The Effect of Profitability, Leverage and Company Size on the Timeliness of Submitting Financial Statements

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Abstract: This study aims to measure the effect of profitability, leverage and company size on the timeliness of financial report submission. This research was conducted on property and real estate sector companies listed on the Indonesia Stock Exchange for the period 2016 to 2019. Sampling was based on a purposive sampling method with basic analysis using logistic regression and different absolute values.

Keywords: profitability, leverage, company size, timeliness of financial report submission.

INTRODUCTION

The timeliness of the submission of financial statements is the availability of information for users of financial statements as a basis for making decisions before the information loses its capacity (Kieso, Weygandt, and Warfield, 2014) and is one of the important factors in presenting relevant information and making information in the report. Finance is useful for users (Belkauoi, 2012). The timeliness of the submission of financial statements implies that the financial statements should be presented at a time interval, to explain changes in the company that might affect users of information in making predictions and decisions (Calen, 2012).

The timeliness of the submission of financial statements is one of the characteristics that makes the information available in the financial statements relevant, where the information must be available to decision makers when needed and must be presented at a time interval to explain changes in the company that will affect users of the information. and make predictions and decisions. Furthermore, timeliness shows the time span between presenting the desired information and the frequency of reporting information. Timely information will affect management's ability to respond to any events and problems. If the information is not delivered in a timely manner it will cause the information to lose value in influencing the quality of decisions. Timely information will also support managers to explain changes in the company and make predictions and decisions.

Based on the revised capital market regulations, companies listed on the Indonesia Stock Exchange must immediately submit or publish financial reports accompanied by an accountant's report with the usual opinion must be submitted to the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) by the latest. - not later than the end of the third month (90 days) after the date of the annual financial statements and then the financial statements are announced to the public. The revision of this regulation is intended so that investors can obtain financial information more quickly as a basis for making investment decisions and adjust to developments in the capital market. If the company is late in submitting the financial report, it will be subject to administrative sanctions in accordance with the stipulated provisions.

Several studies have been conducted regarding the timeliness of financial reporting, including Ine Aprianti (2017) conducted research on the effect of company size, profitability and Debt Equity Ratio on the timeliness of financial reporting. The result is Debt to Equity Ratio (DER), profitability which is proxied in Return on Assets (ROA) has a significant effect on the timeliness of financial reporting, while Total Assets (TA) does not affect the timeliness of reporting.

This research was conducted to prove the effect of profitability, leverage and company size on the timeliness of submitting financial reports to property and real estate companies listed on the Indonesia Stock Exchange for the period 2016-2019.

LITERATURE REVIEW

Timeliness of Submitting Financial Statements

The timeliness of the submission of financial reports is the availability of information for decision makers when it is needed before the information loses the power to influence decisions. The availability of information long after an event that requires a response or a decision has passed makes the information has no value anymore (Suwardjono, 2014).

The timeliness of the submission of financial statements is the time span between the date of the company's financial statements and the date when the financial information is announced to the public which affects the quality of the reported financial information (McGee, 2007). Timeliness implies that financial statements should be presented at a time interval, to explain changes in the company that might affect users of information in making predictions and decisions (Calen, 2012).

Based on the definition described above, it can be concluded that timeliness is one of the characteristics that makes the information available in the financial statements relevant, where the information must be available to decision makers when needed and must be presented at a time interval to explain changes in the company. which will influence users of information in making predictions and decisions. Furthermore, the timeliness shows the time span between presenting the desired information and the frequency of reporting the information. Timely information will affect management's ability to respond to any events and problems. If the information is not delivered in a timely manner it will cause the information to lose value in influencing the quality of decisions. Timely information will also support managers to explain changes in the company and make predictions and decisions.

Profitability

Agus Sartono (2015) defines profitability as a company's ability to earn profits in relation to sales, total assets, and own capital. According to Munawir (2014), profitability shows a company's ability to generate profits for a certain period as measured by the company's success and ability to use its assets productively. Almost the same as this opinion, Syafri Harahap (2018) revealed that profitability is a description of the company's ability to earn profits through all existing capabilities and resources such as sales activities, cash, capital, number of employees, number of company branches, and so on. Kieso, Weygant, and Warfield (2014) argue that profitability can be measured by using a number of ratios to show the company's ability to generate profits including Profit Margin on Sales, Return on Assets, Return on Ordinary Shareholders' Equity, Earnings Per Share, Price Earnings Ratio. and Payout Ratio.

Based on some of these opinions, it can be concluded that profitability shows how much a company's ability to generate profits using existing resources within the company itself.

The profitability variable in this study is calculated using the ROA ratio, which is the ratio between net income after tax and interest to total assets. This ratio is used to see the extent to which the investment of the invested assets is able to provide a return on profits for the company, reflecting the company's ability to generate net income and the effectiveness of asset management. In other words, a high ROA value will reflect the effectiveness of management in managing their assets.

Leverage

Leverage is the company's ability to fulfill its long-term obligations (M. Hanafi and Abdul Halim, 2014). According to J. Fred Weston and Thomas E. Copeland (2011), leverage shows the extent to which the company has been financed by the use of debt, meaning how much debt the company bears compared to its assets. Leverage also shows the level of protection for long-term creditors and investors (Kieso, 2014).

The purpose of leverage is to find out the position of the company to creditors and to assess how much the ability and influence of debt is on the company (Kasmir, 2016). Financial leverage shows how much the use of company assets and sources of funds that have fixed costs in order to increase the potential profit of shareholders (Fitri, 2013). Leverage also shows the level of activity of companies that are financed from the use of debt (Wirakusuma, Made Gede and Merlina Toding, 2013).

According to J. Fred Weston and Thomas E. Copeland (2011), leverage can be measured by using a number of ratios including Debt to Total Assets Ratio, Debt to Equity Ratio, and Times Interest Earned Ratio.

Debt to Equity Ratio (DER) is a financial ratio used to assess debt to company equity. This ratio is used to find out the total funds provided by the borrower (creditor) and the owner of the company. In other words, how much is the value of each rupiah of the company's capital that is used as debt collateral (Kasmir, 2016).

The leverage variable in this study is calculated using the DER ratio, namely the ratio of total debt to total equity is used to measure the extent to which a company is financed with debt. The higher the DER, the greater the total debt composition compared to the total equity itself, so that it has a greater impact on the company's burden on outsiders (creditors) (Brigham and Houston, 2014).

Company Size

The size of a company is an important thing to pay attention to, especially for investors and creditors. According to Brigham & Houston (2014), company size describes the size of a company that is shown or valued by total assets, total sales, total profits, tax expense and others.

Wirakusuma dan Merlina Toding (2013) revealed that company size reflects how much information is contained in the company. The bigger the size of a company, the better known the company is to the public and company size is one of the benchmarks that shows the size of the assets of the company. Companies that have large total assets indicate that the company has reached the maturity stage (Bestivano, 2013).

The firm size variable in this study is calculated using the Ln of total assets. Company size describes the size of the company as indicated by total assets, total sales and total profits.

Past Research

Many researches on the timeliness of financial report submission have been done. This study uses the basis of previous research as a basis for reference and reference material. This study is a development of several previous studies by looking at the inconsistency of research results regarding the factors that affect the timeliness of financial reporting.

This research is the development of research conducted by Anita Ade Rahma (2019), which analyzes the debt equity ratio, return on assets and total assets on the timeliness of submitting financial statements. The difference between this study and Anita Ade Rahma's research is to change the total asset variable into company size.

Framework

Based on the problem formulation and theoretical basis previously described, the researcher identified three independent variables, namely profitability (X1), leverage (X2) and company size (X3) which are estimated to have an effect on the timeliness of financial report submission (Y).

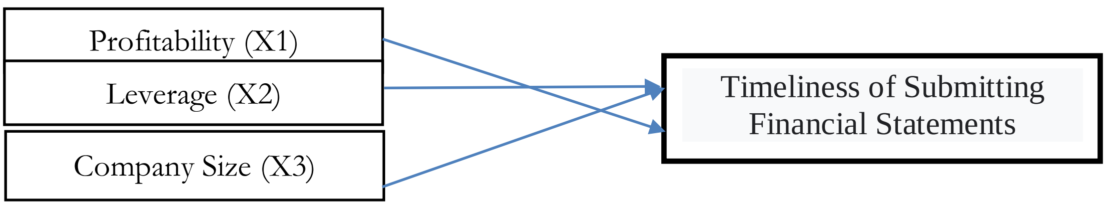

Figure 1. Framework

Hypothesis

Effect of profitability on timeliness of financial statement submission

Profitability shows how much the ability of a company to generate profits using existing resources within the company itself. Profitability is proxied by Return on Assets (ROA) which is the ratio between net profit after tax and interest and the number of company sales which is used to see the extent to which the investment of the invested assets is able to provide returns for the company and can reflect the company's ability to generate net income.

If a company has a low level of Return on Assets (ROA), then this reflects that the management performance in the company is bad or not optimal. Vice versa, if the company's Return on Assets (ROA) is high, then this proves that the management performance in the company is good. Thus, the higher the value of a company's Return onAssets (ROA), the company will tend to submit its financial reports in a timely manner. This is supported by research conducted by Ine Apriani (2017), Urvan Maulana Mufqi (2015), Dedik Norman, Pradipta Dedik, Bambang Suryono (2017), Ahmed Ozcan (2019), Nur Anissa and Djoko Kristanto, Bambang Widarno (2019), Fadhli Azhari and Muhammad Nuryanto (2020). The results revealed that the company's profitability had a significant effect on the timeliness of financial reporting.

H1: Profitability affects the timeliness of financial statement submission.

Effect of leverage on timeliness of financial statement submission

The company's leverage shows the extent to which the company is financed by outsiders. The high value of DER causes the company's level of dependence on debt as additional funds to meet its needs is higher(Tanjung, P.R.S., Wahyudi, S.M, 2019).Companies that have a high degree of leverage have a tendency to submit their financial reports in a timely manner. This is because the company will try to improve its leverage level first before submitting it to the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) and the public. Companies need a lot of time to improve their level of leverage, so this is one of the factors for the delay in submitting their financial reports (Urvan Maulana Mufqi, 2015).

This statement is also supported by research conducted by Ine Apriani (2017). The results of his research reveal that the leverage of a company, which is proxied by DER, has an effect on the timeliness of financial report submission. This statement is also supported by research conducted by Viola Syukirna, E Janrosi and Argo Putra Prima (2018). Research conducted by Ahmed Ozcan (2019), Dedik Norman, Pradipta Dedik, Bambang Suryono (2017). also states the same thing that corporate leverage affects the timeliness of financial report submission.

H2: Leverage affects the timeliness of financial statement submission.

Effect of Company Size on the timeliness of financial statement submission.

Company size describes the size of the company as indicated by total assets, total sales and total profits. In addition, the size of the company reflects how much information contained in the company affects the social performance of the company and causes the achievement of company goals.

Companies with a large scale will usually tend to report their financial reports in a timely manner. This is supported by research conducted by Joko Suryanto and Indra Pahala (2016) which states that the size of a company affects the timeliness of financial reporting.

The same statement was obtained from several research results conducted by Dewi UtamiYennisa (2017), Komang Wahyu Surya Saputra, I Wayan Rahmanta (2017), Viola Syukirna E Janrosl and Argo Putra Prima (2018), Ahmed Ozcan (2019), Anita Ade Rahma, Lusiana and PuputIndriani (2019) as well as Fadhli Azhari and Muhammad Nuryanto (2020) who reveal that company size affects the timeliness of financial reporting.

H3: The size of the company affects the timeliness of financial statement submission.

RESEARCH DESIGN AND METHOD

Operationalization of Variables and Measurement of Variables

The research variable is the object of research. The dependent variable in this study is the timeliness of financial report submission. The independent variables in this study are profitability, leverage and company size.

Table 1. Operational Variables

Variable	Dimensions	Indicator	Scale
Profitability (X1)	The ratio between net profit after tax and interest with the number of company sales	ROA: $\frac{\text{Net Income}}{\text{Total Assets}}$	Ratio
Leverage (X2)	The ratio between total debt, including current debt, to total equity.	$DER: \frac{\text{Total Liabilities}}{\text{Total Equity}}$	Ratio
Company Size (X3)	Natural logarithm (Ln) of total assets	SIZE: Ln (Total Asset)	Ratio
Timeliness of Submitting Financial Statements (Y)	submission of financial reports ≤ 120 days	≤ 120 days = on schedule = 1 ≥ 120 hari = not on schedule = 0	Dummy

Sample Determination

The populations of this study are property companies listed on the Indonesia Stock Exchange (IDX) for the period 2016 to 2019. Sampling in this study used the purposive sampling method. The sample is determined on the basis of the suitability of certain characteristics and criteria, namely property and real estate companies listed on the Indonesia Stock Exchange (IDX) consecutively for the 2016-2019 period, these companies have issued annual financial reports ending December 31 for the 2016- period. 2019, displays data and information used to analyze factors that affect the timeliness of submitting annual financial reports for the 2016-2019 period and during the study period, the company did not experience delisting from the IDX.

Data analysis method

In this study, descriptive statistical analysis was carried out to provide a description of the research variables statistically using a logistic regression model because the dependent variable in this study was dummy. The logistic regression model used to test the hypothesis is as follows:

$$\mathbf{Ln\ (\frac{TL}{1-TL}) = b0 + b1ROA + b2DER + b3SIZE + e}$$

RESEARCH RESULTS AND DISCUSSION

Based on the specified sample selection criteria, 240 samples were obtained from 97 companies for three years of observation (2016-2019). A summary of the results of sample selection is as follows:

Table 2. Sample Selection Results

Results of Determination of Sample	Criteria Amount
Real estate and property companies listed on the Indonesia Stock Exchange during the 2016-2019 period	97
Companies that were delisted during the research year	(14)
Outlier data	(23)
Companies that meet the criteria	**60**
Number of Samples (60x4years)	**240**

The independent variables used in this study consisted of profitability as proxied by ROA, Leverage as proxied by DER, and company size as proxied by Total Assets. The total sample data from each independent variable is 240. The following is a description of the independent variables based on the table below:

Table 3. Descriptive Statistics Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	240	-40.0809	0.2604	-0.1341	0.0319
DER	240	0.0249	35.4655	1.225	2.5927
TA	240	25.0424	32.4544	29.3631	29.9614
Valid N (listwise)	240				

Profitability variable that is proxied by ROA with a minimum value of -40.0809 percent is PT RMBS Tbk's ROA in 2016. The maximum ROA value is 0.2604 percent, namely PT INPP Tbk's ROA in 2019. From the overall sample data, the level of profitability of real estate and property companies is average an average of -0.1341 percent with a standard deviation of 0.0319 percent. The standard deviation value is greater than the average value, this indicates that the sample data is heterogeneous due to the variation in the data, meaning that the average ROA has a high deviation rate of 0.0319 percent.

The Leverage variable, which is proxied through DER, has a minimum value of 0.0249 percent, namely DER belonging to PT LCGP Tbk in 2019 while the maximum value is 35.4655 percent, namely DER from PT ACST Tbk in 2019. The average Leverage level of real estate and property companies is 1,225 percent with a standard deviation of 2.5927 percent. The high standard deviation value compared to the average value indicates heterogeneous data so that the data is more varied. The high standard deviation value indicates a leverage deviation rate of 2.5927 percent.

The Company Size variable, which is proxied by TA, has a minimum value of 25.0424 which is owned by PT MTSM Tbk in 2018. While the maximum value is shown by WSKT from 2018 of 32.4544. From the sample data used, the average size of real estate and property companies is 29.3631 with a standard deviation of 29.9614. The standard deviation value which is greater than the mean value indicates the data has heterogeneous nature.

Hypothesis test

Hosmer and Lemeshow's Godness of Fit Test

Table 4. Hosmer and Lemeshow Test

Step	Chi-square	Df	Sig.
1	3,284	8	0,915

Source: data processed with SPSS 23

The feasibility of the regression model was assessed using Hosmer and Lemeshow Goodness of Fit Test. This analysis was carried out by taking into account the value of the Goodness of Fit Test as measured by the Chi-square value at the bottom of the Hosmer and Lemeshow Test. Hosmer and Lemeshow Goodness of Fit Test is used to test the null hypothesis that the empirical data fits or fits the model (there is no difference between the model and the data so that the model can be said to be fit). From the Hosmer and Lemeshow Test table display in the table it is shown that the statistical value of Hosmer and Lemeshow Goodness of Fit Test is 3.284 with a significance probability of 0.915 where 0.915 > 0.05, which means the value is far above 0.05. Thus, it can be concluded that the model is able to predict the value of the observation or it can be said that the model is acceptable because it matches the observation data.

Overall Model Fit Test

Table 5.Iteration History [a,b,c] with Constanta

Iteration		-2 Log likelihood	Coefficients Constant
Step 0	1	288.464	-1.296
	2	285.593	-1.527
	3	285.579	-1.544
	4	285.579	-1.544

a. Constant is included in the model.

b. Initial -2 Log Likelihood: 285.579

c. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Source: data processed with SPSS 23

The table above shows the value of -2 Log Likelihood in the first step (only constants) of 285,579 in the 5th iteration. The value of -2 Log Like hood is compared to the Chi value with a significance level of 0.05, which is 347,796. Thus the value of -2 Log Likelihood < Chi square table is 285,579 < 347,796. This shows that there is no significant difference between the model and the constant, it can be said that the model fits the constant.

After assessing the feasibility of the model with constants, then assessing the feasibility of the model with data by including 3 independent variables, thus the value of -2 Log Likelihood < Chi square table is 41.739 < 344,596 which indicates that by adding independent variables to the model, it is significantly improve model fit. The value of -2 Log Likelihood if the independent variable is entered into the model as shown in the following table:

Table 6. Iteration History [a,b,c]

Iteration		-2 Log likelihood	Coefficients	
			Constant	ROA
Step 1	1	226.556	-1.007	-.067
	2	148.875	-1.083	-.203
	3	97.486	-1.140	-.410
	4	68.724	-1.263	-.683
	5	52.926	-1.421	-1.041
	6	44.967	-1.614	-1.489
	7	42.181	-1.810	-1.928
	8	41.752	-1.925	-2.184
	9	41.739	-1.950	-2.239
	10	41.739	-1.951	-2.241
	11	41.739	-1.951	-2.241

a. Method: Forward Stepwise (Conditional)

b. Constant is included in the model.

c. Initial -2 Log Likelihood: 285.579

d. Estimation terminated at iteration number 11 because parameter estimates changed by less than .001.

Source: data processed with SPSS 23

The difference between the two -2 Log Likelihoods is 243,840 (285,579 – 41,739) which can be seen in the Omnibus Test table below where the significance value is 0.000 < 0.005 which indicates that the addition of independent variables has a significant effect on the model, thus the model is declared fit.

Table 7. Omnibus Test of Model Coefficients

		Chi-square	Df	Sig.
Step 1	Step	243.840	1	.000
	Block	243.840	1	.000
	Model	243.840	1	.000

Source: data processed with SPSS 23

The table below shows the Cox & Snell R Square value of 0.548 and the Nagelkerke R Square value of 0.905 which indicates that the variability of the dependent variable can be explained by the variability of the independent variables of profitability (ROA), leverage (DER), and firm size (TA) of 90.5%, and 9.5% were explained by other variables not examined in this study.

Cox and Snell's R Square dan Nagelkerke's R Square Test

The coefficient of determination is used to determine how much the variability of the independent variables is able to clarify the variability of the dependent variable. The magnitude of the coefficient of determination in the logistic regression model is indicated by the value of Nagelkerke R Square. The coefficient of determination in logistic regression can be seen from the value of Nagelkerke R Square. The Nagelkerke R Square value can be interpreted as the R Square value in multiple regression (Ghozali, 2016: 233).

Table 8. Result of Nagelkerke R Square Test

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	54,620a	0,109	0,755

a. Estimation terminated at iteration number 11 because parameter estimates changed by less than .001.

Source: data processed with SPSS 23

Based on the logistic regression test in table 9, the Nagelkerke R Square value is 0.755, which means that the variability of the dependent variable that can be explained by the independent variable is 75.5%, the remaining 24.5% is explained by the variability of other variables outside the research model.

Regression Coefficient Test

The final stage is the regression coefficient test where the results can be seen in the table showing the test results with logistic regression at a significant level of 5 percent. From the logistic regression equation testing, the following logistic regression model is obtained:

Table 9. Result of Regression Coefisient Test

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1a	X1	14.957	3.485	18.420	1	.000	3130753.926
	X2	-.039	.067	.347	1	.556	1.040
	X3	-.033	.016	4.364	1	.037	.967
	Constant	1.488	.277	28.832	1	.000	4.427

Source: data processed with SPSS 23

The table above shows the results of partial testing using logistic regression analysis tools, the influence of each of these variables can be seen in the table above and has the following equation:

$$\boldsymbol{Ln\ (TL/1\text{-}TL) = 1{,}488 + 14{,}957\ X_1 - 0{,}039\ X_{23} - 0{,}033\ X_3}$$

From the formed regression model, the relationship between each independent variable (ROA, DER, and SIZE) and the dependent variable (Timeliness) can be explained as the value of the constant with a positive sign states that if there are no activities from the four independent variables that affect Punctuality, then Punctuality is positive, the ROA regression coefficient is positive at 14.957 stating that the ROA variable has a positive effect on Punctuality, the regression coefficient for DER is negative at 0.039 which states that the DER variable has a negative effect on Punctuality, the SIZE regression coefficient is negative at -0.033 stating that the SIZE variable has a negative effect on Punctuality.

From these results, it can be seen that of the three independent variables, the ROA and SIZE variables have a significant value less than 0.05. The DER variable has a significance value greater than 0.05. Thus, at =5%, profitability (ROA) and firm size (SIZE) have an effect on timeliness, while leverage (DER) has no effect on the timeliness of submitting financial statements to companies listed on the Indonesia Stock Exchange.

Discussion

Effect of Profitability on Timeliness of Financial Report Submission

Profitability is the company's ability to generate profits (profitability) at a certain level of sales, assets, and share capital (Hanafi & Halim, 2003). Profitability is one indicator of the company's success to generate profits so that the higher the profitability, the higher the company's ability to generate profits for the company. Companies that announce losses or low levels of profitability will bring a negative reaction from the market and a lower assessment of the company's performance. Meanwhile, companies that announce their earnings will have a positive impact on the assessment of other parties on the company's performance (Armansyah, 2015)

In this study, the results of data analysis that have been carried out show that profitability has a significant positive effect on the timeliness of submitting financial reports to companies listed on the Indonesia Stock Exchange. This research is supported by other studies, such as research conducted by (Fitri, 2013) regarding the relationship of profitability to the timeliness of financial statement submission which states that profitability significantly affects the timeliness of financial statement submission. These studies also show evidence that companies that earn profits tend to be on time in submitting their financial statements and vice versa if they experience losses, companies tend not to be on time in submitting their financial statements. In contrast to research (Putra and Thohiri, 2013) regarding the relationship between profitability and timeliness, which states that profitability does not have a significant effect on the timeliness of submitting financial statements.

Effect of Leverage on Timeliness of Financial Report Submission

Leverage will directly determine the size of the manager's power relative to shareholders. This leverage issue can create a conflict of interest between managers and shareholders. In the capital structure (debt to equity ratio) company owners from outside parties have great power to pressure management in presenting information in a timely manner, because the timeliness of financial reporting will affect economic decision making (Niehaus, 2004).

In this study, the results of data analysis that have been carried out show that capital structure has no significant effect on the timeliness of submitting financial statements to companies listed on the Indonesia Stock Exchange. This is because companies experiencing financial difficulties will not affect the market reaction so that this will not prevent companies from submitting financial reports in a timely manner.

However, this is not in line with Syafrudin's research (2014) which shows that companies experiencing financial difficulties tend to be less timely in submitting financial statements than companies that do not experience financial difficulties. This is because a company that has a high debt to equity ratio indicates the possibility that the company cannot pay off its obligations or debts in the form of principal or interest. So, this is bad news for the company. Therefore, the management tends to delay the submission of financial reports that contain bad news.

Effect of Company Size on Timeliness of Financial Report Submission

The size of the company according to Sartono (2015) is that large companies that are well stabilized will find it easier to obtain capital in the capital market compared to small companies. Because the ease of access means large companies have greater flexibility. Large companies more often choose long-term debt while small companies choose short-term debt, (Marsh, 2015). Large companies may be able to gain economies of scale by issuing long-term debt. Company size can be used as alternative information for outsiders.

In this study, the results of data analysis that have been carried out show that company size has a significant negative effect on (5%) (with a significant value of 0.031 <0.05) on the timeliness of submitting financial statements to companies listed on the Indonesia Stock Exchange. SIZE has a significant effect on the timeliness of submitting financial statements, the type of influence obtained from the results of the study is negative, which is in accordance with the logic of the theory which means that the larger the size of the company, the less time needed to complete the financial statements (Fitri& Nazira, 2009).

This research is supported by other studies, such as research conducted by Nugraha&Hapsari(2015) regarding the relationship between firm size and timeliness of financial statement submission which states that firm size has a negative and significant effect. And the results of this study indicate that large companies do not necessarily submit their financial reports on time, on the contrary, small companies do not necessarily submit their financial reports on time.

The timeliness of submitting financial statements is influenced by how much the company's sense of responsibility is in complying with the regulations that have been set. In addition, the amount of assets is not necessarily the main measure of company size, there are other possible components that can be used as parameters in measuring the size of the company, namely total sales, number of workers, and market capitalization.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Profitability has a significant positive effect on the timeliness of submitting financial statements to companies listed on the Indonesia Stock Exchange. Companies that earn profits tend to be timely in submitting their financial statements and vice versa if they experience losses, companies tend not to be on time in submitting their financial statements.

Capital structure has no significant effect on the timeliness of submitting financial statements to companies listed on the Indonesia Stock Exchange. This is because companies experiencing financial difficulties will not affect the market reaction so that this will not prevent companies from submitting financial reports in a timely manner.

Company size has a significant negative effect on the timeliness of submitting financial statements to companies listed on the Indonesia Stock Exchange. This is because the larger the size of the company, the less time it takes to complete the financial statements (Fitri& Nazira, 2009). The timeliness of submitting financial statements is influenced by how much the company's sense of responsibility is in complying with the regulations that have been set.

Suggestion

This study has several limitations that may lead to imperfect research results. Therefore, the researcher proposes the following recommendations that further researchers are advised to take samples in other types of industries outside of real estate and construction. Furthermore, further researchers can also take other independent variables such as company growth, solvency, auditor quality, and previous year's audit opinion. This study only uses three years observation period, from 2016 to 2019. Further studies are expected to add observation period.

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