

**THE EFFECT OF SOLVENCY AND COMPANY SIZE ON
THE TIMELINESS OF FINANCIAL REPORTING IN
ENERGY SECTOR COMPANIES LISTED ON THE
INDONESIA STOCK EXCHANGE YEAR 2021-2022****Intan Rizkia Chudri^{1*}, Elviza², Zulkifli Umar³, Fajrika Haswindar⁴, Yulia⁵, Isdayanti⁶**

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*Email : intan.rizkia@unmuha.ac.id**ABSTRACT**

This study aims to examine the influence of solvency and company size on the timeliness of financial reporting, both simultaneously and partially. The two independent variables will be tested for their influence on one non-independent variable, namely the timeliness of financial reporting. This study included all elements of the population that had met the criteria, namely as many as 87 companies that were observed. Observations from 2021-2022 are in companies in the Energy sector. The analysis method used is multiple linear regression. The results of this study found that solvency and company size simultaneously affect the timeliness of financial reporting. Solvency partially has a negative effect on the timeliness of financial reporting. The size of the company partially has a positive effect on the timeliness of financial reporting.

Keywords : Timeliness of Financial Reporting, Solvency and Company Size.**INTRODUCTION**

The abundant natural potential opens up opportunities for companies to search through integrated ventures, which include searching, developing construction, production, and processing as a business, or through stand-alone separate ventures. In developing energy, companies require large capital investments, so many energy companies are involved in the capital market to collect investment and strengthen the company's financial position. Public companies listed on the Indonesia Stock Exchange (IDX) are required to comply with regulations that have been set by the Capital Market Supervisory Agency, including the obligation to submit financial statements that have been audited by independent auditors. A good financial report must meet several conditions such as relevant, reliable, accurate, and one of them is a predetermined time. Delays in the submission of financial statements can reduce the value of benefits for interested parties, because financial statements become less relevant and less reliable. Statement of Financial Accounting Standards (PSAK) Number 1 (2019), states that financial statements are the result of various financial activities of the company which are manifested in the form of information. This information is used by internal and external parties of the company to support decision-making. Financial information presented in financial statements can be useful for its users if presented in a

timely manner. In accordance with the qualitative characteristics of financial information according to PSAK, such as relevant, appropriate representation, comparable, verified, timely, and understandable (Indonesian Institute of Accountants, 2021). Punctuality is a very important thing for companies to go public in conducting financial reporting, because delays in submitting financial statement information can result in poor quality decisions. The timeliness for the submission of financial statement information is stated in Law no. 8 of 1995 concerning the capital market, which states that companies that go public must report their financial statements to the Capital Market Supervisory Agency and Financial Statements, followed by an announcement to the public (Imaniar, 2016). The importance of timeliness in financial reporting has been recognized in the framework of presenting financial statements, where timeliness is considered one of the characteristics that must be met in order for financial statements to be relevant in decision-making. The faster the disclosure of information also increases the relevance for users of financial statements. Every company that becomes public has an obligation to present financial statements in accordance with financial accounting standards and has gone through the audit process (Oktafina, 2020). Therefore, if the submission of financial statements has passed on the specified day, the financial statements are declared untimely. Companies that are not timely in submitting financial statements will be subject to administrative sanctions and fines, in accordance with the regulations that have been set by law. Issues regarding the timeliness of financial reporting often arise due to the fact that there are still companies that are still affected in cases of delays in reporting financial statements, in accordance with data obtained on the Indonesia Stock Exchange. Solvency is a company's ability to pay all its debts, both short-term and long-term by using the company's assets. The inability to pay debts with company assets can be bad news for companies because it reflects high financial risks, especially in the face of difficulties in paying large debts (Almilia and Setiady, 2006). Therefore, companies with low solvency tend to delay the publication of their financial statements. The delay is used to reduce the solvency level as low as possible, resulting in a time span for the presentation of financial statements and delays in the publication of financial statements. The size of a company in general can be interpreted as a comparison between the size and size of an entity. Company scale is used as a measure to reflect the dimensions of the company, measured by total assets that he owns. Companies that have large dimensions usually rely on significant capital and have the ability to develop their business with more ambitious steps, because of their larger capital than small companies.

THEORETICAL FOUNDATIONS

Solvency

Solvency ratio, also known as leverage, is a comparison used to evaluate the extent to which a company's assets are backed by liabilities. The application of solvency ratio or leverage aims to calculate the amount of debt that a company must bear to support its activities and meet asset needs (Hery, 2016:70). Solvency also shows how a company is able to manage various types of debt, both long-term and short-term. The success of the company in paying its debts is an indicator that the company is able to present its financial statements on time (Pebi, 2013). Solvency includes the ability of a company to pay off all of its debts, both short-term and long-term, using the assets it owns. If a company is unable to

pay its debts with its assets, this can be a sign of high financial risk, especially when facing large payment obligations (Almilia and Setiady, 2006). Therefore, companies with low solvency often delay the publication of their financial statements with the aim of reducing the solvency level, which can ultimately lead to delays in the presentation of financial statements. The solvency ratio, often referred to as the solvency ratio or leverage ratio, is used to assess the extent to which a company's debt burden is relative to equity and assets as a whole. The solvency ratio reflects the ratio between the assets owned by shareholders and the assets owned by creditors or creditors in a company. If shareholders have more of the company's assets, the company's leverage level will be lower. Conversely, if a creditor, such as a bank, owns a dominating asset, the company will have a higher level of leverage.

Company Size

Size is a comparison that reflects the magnitude relative to an object. When applied to a company or institution, company size can be interpreted as a comparison of the size or small efforts made by a company or organization. In research conducted by researchers, the size of the company is calculated using a natural logarithm of the number of assets (Hery, 2017). Company size is a scale where the size of the company can be classified in various ways, including the size of revenue, total assets, and total capital. The larger the size of revenue, total assets, and total capital will reflect the stronger the company's state. Meanwhile, according to Ibrahim (2008), company size is an overview of the size of the company which is determined based on nominal size, for example the amount of wealth and total sales of the company in one sales period, as well as market capitalization. The grouping of companies based on the scale of operations can be used by investors as one of the variables in determining decisions (Basyaib, 2007). The size of the company will be a major consideration for investors, especially when the company has achieved enormous dimensions, reflects growth and has many branches in different regions. Thus, the company already has adequate experience and understanding in preparing its financial statements in a timely manner (Azizah & Ratih, 2011). Company size is an indicator that describes the dimensions or scale of the company, can be determined based on various criteria such as total assets, logarithmic size, market valuation, stock value, total revenue, sales results, total capital, and various other factors. The size of a company is a scale that can be calculated by involving the total assets and sales, which reflects a condition in which larger companies have an advantage in the source of funds to support investment and earn profits.

Timeliness of Financial Reporting

Punctuality is the use of decision-making information before it loses its capacity to support decision-making. Timeliness shows the importance of information users obtaining data before it loses its relevance (Chairil & Ghozali, 2001). a situation where the information contained in financial statements is ready to be used before it loses its relevance by the user of financial statements and can still support decision-making. Therefore, companies listed on the Indonesia Stock Exchange are required to immediately submit or publish their financial statements in order to meet the criteria for timeliness (IAI, 2012). timeliness of financial reporting refers to the period of announcement of audited annual financial statements to the public, starting from the date of closing the company's books (December

31) to the date of submission to the OJK. Financial reports submitted on time are considered more useful than those submitted late. The speed at which information is available can increase its impact in influencing decisions, while delays can reduce its informative value (Kieso et al., 2007).

Framework of Thought**Relationship between Solvency and Timeliness of Financial Reporting**

Solvency ratio (DER) measures how far a company depends on creditors to finance assets company. Companies with high solvency mean that they rely heavily on external loans, while companies with low solvency finance more assets with their own capital. A high solvency ratio indicates a high risk for the company to not be able to pay off its obligations. Companies with a ratio Leverage High has a tendency to perform Replace windows So that it has the potential to report financial statements not on time. To measure the level of financial solvency a company can use Debt-to-equity ratio (DER), i.e. debt comparison Obligation (debt users) to the total Shareholder Equity owned by the company. Size debt-to-equity ratio reflecting the high financial risk of the company (Budiyanto & Aditya, 2015). A company's high financial risk indicates that the company is experiencing financial difficulties (Financial Difficulties) due to high liabilities. The company's financial difficulties are bad news that will affect the company's condition in the eyes of the public. The management tends to delay the submission of financial statements containing bad news because the available time will be used to reduce the debt to equity ratio to the lowest possible (Nurmiati, 2016; Mega Arista Dewayani et al., 2017). It results that solvency affects the timeliness of financial reporting.

Relationship between Company Size and Timeliness of Financial Reporting

Company size is one of the scales where the size of a company can be classified according to various ways, including total asset value, total sales, market capitalization, number of employees and so on. The greater the value of these items, the larger the size of the company. The size of the company will affect the capital structure based on the fact that the larger a company has a high sales growth rate so that the company will be more daring to issue new shares and the tendency to use the loan amount will also be greater. Companies that fall into the large category will be more timely in financial reporting, where large companies have a lot of information that will be conveyed to the public as stakeholders. Based on this, the possibility of the company to be more timely in submitting financial reports will be higher, because the company is considered capable of taking responsibility for its business and will then have a positive influence on external parties (Nurmiati, 2016; Toding & Wirakusuma, 2013). that the size of the company affects the timeliness of financial reporting.

METHODS
Research objectives

The purpose of this study is to determine the influence of solvency and company size on the timeliness of financial reporting in Energy sector companies listed on the Indonesia Stock Exchange for the 2021-2022 period. Briefly, the population in this study can be seen in Table 1.

Population and sample

Population is the subject of research. Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn conclusions (Sugiyono, 2019:117). Population can be defined as the entire research subject. In this study, the population is Energy sector companies listed on the Indonesia Stock Exchange in 2021-2022. The sample is a part of the population that can represent the characteristics of that population. A sample is a part of the number and characters that a population has. Samples are used if the population is large and the researcher is unlikely to study everything in the population (sugiyono, 2017:218). Based on those who meet these criteria, the population used in this study is as many as 87 companies Ektor Power which is listed on the Indonesia Stock Exchange. Briefly can be seen in Table 3.

Table 3. Population criteria of the study

No	Kriteria	2021	2022	Jumlah
1	Perusahaan Sektor <i>Energy</i> yang terdaftar di BEI tahun 2021-2022	71	76	147
2	Perusahaan sektor <i>Energy</i> yang tidak menerbitkan laporan keuangan di BEI tahun 2021-2022	2	4	6
3	Perusahaan sektor <i>Energy</i> yang tidak melaporkan laporan keuangan secara tepat waktu di BEI tahun 2021-2022	39	15	54
Total Sampel		30	57	87

Source : IDX Statistical Yearly 2021-2022, processed in 2023

Based on Table 3, it can be seen that the number of the research population is 87 companies. Furthermore, these 87 companies will be processed with data to test research hypotheses. The results of the hypothesis test will answer the formulation of the research problem. The sample in this study is to include all populations into samples, so it is called a saturated sampling technique (census).

Data Sources and Data Collection Techniques

The source of data for this research is secondary data in the form of audited financial statements of energy sector companies . Secondary data is data obtained through existing sources and no longer needs to be collected from direct respondents. Such data such as

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statistical bulletins, government publications and other published information are called secondary data (Sekaran & Bougie, 2017:77). The data collection technique carried out in this study is by way of documentation, namely collecting data that has been available on the Indonesia Stock Exchange (IDX). Data is collected by downloading from the IDX's official website, namely at <http://www.idx.co.id/>. On the site, enter the listed company menu, then the financial and annual report sub-menu, then directly fill out the form to download the desired company's financial statements.

Definition and operation of variables

Operationalization of variables is a concept that connects theories or variables that are still abstract into reality (Afrian et al, 2017).

Table 4. Variable Operational Definition

Not	Variable	Definisi	Indicator	Size
Depends on				
1.	Dependent Variable of Timeliness of Financial Reporting (Y1)	Punctuality is the availability of information for decision-makers before they lose their ability to influence decisions. The rapid availability of relevant information can increase its influence on decisions, while delays can reduce the value of such information (Kieso et al (2011:47).	It is measured based on the number of days from the closing date of the company's books (December 31) to the date of publication of the annual report.	Nominal
Independent				
1.	Solvency (X1)	Solvency is the extent to which a company uses debt as a source of funding. If debt is used excessively, companies are at risk of extreme leverage, where high levels of debt can make it difficult for companies to overcome the debt burden (Fahmi (2014:75)	Debt to Equity Ratio (DER) = $\frac{\text{Total Hutang}}{\text{Total Equity}}$	Race

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Not	Variable	Definisi	Indicator	Size
2.	Company Size (X2)	Company size is the grouping of companies into categories, such as large, medium, and small, based on measurement of the company's total assets (Suwito and Herawaty (2005))	Size = Ln Total Aset	Nominal

The data analysis method used in this study is multiple linear regression, and the multiple linear regression equations in this study are as follows:

$$Y = \alpha + \beta_1. X_1 + \beta_2. X_2 + \varepsilon$$

Information:

And	:Timeliness
α	: Konstanta
X1	:Solvency
X2	: Company Size
B1B2	:Coefficient
ε	:Error

Hypothesis Testing

Hypothesis testing is the preparation of alternative answers to answer the three problem formulations in the research. The draft is stated in, namely:

1. First Hypothesis

H01 : Solvency, and company size simultaneously Anonymous on the timeliness of financial reporting in the company sector Power listed on the Indonesia Stock Exchange in 2021-2022.

Ha1 : Solvency, and company size simultaneously Influential on the timeliness of financial reporting in the company sector Power listed on the Indonesia Stock Exchange in 2021-2022.

Second Hypothesis

H02 : Solvency partially does not Influential on the timeliness of financial reporting in the company sector Power listed on the Indonesia Stock Exchange in 2021-2022.

Ha2 : Partial solvency Influential on the timeliness of financial reporting in the company sector Power listed on the Indonesia Stock Exchange in 2021-2022.

3. Third Hypothesis

H03 : The size of the company is partially not Influential on the timeliness of financial reporting in the company sector Power listed on the Indonesia Stock Exchange in 2021-2022.

Ha3 : Partial company size Influential on the timeliness of financial reporting in the company sector Power listed on the Indonesia Stock Exchange in 2021-2022.

To accept and reject the three hypotheses in this study, the output results of SPSS are seen. Then the output is included in the criteria for accepting and rejecting the hypothesis. This criterion is guided by Gani (2017:9) and Supranto (2016:190). The exposure of the criteria for accepting or rejecting the hypothesis will be described below:

- 1) Criteria for accepting or rejecting the first hypothesis:
 - If all regression coefficients are equal to zero (β_1 , and $\beta_2 = 0$), then H_{01} is accepted and H_{a1} is rejected. This means that Solvency, and Company Size have no effect on the timeliness of financial reporting of companies in the Energy sector.
 - If any of the regression coefficients is not equal to zero (β_1 , and $\beta_2 \neq 0$), then H_{01} is rejected and H_{a1} is accepted. This means that Solvency, and Company Size affect the timeliness of financial reporting of companies in the Energy sector.
- 2) Criteria for accepting or rejecting the second hypothesis:
 - If the variable regression coefficient X_1 is equal to zero ($\beta_1 = 0$), then H_{02} is accepted and H_{a2} is rejected. This means that solvency has no effect on the timeliness of financial reporting of companies in the energy sector.
 - If the regression coefficient of the variable X_1 is not equal to zero ($\beta_1 \neq 0$), then H_{02} is rejected and H_{a2} is accepted. This means that solvency affects the timeliness of financial reporting of companies in the energy sector.
- 3) Criteria for accepting or rejecting the third hypothesis:
 - If the variable regression coefficient X_2 is equal to zero ($\beta_2 = 0$), then H_{03} is accepted and H_{a3} is rejected. This means that the size of the company has no effect on the timeliness of financial reporting of companies in the energy sector.
 - If the regression coefficient of the variable X_2 is not equal to zero ($\beta_2 \neq 0$), then H_{03} is rejected and H_{a3} is accepted. This means that the size of the company affects the timeliness of financial reporting of companies in the energy sector.

RESULTS

Research Results

The results of this study include descriptive analysis and hypothesis testing results. All of these presentations aim to answer the first, second, and third problem formulations.

Descriptive Statistical Analysis

Descriptive statistical analysis aims to see the distribution of variable data. This analysis provides an overview of statistical values in the form of averages, minimums, and maximums. The full details can be seen in Table 5.

Table 5. Descriptive Statistical Analysis

Description	N	Rata-rata	Minimum	Maximum
Timeliness of Financial Reporting	87	81,4483	34,00	90,00
Solvency	87	1,1988	0,05	9,03

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Company Size	87	20,9651	13,01	28,15
N yang valid (listwise)	87	-	-	-

Source: Data processed 2024

- The Financial Reporting Timeliness variable has an average value of 81.4483 which means 8144.83%. This value shows that, during 2021-2022, energy sector companies were on time in reporting financial statements. With the fastest financial report reporting time by the energy sector, which is 33 days from the closing date.
- The solvency variable has an average value of 1.9888. This value shows that, during 2021-2022, energy sector companies have an average solvency of 1.9888 times or 198.88%. The minimum solvency value is 0.05. This value shows that, during 2021-2022, energy sector companies once had the lowest solvency of 0.05 times or 0.5%. In addition to the average and minimum scores, there is also a maximum score of 9.03. This value shows that, during 2021-2022, energy sector companies once had the highest solvency of 9.03 times or 90.3%.
- The Company Size variable has an average value of 20.9651. This value shows that, during 2021-2022, energy sector companies have an average company size of 20.9651 times or 2096.51%. The minimum value of the company size is 13.01. This value shows that, during 2021-2022, energy sector companies have had the lowest company size of 13.01 times or 130.1%. In addition to the average and minimum scores, there is also a maximum value of 28.15. This value shows that, during 2021-2022, energy sector companies once had the highest company size of 28.15 times or 281.5%.

Hypothesis Test Results

The results of hypothesis testing are the answer to all problems in this study. The formulation of the problem consists of the formulation of the first, second, and third problems. The three results of hypothesis testing in this study will be presented in this section in order. The results of the hypothesis test can be seen in Table 6.

Table 6. Hypothesis Test Results

Persamaan $Y = 62,575 - 0,895 X_1 + 0,951 X_2 + \epsilon$				
t-value	9,597	-1,220	3,156	
Sig. Value	0,000	0,226	0,002	
F-Value/ Sig.	5,887 / 0,004			
R / R ² / Adj.R ²	0,351 / 0,123 / 0,102			

Source : Source: Data Processing Results, 2024

Based on Table 6, it can be seen that the results of hypothesis testing are the answer to the formulation of the problem in this study. In order, the answers to the formulation of the problem will be explained as follows

Results of the First Hypothesis Test

The results of the first hypothesis test are the answer to the formulation of the first problem. The results of the first hypothesis test in this study will answer whether solvency and company size affect the timeliness of financial reporting. Based on Table 4.2, it can be

seen that the value of the beta coefficient (β) of solvency, and the size of the company are sequentially -0.895; and 0.951. The value shows that $-0.895 \neq 0$; and $0.951 \neq 0$. This means that all values of the beta coefficient are not equal to zero (β_1 and $\beta_2 \neq 0$). Furthermore, the value is included in the criteria for accepting or rejecting the hypothesis. So H_{a1} is accepted, meaning that solvency and company size affect the timeliness of financial reporting.

Results of the second Hypothesis Test

The results of the second hypothesis test are the answer to the second problem formulation. The results of the second hypothesis in this study will answer whether solvency affects the timeliness of financial reporting. Based on Table 4.2, it can be seen that the value of the solvency beta coefficient (β) is -0.895. The value shows that it is $-0.895 \neq 0$. This means that the value of the beta solvency coefficient is not equal to zero ($\beta_1 \neq 0$). Furthermore, the value is included in the criteria for accepting or rejecting the hypothesis. Then H_{a2} accepted, meaning that solvency has a negative effect on the timeliness of financial reporting.

Results of Third Hypothesis Testing

The results of the third hypothesis test are the answer to the third problem formulation. The results of the third hypothesis test in this study will answer whether the size of the company affects the timeliness of financial reporting. Based on Table 4.2, it can be seen that the value of the beta coefficient (β) of the company size is 0.951. The value shows that $0.951 \neq 0$. This means that the value of the beta coefficient of the company size is not equal to zero ($\beta_2 \neq 0$). Furthermore, the value is included in the criteria for accepting or rejecting the hypothesis. Then H_{a3} accepted, meaning that the size of the company has a positive effect on the timeliness of financial reporting.

Coefficient of Determination

The determination coefficient serves to see the contribution of the solvency and size of the company to the timeliness of financial reporting. Based on Table 4.2, the value of R Fields The value of 0.123 shows that the contribution of solvency and company size to the timeliness of financial reporting is 12.3% ($0.123 \times 100\%$). While the remaining 87.7% ($100\% - 0.123\%$) was influenced by other independent variables outside this study. Thus, fluctuations in the timeliness of financial reporting, whether it is an increase or a decrease, are very little affected by the solvency and size of the company.

DISCUSSION

The Simultaneous Effect of Solvency and Company Size on the Timeliness of Financial Reporting

The results of statistical tests show that all beta coefficient values are not equal to zero (β_1 and $\beta_2 \neq 0$). This means that the first hypothesis (H_{a1}) is accepted. Solvency and company size simultaneously affect the timeliness of financial reporting. These results show that the timeliness of financial reporting is influenced by the solvency and size of the company. The influence of these two variables can be interpreted that during 2021-2022 it has brought changes to the timeliness of financial reporting. The impact of changes that occur on the timeliness of sector companies power influenced by these two indicators.

Solvency and company size play a role in the increase or decrease in punctuality experienced by sector companies power. The role of these two factors can be seen from the timeliness of financial reporting. The changes that have occurred, both the increase and decrease in the timeliness of financial reporting, are a reflection of the decline in solvency and company size. So it can be said that these two independent variables simultaneously affect the timeliness of financial reporting in sector companies power. The influence of solvency and company size on the timeliness of corporate financial reporting has also been found by previous researchers, namely Putri, et al. (2023), stating that solvency and company size simultaneously have an effect on the timeliness of sector reporting power. This means that the timeliness of financial reporting is not separated from the solvency and size of the company. Likewise, the results of this study are also in line with previous research. Fluctuations, whether it is an increase or decrease in the timeliness of financial reporting, are also affected by the solvency and size of the company. All independent variables in this study were only able to predict the bound variable by 12.3%. Furthermore, the remaining 87.7% is predicted by other independent variables that are not included in this research model.

The Effect of Partial Solvency on the Timeliness of Financial Reporting

The results of statistical tests show that solvency has a negative effect on the timeliness of financial reporting. The value of the beta coefficient (β_1) solvency was -0.895. This value is not equal to zero ($-0.895 \neq 0$). Thus, H_{a2} is accepted. This means that solvency has a negative effect on the timeliness of financial reporting. Decline in the punctuality of sector companies power inseparable from solvency. Solvency comparison which is a reflection of solvency in sector companies power during 2021-2022. This value plays a role in reducing the timeliness of financial reporting. In other words, when solvency decreases, it will have an impact on decreasing the timeliness of financial reporting of sector companies power. This condition can also be said that the timeliness of financial reporting will not decrease if the solvency ratio does not decrease. Thus it means a decrease in the timeliness of financial reporting of sector companies power has been caused by a decrease in solvency. The results of this study are relevant to the research of Kristianto, et al. (2018), stating that solvency has a negative effect on the timeliness of financial reporting. The decrease in punctuality will not occur if solvency does not decrease. Thus, every time solvency decreases, it will always be followed by a decrease in the timeliness of financial reporting. On the contrary, these results are not relevant to the research of Probokusumo, et al. (2017), stated that solvency has no effect on the timeliness of financial reporting. This means that an increase or decrease in solvency will not lead to an increase or decrease in the timeliness of financial reporting.

The Effect of Company Size on the Timeliness of Financial Reporting

The results of statistical testing show that the size of the company has a positive effect on the timeliness of financial reporting. The value of the beta coefficient (β_2) of the company size is 0.951. This value is not equal to zero ($0.951 \neq 0$). Thus, H_{a3} is accepted. This means that the size of the company has a positive effect on the timeliness of financial reporting. The decline in the timeliness of energy sector companies is inseparable from the

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size of the company. Comparison of company sizes which is a reflection of the size of companies in the energy sector during 2021-2022. This value plays a role in reducing the timeliness of financial reporting. In other words, when the size of the company decreases, it will have an impact on decreasing the timeliness of financial reporting of sector companies power. This condition can also be said that the timeliness of financial reporting will not decrease if the ratio of company sizes does not decrease. Thus it means a decrease in the timeliness of financial reporting of sector companies power has been caused by a decrease in the size of the company. The results of this study are relevant to Asri Fitria's (2021) research, stating that company size has a positive effect on the timeliness of financial reporting. The decrease in punctuality will not occur if the size of the company does not increase. Thus, every time the size of the company increases, it will always be followed by a decrease in the timeliness of financial reporting. On the contrary, these results are not relevant to the research of Kristianto, et al. (2018); Derianto, et al. (2020). They stated that the size of the company had no effect on the timeliness of financial reporting. This means that an increase or decrease in the size of the company, will not lead to an increase or decrease in the timeliness of financial reporting.

CONCLUSION

Based on the results of the research as described in the previous chapter, it can be concluded that: Solvency and company size simultaneously affect the timeliness of financial reporting for energy sector companies listed on the Indonesia Stock Exchange in 2021-2022. Solvency partially has a negative effect on the timeliness of financial reporting for energy sector companies listed on the Indonesia Stock Exchange in 2021-2022. The size of the company partially has a positive effect on the timeliness of financial reporting for energy sector companies listed on the Indonesia Stock Exchange in 2021-2022.

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