROA). ROA measures a company's asset-based profitability. The company's asset management skills boost profits with a greater ROA. This indicates that the company has internal control, such as Standard Operating Procedures (SOP) that promote asset efficiency. SOPs include optimal machine usage and capacity utilization. Maximizing machines ensures no machines are idle and maximizes earnings by producing more products. The company's capacity to manage assets to generate higher profits shows that its internal control is adequate, such as recording the purchase, addition, reduction, and accumulated depreciation of machinery to aid audits. To aid stock-taking audits, the corporation labels each machine with its type and serial number. With effective internal control, the company can create financial reports fast, and if evidence collection is easy, the audit process can be completed quickly, resulting in on-time financial statements. This matches research by Novitasari et al. (2021). Meanwhile, Mustika & Ferdilla (2021) showed there is no relationship between profitability and the timeliness of submitting financial reports.

The second variable that is expected to affect the timeliness of financial report submission is liquidity. According to Novitasari et al. (2021), "liquidity is the ability of a company to fulfill its financial or financial obligations in the short term with available current funds". In this study, liquidity is measured by Current Ratio (CR), which assesses a company's capacity to satisfy short-term obligations using current assets. A higher Current Ratio means the company's Current Assets exceed its Current Liabilities. The company's ability to pay debt with present assets is growing. The company's ability to pay high debt reduces default risk. With low default risk and effective internal control, misstatement risk is lower. One good internal control tool is an aging schedule, which lists receivables from each client by due date and puts them into age categories. The aging schedule is an internal control that controls receivables realization into cash to lower bad debts. The aging schedule also lets auditors evaluate receivables' ages, designate them as current or non-current, and calculate bad debt expense (BDE) and reserve for doubtful accounts. With good internal control and an easy way to gather audit data, the company can create financial reports promptly and publish them on time. This is in line with research conducted by Novitasari et al. (2021), proving that liquidity has a positive effect on the timeliness of submitting financial reports. Meanwhile, Carolina & Tobing (2019) state that Liquidity does not affect financial report timeliness.

The third variable that is expected to affect the timeliness of financial report submission is leverage. According to Steffani & Trisnawati (2020), "leverage is a reflection of the capital structure of a company". In this study, leverage is proxied by the Debt to Equity Ratio (DER). DER compares debt utilization to firm equity. Lower DER shows that equity funds company's operations more than debt. This shows that the company's debt is modest and its risk of missing principal and interest payments is low. The minimal probability of nonpayment shows the corporation can avoid financial hazards. This reduces the risk of misstatement because a small company debt balance reduces the population of debt accounts, which reduces the sample of debt accounts to be confirmed and shortens the time to collect audit evidence, such as vouching. Thus, auditors will work faster and financial reports would be released sooner. This matches the result of Handayani et al. (2021), who concluded that leverage negatively affects the timeliness of financial report submission. On the other hand, Diliasmara & Nadirsyah (2019) shows that leverage has no effect on the timeliness of financial report submission.

Institutional ownership is the fourth factor affecting financial report timeliness. The percentage of a company's shares owned by government, insurance, and other organizations. More institutional ownership means most corporate ownership is institutional. So institutional ownership can supervise corporate activities, institutional parties can influence management decisions and govern internal control to monitor enterprises. If the institutional party is the firm's parent company, it may urge the company to adopt its internal controls to improve its internal control. The parent company's financial statements and subsidiaries audited at the same Public Accounting Firm will speed up document collecting for the audit. So the audit may be completed swiftly and the financial statements issued on schedule. This is in line with research conducted by Verawati (2018), proving that institutional ownership positively affects the timeliness of submitting financial reports. Meanwhile, research by Santika & Nuswandari (2021) found proof that institutional ownership has no effect on the timely submission of financial reports.

The authors observed evidence gap in previous studies, hence the study is conducted. This study intends to contribute to literature by adding the newest evidence regarding factors affecting timeliness in financial reports, especially in consumer goods subsector, which is one of the most important subsector in Indonesia. However, due to the limited data and the use of only quantitative method, the result in this study might be hard to be generalized within other sector. Future research might combine quantitative method done in this study and complement it with interviews to gain in depth explanation from internal stakeholders such as management.

1.2 Literature Reviews and Hypotheses

1.2.1 Signal Theory

According to Ghozali (Ghozali, 2020), "signal theory explains the actions taken by signalers to influence the behavior of signal recipients. In general, a signal is defined as a signal made by the company (manager) to outsiders (investors)". According to Godfrey et al. (2010), "signal theory explains that managers use accounts in financial statements to signal the future. When managers expect a growth rate in the future, they will signal it to investors."

1.2.2 Financial Report

"Financial reports are one of the main tools that can be used by companies to communicate financial information to external parties such as shareholders, creditors, suppliers, and others" (Kieso et al., 2018). According to (Ikatan Akuntan Indonesia, 2022) in PSAK 1, "The purpose of financial statements is to provide information about the financial position, financial performance, and cash flows of an entity that is useful for most users of financial statements in making economic decisions."

1.2.3 Audit

According to Arens et al. (2017), "auditing is a process of accumulating and evaluating evidence about information to determine and report the level of compatibility between information and established rules or criteria". According to IAPI (2022) in SA 500, "the auditor's objective is to design and perform audit procedures in such a way as to obtain sufficient and appropriate audit evidence to be able to draw adequate conclusions as the basis for the auditor's opinion."

1.2.4 Timeliness of Financial Report Submission

"Timeliness means making information available to decision-makers at the right time so that it can influence their decisions" (Ikatan Akuntan Indonesia, 2022). Meanwhile, according to Kieso et al. (2018), "timeliness means having information available to decision makers before it loses its capacity to influence decisions. By having relevant information available more quickly, it can increase its capacity to influence decisions, and lack of timeliness can rob information of its usefulness". "Timeliness means having information available for decision making before the information loses its ability to influence decisions. If information is not available when needed or available long after the event is reported, the report has no value for future actions, has no relevance and is not useful"(Juanda & Rachmasari, 2020).

Financial report submission timeliness will be measured using a dummy variable, a nominal scale with categories, with companies who submit on time given category 1 and those that don't given category 0. If the company's 2018 financial statements were submitted after 90 days, they were not on time. The company's financial statements for the 2019, 2020, and 2021 periods are considered on time if they are submitted no later than 2 (two) months from the predetermined deadline, a maximum of 150 days from the closing date of the financial statements book. If they are submitted after 150 days, they are not on time.

1.2.5 Profitability

According to Weygandt et al. (2019), "the profitability ratio measures the income or operational success of a company for a certain period of time". "Profitability reflects the company's ability to generate profits" (Mustika & Ferdila, 2021). "Profitability is an indicator of the company's success to be able to generate profits so that the higher the profitability, the higher the company's ability to generate profits for the company" (Valentina & Gayatri, 2018). According to Weygandt et al. (2019), "return on assets is a ratio to measure profitability generated using company assets". According to (Nurlen et al., 2021), "profitability is an indicator of the company's success to be able to generate profits so that the higher the profitability, the higher the company's ability to generate profits for the company, on the other hand, if the company experiences losses, it will cause delays in financial reports."

Based on research conducted by Sunarto et al. (2021) "profitability has a significant positive effect on the timeliness of financial reporting". Sambuaga & Santoso (2020) stated that companies with high profitability tends to publish their financial statements quicker. In contrast to the results of research according to Effendi (2019) which states that "profitability (ROA) has a negative effect on the timeliness of financial reporting" and according to Valentina & Gayatri

(2018) which states that "profitability has no effect on the timeliness of financial report submission."

Ha1 : Profitability proxied by Return on Asset (ROA) has a positive effect on the timeliness of submitting financial reports.

1.2.6 Liquidity

Novitasari et al. (2021) stated that "Liquidity is the company's ability to pay off short-term obligations with available current funds". "Liquidity ratios measure the short-term ability of the company to pay its maturing obligations and to meet unexpected needs for cash" (Weygandt & Kimmel, 2019). "Liquidity ratios focus on a company's ability to meet its daily operating expenses and pay its short-term bills as they come due" (Smart & Zutter, 2019). According to Kieso et al. (2018), "the current ratio measures the ability to pay short-term debt". "Current ratio is a widely used measure to evaluate a company's liquidity and ability to pay short-term debt" (Weygandt & Kimmel, 2019). "If the ratio of current assets to current debt is greater, it means that the higher the company's ability to cover its short-term obligations. Companies that have a high level of liquidity show good news for the company which will influence the company to submit its financial statements on time because it will make the market reaction positive to the company" (Aldrian Diliasmara, 2019).

According to Novitasari et al. (2021) and Krisyanti & Yuniarta (2021) "liquidity has a positive effect on the timeliness of submitting financial reports". In contrast to research according to Martha & Sari (2021) which states that "liquidity has a negative and significant effect on the timeliness of submitting company financial reports" and Carolina & Tobing (2019) which states that "the timeliness of submitting financial reports is not affected by liquidity."

Ha2: Liquidity proxied by Current Ratio (CR) has a positive effect on the timeliness of submitting financial reports.

1.2.7 Leverage

"The leverage ratio (also called the solvency ratio) looks at the mix of debt and equity financing a company uses to fund its activities. How much the company borrows and whether the company can repay its debt is a major concern for potential investors" (Smart & Zutter, 2019). According to Weygandt et al. (2019), "the solvency ratio measures the company's ability to survive over a long period of time. Creditors and long-term shareholders are particularly interested in the company's ability to pay the interest due and to repay the face value of the debt at maturity". "Companies with high leverage experience an increased risk of default on their loans, this ratio is very helpful in assessing stock risk exposure. A low or declining debt to equity ratio indicates lower risk" (Smart & Zutter, 2019). A company with high level of leverage reflects the high financial risk. High risk indicate that the company is experiencing financial difficulties (Novitasari et. al., 2021).

This is also supported by the results of research conducted by Handayani et al. (2021) which states that "leverage has a significant negative effect on the timeliness of financial reporting". This is different with Permatasari (2020) which states that "leverage has a positive effect on the timeliness of financial reporting" and Mustika & Ferdila (2021) which state that "leverage proxied by the debt to equity ratio has no effect on the timeliness of financial report submission."

Ha3: Leverage proxied by Debt to Equity Ratio (DER) has a negative effect on the timeliness of financial report submission.

1.2.8 Institusional Ownership

According to Yulianto et al. (2018), "institutional ownership is the proportion of shares owned by institutions at the end of the year as measured by percentage." According to Santika and Nuswandari (2021), "institutional ownership is share ownership that is part of an institution, company, or institution in both the financial and non-financial fields . According to Wicaksono (2021), "institutional ownership in a company encourages increased supervision to be more optimal for management performance because share ownership represents a source of power that can be used to support or otherwise against management performance." "Share ownership by the institution has the power to demand and require management to submit financial information immediately. Because financial reports that are submitted late will affect the economic decisions that users of this information will take" (Setiawati et al., 2021). The result of Harjanto and Gozali (2020) study mentions that higher institutional ownership will result in quicker audit process. This in turn will increase financial reports' timeliness.

According to research conducted by Verawati (2018) and Dufrisella & Utami (2020) proves that "institutional ownership has a positive effect on the timeliness of submitting financial reports." However, Santika & Nuswandari (2021) proves that no relationship between institutional ownership and the timeliness of submitting financial reports.

1.2.9 Research Model

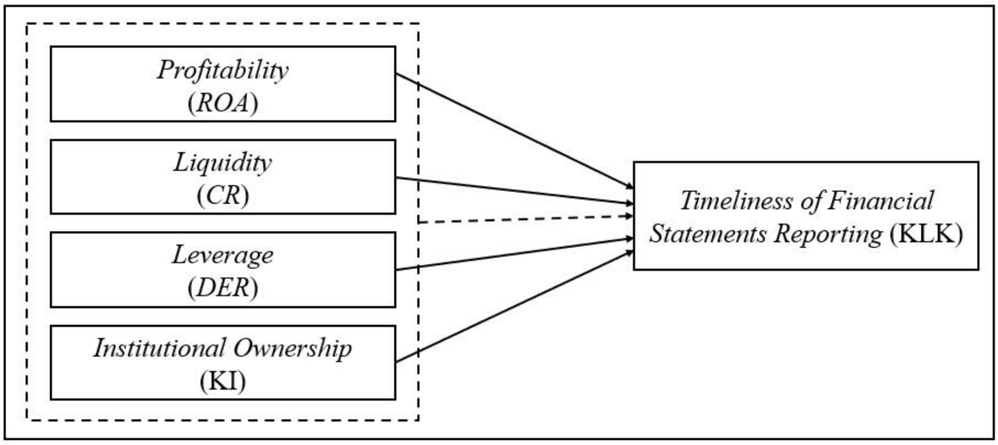

Figure 2. Model Research

2. METHODOLOGY AND DATA ANALYSIS

2.1 General Description of the Research Object

The present study examines the impact of profitability, liquidity, leverage, and institutional ownership on the promptness of financial report filing. The research subjects employed in this study encompass consumer goods firms, namely those listed on IDX)within the timeframe of 2018-2021. Additionally, these companies are mandated to have issued financial reports throughout the aforementioned period.

2.2 Research Method

This is a causal study. According to Sekaran and Bougie (2016), "Causal study is a research study conducted to establish cause-and-effect relationships among variables," namely "causal studies are research studies conducted to establish cause and effect relationships between variables."

2.3 Research Variables

2.3.1 Dependent Variable

The dependent variable used in the study is the timeliness of submitting financial reports, which is measured using a nominal scale. Ghozali (2021) states, "a nominal scale is a measurement scale that states the category, or group of a subject." The aspect of timeliness holds significant importance in the context of information presentation, as it entails the availability of information for decision-making purposes prior to its loss of influence on decisions. For financial statement information to possess utility, it is imperative that the information is timely, hence ensuring its relevance.

According to the criteria established for the 2018 financial statements, a company is considered to have submitted its financial statements in a timely manner if they are provided no later than the conclusion of the third month subsequent to the annual financial statements' date. Conversely, if the company submits its financial statements after the aforementioned three-month period, it will be deemed as untimely. According to the relaxation of the deadline for submitting financial reports in response to the Covid-19 pandemic, the financial statements for the periods of 2019, 2020, and 2021 are considered timely if they are submitted by the company no later than two months after the predetermined deadline. Conversely, if the company submits its financial statements beyond this two-month timeframe, they will be deemed untimely.

2.3.2 Independent Variable

1. Profitability

Profitability refers to the capacity of a corporation to create financial gains over a specific duration. Return on Asset can be formulated as follows: (Weygandt & Kimmel, 2019)

$$ROA = \frac{Net\ income}{Average\ total\ assets}$$

2. Liquidity

Liquidity refers to a company's capacity to meet its immediate financial obligations. The Current Ratio is utilized to assess a firm's capacity to fulfill its immediate financial obligations using its current or short-term assets. According to Weygandt et al. (2019), Current Ratio can be formulated as follows:

$$Current\ ratio\ = \frac{Current\ assets}{Current\ liabilities}$$

3. Leverage

Leverage refers to the extent to which a corporation utilizes debt or loan capital to facilitate its operational activities. DER is employed as a metric to assess the relative allocation of debt and equity inside a corporation for the purpose of facilitating its operational endeavors. According to Arens et al. (2017) "Debt to Equity Ratio can be formulated as follows":

$$DER\ = \frac{Total\ Liabilities}{Total\ Equity}$$

4. Institutional Ownership

Institutional ownership refers to the relative ownership percentage of a company's shares held by entities such as governmental bodies, banks, insurance companies, corporations, and foreign investors. According to Wicaksono (2021), the formula for calculating institutional ownership is as follows:

$$KI = \frac{Total\ Institutional\ Share\ Ownership}{Total\ Number\ of\ Outstanding\ Share} x\ 100\%$$

2.4 Data Collection Technique

The data included in this study is derived from secondary sources. Secondary data refers to information that has been collected by individuals or organizations for reasons unrelated to the specific study aims at hand. Secondary data sources commonly utilized in research include statistics, government publications, published or unpublished information from both internal and external sources, corporate websites, and online resources. The audited financial statements of the Consumer Goods sector companies listed on IDX or the period of 2018-2021 constitute the secondary data utilized in this study.

2.5 Sampling Technique

The study's population comprises companies belonging to the Consumer Goods industry that were listed on the Indonesia Stock Exchange during the years 2018 and 2021. The employed sample approach is purposive sampling. The present sample procedure is constrained to specific types that possess the requisite information, either due to their exclusive possession of it or its alignment with several criteria established by the researcher.

2.6 Data Analysis Technique

The data analysis strategy employed in this study was the utilization of the statistical analysis method through the utilization of the SPSS 26 (Statistical Package for Social Sciences) software. The study conducted many statistical analyses, including descriptive statistics, overall fit model assessment, Nagelkerke's R Square calculation, Hosmer & Lemeshow Goodness of Fit Test, classification table generation, simultaneous significance test (Omnibus Test), and individual significant test (parameter estimation and interpretation).

3. RESULTS AND DISCUSSION

3.1 Research Object

The research object of this study is selected using criterias as follows:

Table 3. Sample Criteria

No	Sample Criteria	Number of Companies
1.	Consumer Goods sector companies that have been consecutively listed on the Indonesia Stock Exchange (IDX) during the 2018-2021 period.	47
2.	Companies that publish audited financial statements consecutively during the 2018-2021 period.	46
3.	Companies that have a book closing date as of December 31 consecutively during the 2018-2021 period.	46
4.	Companies that use Rupiah currency units in financial statements consecutively during the 2018-2021 period.	46
5.	Companies that have consecutive profits during the 2018-2021 period.	32
6.	Companies that do not have negative equity consecutively during the 2018-2021 period.	32
7.	Companies that have a consecutive number of institutional ownership in the financial statements during the 2018-2021 period.	30
8.	Companies that disclose the date of submission of financial statements consecutively during the 2018-2021 period.	25
Sample companies		25

3.2 Analysis and Discussion

3.2.1 Descriptive Statistic

The following is a table of descriptive statistical results:

Table 4. Descriptive Statistic Result

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
ROA	100	1,1021	,0005	1,1026	,131842	,1379320
CR	100	7,4364	,6141	8,0505	2,401622	1,5240951
DER	100	3,6749	,1499	3,8248	,812751	,6745790
KI	100	,7079	,2378	,9457	,730893	,1736535
Valid N (listwise)	100					

Out of a sample size of 100, it was found that 95 observations adhered to the prescribed deadline for submitting their financial reports. According to the descriptive statistics, the calculated mean for the Return on Assets (ROA) is 13.18%. This indicates that, on average, enterprises are able to earn a net income of 13.18% from the utilization of their assets. The calculated average of the current ratio (CR) is 2.40, indicating that the majority of enterprises own current assets that exceed their current liabilities. Many enterprises in the sample also exhibit a preference for utilizing equity rather than debt as a means of financing, as evidenced by the average debt-to-equity ratio (DER) of 81.28%. In the present context, it is seen that a significant proportion of ownership in the sampled companies is held by institutions, as evidenced by the mean KI value of 73.09%.

3.2.2 Assessing Model Fit

The following is a table of the model fit test results:

Table 5. Model Fit Overall Result

Iteration History[a,b,c]

Iteration		-2 Log likelihood	Coefficients Constant
Step 0	1	48,596	1,800
	2	40,516	2,555
	3	39,720	2,885
	4	39,703	2,943
	5	39,703	2,944
	6	39,703	2,944

a. Constant is included in the model.

b. Initial -2 Log Likelihood: 39,703

c. Estimation terminated at iteration number 6 because parameter estimates changed by less than ,001.

Iteration History[a,b,c,d]

Iteration		-2 Log likelihood	Coefficients Constant	ROA	CR	DER	KI
Step 1	1	46,508	,768	-,617	,047	,232	1,111
	2	35,282	-,110	-1,625	,158	,773	2,667
	3	30,614	-2,457	-3,102	,484	2,320	4,323
	4	27,762	-5,834	-4,909	1,049	4,994	5,724
	5	26,832	-8,194	-6,539	1,453	7,151	6,809
	6	26,702	-9,260	-7,417	1,632	8,230	7,334
	7	26,699	-9,441	-7,580	1,662	8,425	7,424
	8	26,699	-9,445	-7,585	1,663	8,430	7,427
	9	26,699	-9,445	-7,585	1,663	8,430	7,427

a. Method: Enter

b. Constant is included in the model.

c. Initial -2 Log Likelihood: 39,703

d. Estimation terminated at iteration number 9 because parameter estimates changed by less than ,001.

The difference between Initial -2LogL (Block Number = 0) and Final -2LogL (Block Number = 1) is 13.004. Based on the biometric tables, the value of df = 4 is 2.776. Because the difference in decline between Initial -2LogL (Block Number = 0) and Final -2LogL (Block Number = 1) is greater when compared to the value obtained from biometric tables (13.004-2.776), the decline in -2LogL is declared significant.

3.2.3 Determination Coefficient

The following is a table of the results of the coefficient of determination test:

Table 6. Nagelkerke's Square Test Result

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	26,699[a]	,122	,372

a. Estimation terminated at iteration number 9 because parameter estimates changed by less than ,001.

According to the findings presented in Table 6, the Nagelkerke's R Square value is determined to be 0.372. This value signifies that the independent variables, specifically Profitability (ROA), Liquidity (CR), Leverage (DER), and Institutional Ownership (KI), collectively account for 37.2% of the variation observed in the dependent variable, which is the timeliness of financial report submission (KLK). It is important to note that the remaining 62.8% of the variation is attributed to other variables that were not examined in the scope of this study.

3.2.4 Assessing the Feasibility of the Regression Model

The following is a table of the Hosmer & Lemeshow's Goodness of Fit Test results:

Table 7. Regression Model Fit Test Results

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	2,416	8	,966

According to the findings presented in Table 7, it is evident that the regression model's feasibility has been assessed using the Hosmer & Lemeshow's Goodness of Fit Test. The obtained significance value for this test is 0.966, which surpasses the predetermined threshold of 0.05, indicating that the regression model is indeed feasible. This demonstrates the acceptability of the research model as it possesses the capability to accurately predict observed values and is deemed appropriate for subsequent analysis.

3.2.5 Classification Table

Table 8. Classification Table

			Predicted		
			KLK		
Observed			Tidak Tepat Waktu dalam Penyampaian Laporan Keuangan	Tepat Waktu dalam Penyampaian Laporan Keuangan	Percentage Correct
Step 1	KLK	Tidak Tepat Waktu dalam Penyampaian Laporan Keuangan	1	4	20,0
		Tepat Waktu dalam Penyampaian Laporan Keuangan	0	95	100,0
	Overall Percentage				96,0

a. The cut value is ,500

According to the data presented in Table 8, it is evident that there are 95 companies predicted to submit their financial reports on time. Similarly, the actual observation results indicate that 95 companies indeed submitted their financial reports on time. Consequently, the accuracy of this model can be calculated as 95 out of 95, resulting in a perfect accuracy rate of 100%. Furthermore, the data indicates that there are five companies projected to be non-compliant with timely submission of financial reports, however the actual observation reveals just one company that is non-compliant. Consequently, the accuracy of this model may be calculated as

1 divided by 5, resulting in a 20% accuracy rate. In general, the prediction model demonstrates a 96% accuracy rate.

3.2.6 Simultaneous Significance Test (Omnibus Test)

Tabel 9. Simultaneous Significance Test Results

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	13,004	4	,011
	Block	13,004	4	,011
	Model	13,004	4	,011

According to the data presented in Table 9, the simultaneous significant test reveals a Chi Square value of 13.004, indicating a significance level of 0.011. This significance level is found to be smaller than the conventional threshold of 0.05. It indicates that the independent factors, specifically ROA, CR, DER, and Institutional Ownership, collectively exert a statistically significant influence on the dependent variable, which is the timeliness of financial report.

3.2.7 Individual Significance Test (Parameter Estimation and Interpretation)

Table 10. Individual Significance Test Results

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	ROA	-7,585	5,347	2,012	1	,156	,001
	CR	1,663	,864	3,703	1	,054	5,275
	DER	8,430	3,981	4,483	1	,034	4582,760
	KI	7,427	3,227	5,296	1	,021	1680,115
	Constant	-9,445	4,733	3,982	1	,046	,000

a. Variable(s) entered on step 1: ROA, CR, DER, KI.

Based on Table 10, ROA has a significance level of 0.156, greater than the significance level (α) of 0.05 so Ha_1 is rejected. This finding suggests that the return on assets (ROA) does not have a significant impact on the punctuality of financial report filing. This study's findings align with prior research by Valentina & Gayatri (2018) which state that "profitability has no effect on the timeliness of submitting financial reports". Furthermore, the Liquidity variable proxied by Current Ratio (CR) has a significance level of 0.054, so Ha_2 is rejected. This shows that CR has no effect on the timeliness of financial report submission. This is in line with the results of Carolina & Tobing's (2019) research which states that "the timeliness of submitting financial reports is not influenced by liquidity."

DER exhibits a significance level of 0.034. This significance level is found to be smaller than the predetermined threshold of 0.05, but positive. Consequently, the alternative hypothesis Ha_3 is rejected. This finding suggests that the implementation of DER does not have a detrimental impact on the punctuality of submitting financial reports. This study's findings align with the outcomes of previous research of Permatasari (2020) which states that "leverage has a positive effect on the timeliness of financial reporting". Furthermore, the Institutional Ownership variable significance value of 0.021, so Ha_4 is accepted. This shows that Institutional Ownership has a significant positive effect on the timeliness of financial report submission. This matches the research of Verawati (2018) and Dufrisella & Utami (2020) proving that "institutional ownership has a positive effect on the timeliness of submitting financial reports."

4. CONCLUSION AND RECOMMENDATION

4.1 Conclusion

The conclusion of this research is:

1. Profitability proxied by Return On Assets (ROA) has no significant effect on the Timeliness of Submitting Financial Statements (KLK).
2. Liquidity proxied by Current Ratio (CR) has no significant effect on the Timeliness of Submitting Financial Statements (KLK).
3. Leverage proxied by Debt to Equity Ratio (DER) has a significant positive effect on the Timeliness of Submitting Financial Statements (KLK).
4. Institutional Ownership has a significant positive effect on the Timeliness of Submitting Financial Statements (KLK).

4.2 Limitation

The limitation of this research is:

1. The study focused on Consumer Goods sector businesses that were listed on the Indonesia Stock Exchange (IDX) between 2018 and 2021. The researchers employed purposive sampling to choose the objects for analysis.
2. The explanatory power of the variables Profitability, Liquidity, Leverage, and Institutional Ownership is limited to 37.2% in relation to the dependent variable, which is the Timeliness of Submitting Financial Statements.
3. The Indonesia Stock Exchange (IDX) website does not provide certain details regarding the submission dates of financial reports in the years 2018 and 2019.

4.3 Recommendation

The recommendation from this research is:

1. Incorporating research periods and diversifying the range of research items beyond the Consumer Goods industry. Future research might also combine qualitative method in order to gain more insight regarding the timeliness of financial reports from internal stakeholders. Another theory, such as legitimacy theory can be used in theoretical framework to gain another point of views regarding timeliness of financial statements.
2. Incorporating additional independent factors, namely Company Size and Net Profit Margin, which are anticipated to have an impact on the promptness of financial report filing.
3. Additional research is required to obtain information regarding the specific dates on which financial reports are submitted.

4.4 Research Implication

This study demonstrates that there exists a notable positive correlation between Institutional Ownership and the Timeliness of Submitting Financial Statements. This observation demonstrates a positive correlation between institutional ownership and the level of oversight exerted on corporate operations. This particular mode of supervision bears resemblance to the management of internal controls within a corporation, with the aim of enhancing effectiveness. One instance occurs when the institutional party assumes the role of the parent company for the company, hence prompting the implementation of internal controls by the parent company. Furthermore, by having both the financial statements of the parent business and its subsidiaries audited by the same Public Accounting Firm, the efficiency of the audit process in terms of document collection would be enhanced in order to expedite the audit process and ensure timely issuance of financial statements.

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