

EFFECT OF MANAGEMENT OWNERSHIP, INDUSTRY AUDITOR SPECIALIZATION, AUDIT COMPLEXITY AND AUDITOR SWITCHING ON TIMELINESS OF FINANCIAL REPORTING

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Abstract: This study aims to determine the effect of managerial ownership, auditor industry specialization, complexity audit, and auditor switching on the timeliness of submitting financial reports to Energy sector companies listed on the Indonesia Stock Exchange in 2017-2021. The method in this research is a quantitative research method. The population in this study are energy sector companies listed on the Indonesia Stock Exchange during 2017-2020. The sampling technique in this study used a purposive sampling technique with 41 research samples within five years so that a total of 205 research data were obtained. Data analysis used descriptive statistical analysis method and logistic regression analysis using SPSS 26 software. The results showed that managerial ownership, auditor industry specialization, audit complexity had a positive effect on the timeliness of financial reporting, while switching auditors did not affect on the timeliness of financial reporting. The accuracy of submitting financial statements to companies tends to be influenced by factors such as high levels of managerial ownership, auditor industry specialization, and audit complexity, but the presence of switching auditors in the company does not affect the time of submission of financial statements.

Keywords: Audit complexity, Auditor switching, Industry auditor specialization, Management ownership, Timeliness

INTRODUCTION

Financial reports are a form of corporate responsibility to stakeholders. Financial reports are complete information about a company for the purposes of internal parties (management) and for external parties as additional information on the company's performance (Hery, 2021: 3). Financial reporting is a means by which companies can communicate various information and economic indicators of the resources they own and their performance to various interested parties (Al-Muzaiqer et al., 2018). The Indonesian Institute of Accountants (2019) reveals that financial reports have the objective of providing information about financial position, financial performance, and equity cash flows that are useful for most users of financial statements in making economic and entity decisions by presenting complete financial reports at least once a year. . This means that each company is required to publish its financial statements at least once a year.

Regulations regarding submission of financial reports to the public have been regulated by the Financial Services Authority of the Republic of Indonesia (2016) in OJK Regulation No. 29/PJOK.04/2016 Article 7 paragraph (1) concerning Annual Reports of Issuers or Public Companies "The annual financial report must be submitted to the

Financial Services Authority no later than the fourth month or 120 days from the end of the financial year". This means that companies that issue shares on the Indonesia Stock Exchange (IDX) are required to submit audited annual financial reports no later than 120 days after the end of the financial year. The faster the financial reports are made, the better the information conveyed is useful for users. Vice versa, if there is an unreasonable delay in financial reports, it will cause users to lose their relevance in making decisions (Triyanto & Kusumaningtyas, 2022).

In 2020, Indonesia is experiencing an emergency, namely the presence of Covid-19 which will have a direct or indirect impact on the performance and operations of both large companies and small companies. Overcoming this emergency situation, the Financial Services Authority (OJK) issued Letter Number S-92/D.04/2020 which regulated the Financial Services Authority of the Republic of Indonesia (2020) with Number 14/POJK.05/2020 stating that the deadline for submitting financial reports was extended for 2 months from the due date of the financial report obligation to be submitted annually. This means that the submission of the 2019 financial reports is submitted to the public no later than the end of the sixth month of 2020.

The Covid-19 pandemic will continue until 2021 which will still have an impact on every public issuer. In response to this situation, the Financial Services Authority of the Republic of Indonesia (2021) again issued Letter Number S-30/D.04/2021 which stated that the deadline for submitting annual financial reports was extended for 2 months from the deadline for submitting financial statements annually. However, there is a second amendment regarding the Financial Services Authority Regulation Number 14/POJK.05/2020 which states that the deadline for submission of annual financial reports is extended for 1 month from the deadline for the mandatory annual periodic reports. This means that financial reports ending in 2021 must be submitted to the public no later than the fifth month of 2022.

Companies that are suspended due to delays in submitting financial reports to the public. The following are companies that have been suspended in sectors listed on the Indonesia Stock Exchange (IDX) for 2017-2021:

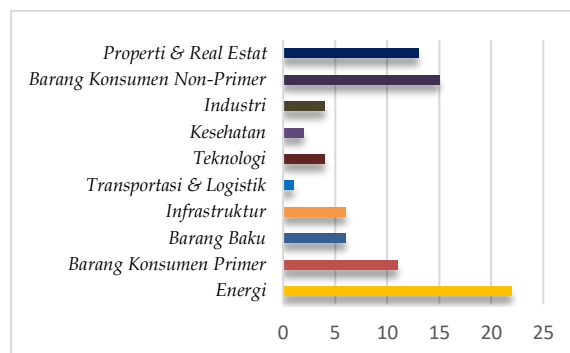


Figure 1. Energy Sector Companies Suspended 2017-2021

Source: www.idx.co.id

In Figure 1 it can be seen that energy sector companies are the highest companies in the imposition of suspension due to delays in submitting financial reports. So this study will focus on energy sector companies to determine the effect of managerial ownership,

auditor industry specialization, audit complexity, and auditor switching on the accuracy of financial statement submission.

This research was carried out by previous researchers, namely Kristiantini & Sujana (2017) and Gusriadi et al. (2020), states that managerial ownership has a positive effect on the accuracy of submitting financial reports. Whereas in the research results of Kalsum (2022), Alsmady (2018) and Lumbantoruan & Siahaan (2018) managerial ownership does not affect the accuracy of the delivery of financial reports. In the study by Aurely et al. (2021), Arumningtyas & Ramadhan (2019), and Zadea & Majidah (2021), found that auditor industry specialization has a positive effect on the accuracy of submitting financial reports. However, in the study by Kusuma et al. (2020), Michael & Rohman (2017), and Fasha & Ratmono (2022), suggest that the auditor's industry specialization does not affect the accuracy of the submission of financial reports.

In the research of Alnajran & Faleel (2021), Pratama & Ciptani (2018), and Ariyani & Budiarta (2014), it is stated that audit complexity has a negative effect on the accuracy of submitting financial reports. However, the research results are different from Nurhairunnisa et al. (2021), Andriani & Winarno (2021), and Krisyanti & Yuniarta (2021), found that audit complexity has no effect on the accuracy of submission of financial reports. In the research of Budiyanto & Aditya (2017), Sastrawan & Badera (2018), and Carbaja & Yadnyana (2015), argued that auditor switching has a negative effect on the accuracy of submission of financial reports. However, in the research by Wiryakriyana & Widhiyani (2017) which shows the results of auditor switching research have a positive effect on the accuracy of submitting financial reports. In addition, in Mardiani et al. (2021) and Krisyanti & Yuniarta (2021) explain that auditor switching does not affect the accuracy of submitting financial reports.

The many factors that cause delays in submitting financial reports to the public will have a negative impact on companies, especially when investors want to make investment decisions. So based on the facts and inconsistencies of the research that has been done, this study aims to examine: (1) the effect of managerial ownership on the accuracy of submission of financial reports, (2) the effect of industry auditor specialization on the accuracy of submission of financial statements, (3) the effect of audit complexity on the accuracy of submission financial reports, and (4) the effect of auditor switching on the accuracy of the delivery of financial reports. The novelty of this research is the research period used 2017-2021.

Compliance Theory

An individual will essentially be subject to rules that are considered to be in accordance with applicable norms and standards. According to Lunenbrug (2012) in the research of Wiryakriyana & Widhiyani (2017) compliance theory is an organizational structure approach that combines ideas from the classical model and management participation. Compliance theory has the nature of being obedient and subject to the teachings or regulatory standards that have been set so that it encourages individuals to comply with the applicable rules. This also applies to companies in submitting financial reports so that companies comply with established rules so that financial reports are published in a timely manner (Muftiarani & Mulya, 2020). Many companies listed on the Indonesia Stock Exchange are late in submitting their financial reports to the public so they are subject to sanctions by the Exchange up to suspension.

Agency Theory

Agency theory is a theory that explains the existence of a relationship that arises when the principal entrusts his capital to be operationalized by the agent in a business, both services, trade and manufacturing (Supriadi, 2020). Agency problems usually occur due to differences in interests between agents and principals in increasing individual satisfaction (Triyanto & Kusumaningtyas, 2022). This is considered by the agent to make decisions for personal gain but to the detriment of the principal (Nirmanggi & Muslih, 2020). The agency theory states that every large company or small company has the responsibility to submit financial reports in a timely manner because each company is closely monitored by investors, the government and other institutions. In addition, agency theory also states that the sooner a company publishes its financial reports, the more information asymmetry errors will be eliminated and the company management will not create suspicion of stakeholders (Nurhairunnisa et al., 2021). This encourages management to publish its financial reports in a timely manner.

Management Ownership

Managerial ownership is a shareholder who is part of the company's top managers, namely directors and commissioners who have the power to present financial reports (Lumbantoruan & Siahaan, 2018). In agency theory, managers can use information asymmetry for personal gain, this will affect the disclosure of information and the accuracy of submitting financial reports which will have an impact on corporate image (Alsmady, 2018). According to Abernathy et al. (2018), managerial ownership has an influence on the accuracy of submitting financial reports because when a company makes a decision to issue profits, this reflects management's internal confidence in the company's financial reporting system. However, Kalsum (2022) says that the existence of managerial ownership is an opportunity for managers to act according to the wishes of shareholders with the aim of increasing performance and responsibility in achieving maximum results. The manager's opportunity not only has a negative impact but has a positive impact on the company when managerial ownership can carry out strict supervision for managers in making decisions (Kristiantini & Sujana, 2017). Then the performance of managers is influenced by managerial ownership, if a company has good performance then the company will tend to publish its financial reports in a timely manner.

H1: managerial ownership has a positive influence on the accuracy of the delivery of financial reports.

Auditor Industry Specialization

In agency theory, where there are two parties, namely the manager as the agent and the owner as the principal, a third party is needed as an intermediary, namely an independent auditor. Each company is required to have an auditor who is experienced and understands the condition of the company. One of the important things that can be considered by a company when choosing an independent auditor is special knowledge about an industry that is owned by an auditor's industry specialization (Michael & Rohman, 2017). The amount of experience and understanding in the industrial sector is considered to be able to influence the audit completion process, because the auditor already understands the transaction patterns and operations of companies that have many subsidiaries (Aurely et al., 2021). According to Kusuma et al. (2020), the time to

complete the audit process is one way to assess auditors who have good quality or not good quality. Auditors with industry specializations have confidence in maintaining a reputation in the eyes of clients and the existence of incentive factors motivates auditors to practice overtime so that auditors quickly complete their audit reports (Kosasih & Arfianti, 2020). The turnaround time for audited financial reports will be shorter if they are audited by industry-specialized auditors because they have more expertise and experience in finding errors in financial statements (Michael & Rohman, 2017). Auditors who have industry specialization tend to have more understanding and experience, so they will complete their audit work more quickly.

H2: auditor industry specialization has a positive influence on the accuracy of financial report submission.

Audit Complexity

The complexity of the audit represents the large number of subsidiary entities. The complexity of the audit arises because of the division of work and the formation of new departments in different numbers of units (Sujarwo, 2019). The level of audit complexity depends on the number of subsidiaries and product and market diversification so that it will affect the accuracy of submitting financial reports (Ariyani & Budiarta, 2014). The large number of subsidiaries causes the company to have more operating units to examine records and transactions, so this will affect the auditor's time to complete the audit work (Pratama & Ciptani, 2018). In agency theory, companies that have a high level of audit complexity tend to cause agency problems, because companies will tend to be timely in submitting their financial reports (Triyanto & Kusumaningtyas, 2022). The large number of subsidiary companies reflects that the company has more operating units so that the auditor takes longer to complete the audit work (Dewi & Wahyuni, 2021). The number of subsidiary companies reflects the number of operating units owned so that the auditor will take longer to complete the audit work.

H3: audit complexity has a negative effect on the promptness of submitting financial reports.

Switching Auditors

Auditor switching is an act of client companies in changing auditors or Public Accounting Firms (KAP) (Wiryakriyana & Widhiyani, 2017). In agency theory there is a conflict between the agent and the principal, so to reduce this conflict an auditor is needed as a third party to confirm the information provided by management to the company (Muftiarani & Mulya, 2020). In general, companies changing auditors are influenced by several factors that will have an impact on the completion of a financial statement audit. The audit process will take longer if the auditor accepts further assignments so that it will have an impact on the time of submitting financial reports to the public (Wiryakriyana & Widhiyani, 2017). The new auditor must also make adjustments to the company's business and communicate with the old auditor regarding continued assignments, reassignment is a company consideration in assessing inherent risk (Putra & Sukirman, 2014). The adaptation process will affect the publication of the company's financial reports to the public. With a change of auditors in the company, it will take time for the new auditors to make work adjustments so that it takes longer to complete their work.

H4: auditor switching has a negative effect on the accuracy of submission of financial reports.

The theoretical framework of the study is as follows:

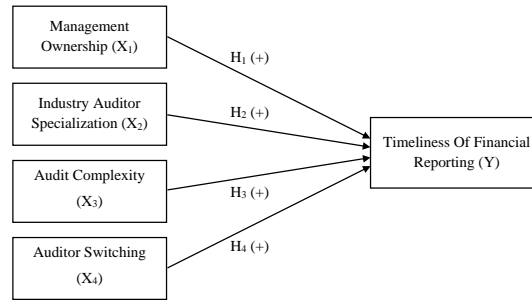


Figure 2. Research Framework

Source : Author, (2023)

METHODS

This study uses a quantitative method using secondary data sourced from the official website of the Indonesia Stock Exchange and companies related to the object of research. The population used as the dependent variable in this study is all energy sector companies listed on the Indonesia Stock Exchange in 2017-2021. The sampling technique uses the same method as research conducted by Dwiastuti & Dillak (2019), namely using purposive sampling, based on certain criteria in accordance with the research objectives. Criteria used as research samples:

- a. Energy sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021
- b. Energy sector companies that consistently submit annual financial reports on the Indonesia Stock Exchange for 2017-2021

Table 1. Sample Criteria

No	Sample Criteria	Sum
1	Energy sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021	75
2	Energy sector companies that do not consistently submit annual financial reports on the Indonesia Stock Exchange in 2017-2021	(25)
	Number of sample companies	50
	Number of companies sampled during 2017-2021	250

Source: www.idx.co.id

The dependent variable in this study is the timeliness of financial reporting as measured by using a dummy variable, category 0 if the company reports its financial

statements on time and category 1 if the company reports its financial reports on time. While the independent variables include Management Ownership, Industrial Auditor Specialization, Audit Complexity, and Auditor Switching. Management Ownership is measured using the proportion of shares owned by management to the number of outstanding shares. Industrial Auditor Specialization is measured by a comparison between the number of KAP clients in the industry and the total number of issuers in the industry, then multiplied by the results of the comparison of the average KAP client assets in the industry with the average assets of all issuers in the industry. Audit complexity is measured by a dummy variable, category 0 if the company has no subsidiaries and category 1 if the company has subsidiaries. Auditor switching is measured by a dummy variable, category 0 if the company does not perform auditor switching and category 1 if the company does auditor switching.

$$\text{Ln} \frac{\text{TL}}{1 - \text{TL}} = \alpha + \beta_1 \text{MO} + \beta_2 \text{IAS} + \beta_3 \text{AC} + \beta_4 \text{AS} + e$$

Information:

Ln = Log of Odds

TW = Probability of Timeliness of Financial Reporting

α = Constant

$\beta_1 \beta_2 \beta_3 \beta_4$ = Regression Coefficient

MO = Management Ownership

IAS = Industry Auditor Specialization

AC = Audit Complexity

AS = Auditor Switching

e = Error

RESULTS AND DISCUSSION

The companies sampled in this study are 50 energy sector companies listed on the Indonesia Stock Exchange in 2017-2021, but there are nine outlier data, namely for companies with the stock codes APEX, BULL, INDY, KOPI, MBAP, MEDC, MITI, SHIP, SOCI which cannot be included in this study. So the sample in this study is 41 energy sector companies listed on the Indonesia Stock Exchange in 2017-2021, so the total sample in this study is 205 samples.

The companies that were sampled in this study were ADRO, AKRA, ARII, ARTI, BBRM, BIPI, BOSS, BSSR, BUMI, BYAN, CNKO, DEWA, DOID, DSSA, DWGL, ELSA, ENRG, ETWA, GEMS, HITS, HRUM, ITMA, ITMG, JSKY, KKG, LEAD, MBSS, MTFN, MYOH, PGAS, PSSI, PTBA, PTRO, RAJA, RIGS, RUIS, SMMT, TAMU, TOBA, TPMA, and WINS. The following are the results of the descriptive statistical analysis test in this study:

Table 2 Descriptive Statistic Analysis (Nominal)

Variable	N	2017 - 2021		%Total
		Category = 0	Category = 1	
Timeliness of Financial Reporting	205	12.2%	87.8%	100%
Audit	205	5.4%	94.6%	100%

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Published: August 30, 2023; Website: <http://journalfeb.unla.ac.id/index.php/jasa>

Complexity				
Auditor Switching	205	87.3%	12.7%	100%

Source : Data processed (2022)

Table 2 is the result of a descriptive analysis of 205 samples which shows that the accuracy of submitting financial reports 12.2% of observations have category 0, which means that companies are not timely in submitting financial reports. While 87.8% of other observations have category 1, which means the company is timely in submitting financial reports. The complexity of the audit shows that 5.4% of observations have a category of 0 which means the company does not have subsidiaries. 94.6% of other observations have category 1, which means the company has subsidiaries. Auditor switching shows that 87.3% of observations have category 0, which means the company does not do auditor switching, while the other 12.7% observations have category 1, which means the company does auditor switching.

Table 3 Descriptive Statistic Analysis (Ratio)

Variable	N	Min	Max	Mean	Std. Dev
Magement Ownership	205	.00	.65	.0307	.10499
Auditor Industry Specialization	205	.05	46.35	12.3796	14.17358

Source : Data processed (2022)

Table 3 results of descriptive statistical analysis of 205 samples showing that managerial ownership has an average value of 0.0307 and a standard deviation value of 0.10499, with a minimum value of 0.00 and a maximum value of 0.65 which indicates the shares owned by the directors and the board of commissioners to total shares issued by the company.

The maximum value of managerial ownership is owned by PT Bayan Resources Tbk. (BYAN) from 2017 to 2018, namely 0.65, indicating that the company's management has a sizeable share ownership of IDR 2,167,253,300 of the total outstanding shares of IDR 3,333,333,500 or equivalent to 65% share ownership.

The minimum managerial ownership value of 0.00 is owned by BIPI from 2017 to 2021, BOSS from 2017 to 2021, BUMI from 2017 to 2021, CNKO from 2017 to 2021, DEWA from 2017 to 2021, DSSA from 2017 to 2021, DWGL from 2017 to 2021, ELSA 2018 to 2021, ENRG 2017 to 2021, ETWA 2017 to 2021, GEMS 2018 and 2019, HITS 2019 to 2021, ITMA 2017 to 2021, JSKY 2017 to 2021, MBSS 2017 to 2021, MTFN year 2017 to 2021, MYOH from 2017 to 2021, PGAS from 2018, 2019 and 2021, PTRO from 2019 to 2021, KING from 2017 to 2021, RIGS from 2017 to 2021, RUIS from 2017 to 2019, SHIP from 2017 and 2 018, SMMT in 2017, TAMU from 2017 to 2021, TOBA from 2018 to 2021, TPMA from 2019 to 21 which shows that the company's management does not have ownership of the company's shares.

The auditor industry specialization has an average value of 12.3796 and a standard deviation value of 14.17358, with a minimum value of 0.05 and a maximum value of 46.35 which shows the audit expertise and experience of an auditor in the market share. ADRO, BYAN, ITMG, MYOH, PGAS, PSSI, and PTBA have a maximum industry specialization score of 46.35 in 2021 which shows that these auditors have the most number of clients, namely 7 companies. The minimum value of auditor industry specialization of 0.004 is owned by BOSS in 2017 indicating that the auditor has the least number of clients, namely only one company.

Regression Results

Regression Model Feasibility

The feasibility of the regression model (goodness of fit test) was assessed using Hosmer and Lemeshow's Test or known in SPSS as Chi-Square. This test tests the null hypothesis (H0) that the empirical data fits the model or there is no difference between the model and the data, so the model can be declared fit. The following are the results of the Hosmer and Lemeshow test:

Table 4. Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	3.635	8	.888

Source : Data processed (2022)

Based on table 4 shows the resulting significance level of 0.888. The significance value is greater than 0.05, so H0 is accepted. Thus the regression model used matches the observed value, so that the model can be estimated by the observation value.

Assessing the Overall Model

This test was carried out to assess whether the hypothesized model fits the data as seen from the reduction of the initial -2Log to the final -2Log values. The following are the results of the overall model fit test:

Table 5. Overall Model Fit Test

Description	-2 Log Likelihood
Block Number = 0	152.026
Block Number = 1	97.669

Source : Data processed (2022)

The entire regression model in this study looked at the value of -2 Log Likelihood. Based on table 5, it shows that the initial -2 Log Likelihood value (Block Number = 0) has decreased, from 152,026 to 97,669 at the final -2 Log Likelihood (Block Number = 1). The decrease in the -2 Log Likelihood value indicates that the regression model is getting better. Thus the regression model used is said to be feasible for analysis at a later stage.

Hypotheses Testing

Coefficient of Determination

The coefficient of determination in logistic regression can be seen in the Nagelkerke R Square in the Model Summary table, which has the objective of measuring the extent to which the model's ability to explain variations in the related variables. The following are the results of testing the coefficient of determination:

Table 6. Modal Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	97.669 ^a	.233	.445

Source : Data processed (2022)

Based on table 6 it shows that the Nagelkerke R Square value is 0.445 or 44.5%. This means that the ability of the independent variables, namely managerial ownership, auditor industry specialization, audit complexity, and auditor switching are able to explain the variation of the dependent variable, namely the accuracy of the delivery of financial reports by 44.5%. While the remaining 55.5% is explained by other variables outside this study.

Simultaneous Tests (Omnibus Tests of Model Coefficients)

Simultaneous testing can be seen in the Test of Model Coefficients table using a significance level of 0.05. Simultaneous testing was carried out to find out whether the dependent variable, namely the accuracy of submission of financial reports, has a smooth relationship to the independent variables, namely managerial ownership, auditor industry specialization, audit complexity, and auditor switching. Following are the results of simultaneous testing:

Table 7. Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	54.357	4	.000
	Block	54.357	4	.000
	Model	54.357	4	.000

Source : Data processed (2022)

Based on table 7 shows that the resulting significance level is 0.000. This value is smaller than the significance level of 0.05. This shows that the dependent variable (accurate delivery of financial statements) influences the independent variables (managerial ownership, auditor industry specialization, audit complexity, and auditor switching) simultaneously.

Partial Test

Partial testing can be seen in the Variables in The Equation table with a significance level of 0.05 and the beta coefficient (B) is used to form the logistic regression equation in this study. Partial testing aims to determine the effect of each independent variable, namely managerial ownership, auditor industry specialization, audit complexity, and auditor switching partially on the accuracy of financial statement submission. The following are the results of partial testing:

Table 8 Variables in The Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	KM	750.745	356.069	4.445	1	.035	.
	SIA	.215	.080	7.333	1	.007	1.240
	KA	3.012	1.170	6.627	1	.010	20.323
	AS	.093	.644	.021	1	.885	1.098
	Constant	-2.222	1.194	3.460	1	.063	.108

Source : Data processed (2022)

Based on table 8, the following logistic regression model is presented as follows:

$$\ln \frac{TW}{1 - TW} = -2.222 + 750.745KM + 0.215 SIA + 3.012KA + 0.93AS + e$$

Discussion

Managerial ownership has a beta value of 750.745 with a significance value of 0.035. This shows that the independent variable (managerial ownership) has a positive and significant influence on the dependent variable (accurate delivery of financial statements), so the hypothesis (H1) is accepted. This is in line with compliance theories which show that when submitting financial reports, companies comply with established rules so that financial reports are published in a timely manner (Muftianani & Mulya, 2020). In addition, this is in line with the agency which shows that managerial ownership can minimize agency costs and control managers by exercising an attitude of justice

between managers and investors because of the minimal information asymmetry that occurs (Alsmady, 2018).

Managerial ownership has a positive impact on the company. The high level of managerial ownership in the company will create a high sense of responsibility and encourage management to be more careful in making decisions. Management tends to be easier to supervise so as to prevent and minimize financial report manipulation. Management is very important because it relates to the company's operational control. Managerial ownership can improve management performance, if management performance is good, companies tend not to be late in publishing their financial reports. These results are in line with research from Kristiantini & Sujana (2017), Dufriella & Utami (2020) and Gusriadi et al. (2020) which proves that the existence of managerial ownership can increase the accuracy of the delivery of financial reports.

The auditor industry specialization has a beta value of 0.215 with a significance value of 0.007. This shows that the independent variable (auditor industry specialization) has a positive and significant influence on the dependent variable (accuracy in the delivery of financial statements), so the hypothesis (H2) is accepted. This shows that companies that have industry specialization auditors tend to be timely in submitting their financial reports. Auditors with specialization in the auditor industry have more understanding and experience by identifying the market share of companies that have been audited so that auditors complete their audit reports more quickly (Kosasih & Arfianti, 2020). This is in line with agency theory which shows that having auditors with good experience and quality will identify factors for delays in submitting financial reports so as to minimize agency problems, namely information asymmetry (Aurely et al., 2021)

Auditors with industry specialization have a broad understanding and more experience than auditors without industry specialization. Industry specialization auditors tend to be fast and timely in completing audited financial reports because they understand companies in the same industry so that they are quicker in detecting financial statement misstatements. In addition, auditors with industry specialization also have more ability to develop knowledge in the industry so that they are accustomed to conducting client business operations. These results are in line with research from Aurely et al. (2021), Arumningtyas & Ramadhan (2019) and Zadea & Majidah (2021) which prove that specialization in the auditor industry can increase the accuracy of submitting financial reports.

The auditor's audit complexity has a beta value of 3.012 with a significance value of 0.010. This shows that the independent variable (audit complexity) has a positive and significant influence on the dependent variable on the accuracy of financial statement submission, so the hypothesis (H3) is rejected. This shows that the high complexity of the audit will affect the time needed by the auditor to complete the audit report, so that it will affect the accuracy of submitting the company's financial reports to the public (Sari & Sujana, 2021).

The complexity of the audit can be seen from the number of subsidiaries or subsidiaries owned by the parent company. The high level of audit complexity indicates that there are many operating units owned by the parent company. The large number of operating units indicates that the parent company is a large company. Large companies tend to pay attention to corporate image to attract investors to invest their capital. The company's image can be seen from the timeliness in publishing its financial reports. So large companies that have many subsidiaries or subsidiaries tend to be more timely in

submitting their financial reports. The results of the research are in line with the research of Valentina & Rizal (2022), Isnaeni & Nurcahya (2021) and Sari & Sujana (2021) which show that the complexity of auditing companies has a positive effect on the accuracy of submitting financial reports.

Auditor switching has a beta value of 0.093 with a significance value of $0.885 > 0.05$. This shows that the independent variable (auditor switching) has a positive and insignificant effect on the dependent variable (accuracy in the delivery of financial statements), so the hypothesis (H4) is rejected. This is in line with agency theory which shows that there is an auditor as a third party in order to minimize conflicts that occur between managers and company owners in verifying information provided by management to the company (Muftiarani & Mulya, 2020).

The existence of auditor switching at the company does not affect the timely submission of financial reports to the public. Auditors who already have a lot of experience will tend to be quicker in understanding the company's business units. When there is a switching auditor in a company, it will not have an impact on the timing of submission of financial reports to the public because the auditor has the same professional and ethical auditing standards in accordance with the regulations that apply to auditing standards. The results of this study are in line with the research of Mardiani et al. (2021), Muftiarani & Mulya (2020) and Krisyanti & Yuniarta (2021) which show that auditor switching has no effect on the accuracy of submitting financial reports.

CONCLUSION

This study aims to determine the effect of managerial ownership, auditor industry specialization, audit complexity, and auditor switching on the accuracy of financial statement submission. The data is obtained from the annual reports of energy sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. The results of the logistic regression analysis show that managerial ownership, auditor industry specialization, audit complexity, and auditor switching have an effect on the accuracy of financial statement submission. Meanwhile, only auditor switching has no significant effect on the partial accuracy of financial report submission and other variables have a significant effect on the partial accuracy of financial statement submission. The findings in this study can be used as a guideline for companies, especially energy sector companies listed on the Indonesia Stock Exchange, to comply more with the Financial Services Authority Regulations regarding the accuracy of submitting financial reports.

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