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The Influence of Public Accounting Firm Reputation and Audit Report Lag on Company Value

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ABSTRACT
Evaluating and studying how the reputation of the Public Accounting Firm (*Kantor Akuntan Publik*/KAP) and audit report lag affect firm value is the purpose of this research. On the other hand, this study also analyzes how value Earnings Per Share (EPS) is able to moderate the influence of the reputation of the Public Accounting Firm (*Kantor Akuntan Publik*/KAP) and audit report lag on firm value. This study uses a quantitative approach with the company's financial statements as secondary data. The population used is LQ45 companies on the Indonesia Stock Exchange in 2021-2022. From the population, 26 companies were selected as samples through purposive sampling. The data was tested using descriptive statistical analysis, linear regression analysis, and moderation test with the residual method. The study results reveal that the reputation of the KAP affects firm value, audit report lag does not affect firm value, EPS cannot moderate the effect of the reputation of the KAP on firm value, and EPS cannot moderate the effect of audit report lag on firm value.

ABSTRAK
Mengevaluasi dan mempelajari bagaimana reputasi Kantor Akuntan Publik (KAP) dan audit report lag mempengaruhi nilai perusahaan menjadi tujuan penelitian ini. Di sisi lain, penelitian ini juga menganalisis bagaimana value Earnings Per Share (EPS) mampu memoderasi pengaruh reputasi Kantor Akuntan Publik (KAP) dan audit report lag terhadap nilai perusahaan. Penelitian ini menggunakan pendekatan kuantitatif dengan laporan keuangan perusahaan sebagai data sekunder. Populasi yang digunakan adalah perusahaan LQ45 di Bursa Efek Indonesia tahun 2021-2022. Dari populasi tersebut, dipilih 26 perusahaan sebagai sampel melalui purposive sampling. Pengujian data menggunakan analisis statistik deskriptif, analisis regresi linier, dan uji moderasi dengan metode residu. Hasil penelitian mengungkapkan bahwa reputasi Kantor Akuntan Publik (KAP) berpengaruh terhadap nilai perusahaan, audit report lag tidak berpengaruh terhadap nilai perusahaan, earnings per share (EPS) tidak dapat memoderasi pengaruh reputasi Kantor Akuntan Publik (KAP) terhadap nilai perusahaan, dan earnings per share (EPS) tidak dapat memoderasi pengaruh audit report lag terhadap nilai perusahaan.

1. INTRODUCTION

A country's economy is greatly influenced by the capital market because it functions as a place where investors and parties with less funds meet. Those with more funds will invest their capital in the instruments they choose by considering the results and risks they will face in the future. Parties who lack funds or companies will use these funds as a source of business funding. They can finance business development, additional working capital, expansion, and other goals (Rustiana & Ramadhani, 2022; Arifin & Mulyati, 2021). The Indonesia Central Securities Depository in 2022 recorded the number of capital market investors at 10,311,152, which is an increase of 37.68% from the number of capital market investors in 2021 which amounted to 7,489,337. This shows that companies in Indonesia are increasingly attractive for investors to invest their funds. High investor interest needs to be balanced with increased company performance. Investors will choose companies that bring profits to them when investing.

A company's high value indicates market confidence in its current performance and future opportunities. This influences investors' decisions regarding their investment (Valensia, 2019). The high value of the company is also an important factor because it can attract the interest of investors and creditors who are potential sources of funds so it is important for the company to maximize its value (Suffah & Riduwan, 2016; Margono & Gantino, 2021). Research on company value is important because it is to find out how companies maintain their value in the eyes of investors while remaining in good condition, even increasing over time even though it is influenced by the interests of agents and principals in accordance with Agency Theory. Companies with large market capitalization, high liquidity and strong fundamentals or which can be said to have good corporate value tend to be included in the LQ45 list. This list is updated every six months based on established conditions.

Companies included in the LQ45 index are considered to have good financial performance and are representatives of several significant economic sectors in Indonesia. Inclusion in the LQ45 index list can provide benefits such as attractiveness for investors, increased visibility and stock liquidity (Chasanah & Sagoro, 2017; Mazkiyani & Handoyo, 2017). As published by the Indonesian Stock Exchange (*Bursa Efek Indonesia*/BEI), a total of 57 companies were included in the LQ45 index from February 2021 to January 2023. A total of 23 of these companies could not survive for four consecutive semesters. The inability of a company to survive on the LQ45 list will cause losses to the company, such as reducing investor attractiveness and share liquidity. In the period February 2021 to July 2021, two companies did not re-enter the LQ45 list in the following semester. In the period August 2021 to January 2022, at least six companies were not included in the LQ45 list in the following semester. Furthermore, five companies in the period February 2022 to July 2022 were also unable to remain on the LQ45 list. Research on company value on the LQ45 index in previous research shows inconsistent research results even though the same variables are used. So, this research uses several factors chosen because of inconsistencies in previous research results.

Previous researchers found that the reputation of the Public Accounting Firm (*Kantor Akuntan Publik*/KAP) was considered to have an influence on company value. KAP reputation is often grouped using international standards in the form of big four and non-big four, as in the studies of Febiola (2020) and Alfiani & Nurmala (2020). Che et al. (2020) explains that companies with big four KAP services can switch to big four affiliated KAPs. This reveals that the quality of audits by big four KAPs is generally higher than the results obtained from non-big four KAPs, the learning obtained from big four KAPs is increasing, and monitoring of management activities within the company is increasing, which has an impact on audit quality. Several studies state that the reputation of a KAP has an influence on company value (Zaini et al., 2019; Karjono & Himawan, 2019; Dewi, 2020; Wafiyah & Santoso, 2021). Other research states that KAP's reputation has no effect on company value. This is because the Accountant Professional Standards Public (*Standar Profesional Akuntan Publik*/SPAP) are used by big four and non-big four KAPs. The procedures for carrying out tests by both types of KAP are also the same (Sanulika, 2018; Syaharani, 2023)

Astuti et al. (2021) states that audit report lag is the length of time an auditor uses to complete an audit. Determination of audit report lag is obtained from the difference in days between the book closing date (end of year or end of accounting period) and the date of the audited financial report. Financial reports have useful information value when presented in a timely, accurate manner and in accordance with the needs of interested parties. Girsang et al. (2015); Andreas (2020) conducted research related to company value and stated that company value is influenced by audit report lag or audit delay. Other studies actually state the opposite, namely that audit delay has no effect on company value (Utomo et al., 2017; Jefriyadi & Ethika, 2021; Mujaddidi et al., 2022; Nurmawati & Fauziah, 2022). This research aims to retest and develop previous research by adding moderating variables. The moderating variable in the form of Earning per Share (EPS) was chosen because this variable is an element that has the ability to influence company value, with the function of strengthening the influence of KAP reputation variables and audit report lag.

Earning per Share (EPS) is a performance measure that has the potential to influence the company's market value. The EPS ratio displays the company's ability to achieve net profit that can be received by share owners based on the number of shares owned. The higher the profit per share, the higher the level of profitability and the company's attractiveness to investors. An increase in overall profits indicates an increase in company value, which will be reflected in an increase in share prices as well as the Earning per Share (EPS) value (Hardiyanti & Dzulkirom, 2019). By observing Earning per Share (EPS), investors can estimate potential earnings per share, which for directors can be used in monitoring business development. An increase in overall profits shows an increase in EPS, which shows an increase in share value and company value (Innafisah et al., 2019). Research on the influence of KAP reputation and audit report lag on inconsistent company value as previously explained, so researchers added the moderating variable Earning per Share (EPS). Researchers want to test and explain the influence of independent variables on dependent variables with moderating variables using moderated regression analysis.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

This model explains the relationship between the management (agent) and the company owner (principal), which is also called an agency relationship, in this relationship the principal will delegate authority to the agent for various policies and decisions in carrying out the company's operations (Jensen & Meckling, 2019). Wirawati (2013); Widoretno (2019) stated that a company's value can be determined from its share market price. Price to Book Value (PBV) is used to measure financial performance. PBV indicates how the company creates relative value for invested capital, and reflects the company's success in achieving the value desired by shareholders. Public Accounting Firm (*Kantor Akuntan Publik*/KAP) reputation is an image of good achievements, public trust, and the image attached to the KAP itself. Companies that use KAP services with a good reputation tend to produce credible financial reports (Arens, 2017).

Astuti et al. (2021) state that audit report lag is the length of time an auditor uses to complete an audit, which can be calculated by determining the difference in the number of days between the end date of the accounting period and the date of the financial report that has received the signature of the independent accounting auditor. Sari & Huda (2020) state that EPS is a calculation of the profit allocation obtained by the company for each share of ordinary shares outstanding. The EPS ratio displays the ability to generate net profits to be distributed to share owners based on the number of shares invested.

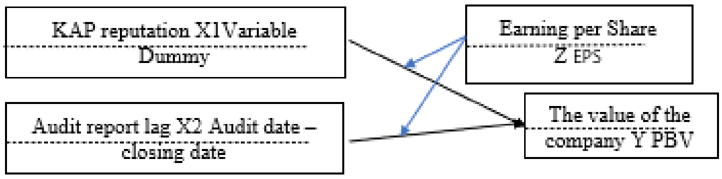

Figure 1. Framework of Thought

Based on the problem formulation, theoretical basis and research objectives, the research hypothesis is explained. KAPs with large sizes are assumed to have better capabilities in providing quality audits. Quality audit results can increase investor confidence in financial reports, so that this has an influence on company value. These findings are similar to the results of studies by Wafiyah & Santoso (2021); Dewi (2020); Karjono & Himawan (2019) and Zaini et al. (2019). Audit reporting can experience delays and be an important issue for investors. Financial reports can provide benefits if they are presented accurately and on time. Previous researchers who concluded that audit report lag has an influence on company value include (Girsang et al., 2015). Sanulika (2018) stated that KAP reputation has no influence on company value. The research concluded that additional EPS would not affect the impact of KAP's reputation on company value. Research by Lai (2019) reveals that audit report lag has an effect on company value. However, the condition of EPS does not have the ability to strengthen or weaken the relationship between audit report lag and company value.

H1: The reputation of the Public Accounting Firm (*Kantor Akuntan Publik*/KAP) influences company value.
H2: Audit report lag influences company value.
H3: Earning per Share (EPS) cannot moderate the influence of the reputation of a KAP on company value.
H4: Earning per Share (EPS) cannot moderate the influence of audit report lag on company value.

3. RESEARCH METHODOLOGY

This research is a quantitative descriptive type of research. Quantitative study is a scientific research method because it follows scientific principles: objective, concrete, rational, systematic and measurable. Companies on the LQ45 index on the Indonesia Stock Exchange from February 2021 to January 2023 are the population in this study. Purposive sampling was used as a method in determining the sample. Purposive sampling is a sampling technique that pays attention to certain things (Sugiyono, 2013). The reputation of a Public Accounting Firm (*Kantor Akuntan Publik*/KAP) reflects public trust in auditors because of their professionalism. Measuring the reputation of a KAP uses a dummy variable indicator, the big four KAPs are reflected by 1; non-big four KAPs are reflected by 0. Audit report lag is the difference between the date the auditor signed and the book closing date. Audit report lag measurement uses provisions. Company value reflects the company's price in the eyes of investors. Measuring company value uses PBV. Price to Book Value (PBV) is determined as follows: PBV = Market Price per Share: Book Value per Share. Earning per Share (EPS) is the result of dividing the company's net profit and the number of shares outstanding. EPS measurement, descriptive statistics are the results of mathematical calculations with the aim of analyzing data by explaining and providing an overview of the data that has been collected and presented as is without the intention of generalizing. Ghazali (2018) explains that before continuing testing, the regression model must go through a classic assumption test to determine whether the hypothesis is suitable to continue or not. Data testing uses the SPSS 26 statistical application.

4. RESEARCH RESULT

Descriptive statistics is a mathematical calculation method that aims to analyze data by providing an overview and explaining the data that has been collected without the intention of generalizing. Descriptive statistics tables display measurement results in the form of the highest or maximum value, average or mean, lowest or minimum value, as well as standard deviation for each dependent and independent variable. By using this method, we can understand the distribution of data, look for trends, and get basic information about the characteristics of each variable in a research or data analysis.

Tabel 1. Descriptive Statistical Test Results

N		Min	Max	Mean	Std. Deviation
X1	52	0	1	,85	,364
X2	52	20	108	67,75	24,357
Z	52	-6,0000	5679,0000	433,022194	862,4032104
Y	52	,4102	44,8570	3,825035	7,6596665
Valid N (listwise)	52				

Table 1 explains the description of the research variables. The reputation of the Public Accounting Firm (*Kantor Akuntan Publik*/KAP) (X1) is represented by a dummy variable proxy. The lowest or minimum value is 0, indicating a company with non-big four services, and the highest or maximum value is 1 indicating a company with big four services. The calculated average value is 0.85, meaning that the total of 52 observations from the 2021-2022 period is 85% choosing audit services from the big four, with a standard deviation of 0.364. Audit report lag (X2) uses a proxy for the difference between the number of days on the date the audited financial report was signed and the end date of the accounting period showing the lowest (minimum) value of 20 days by Bank Negara Indonesia (Persero) Tbk. in 2022. The highest (maximum) value by Telkom Indnesia (Persero) Tbk. and Sarana Menara Nusantara Tbk. in 2021 it will be 108 days. The calculated average (mean) value is 67.75 days, meaning that the average audit report lag for the company during the 2021-2022 period is 67.75 days over the 2-year research period, with a standard deviation of 24.357 days, meaning that most of the samples are more than 24,357 days less than the average during the study period.

Earnings per Share (EPS) (Z) through the EAT distribution proxy with the number of shares outstanding shows the lowest (minimum) value of -6.0000, namely Wijaya Karya (Persero) Tbk. in 2022. The highest (maximum) value is 5679,0000, namely United Tractors Tbk. in 2022. The calculated average value is 433.022194, meaning that the company's average Earning per Share (EPS) during the 2021-2022 period is 433.022194 for the 2year research period, with a standard deviation of 862.4032104 meaning that most of the samples earned more and less than 862.4032104 of the average during the study period. Company

Value (Y) through the PBV proxy reveals that the lowest value is 0.4102 owned by Wijaya Karya (Persero) Tbk. in 2022. The highest (maximum) value belongs to Unilever Indonesia Tbk. namely in 2022 it will be 44.8570. The calculated average value is 3.825035, meaning that the average company value during the 2021-2022 period is 3.825035 over the 2year research period, with a standard deviation of 7.6596665 days, meaning that most of the samples are more than 7.6596665 days less than the average during the study period.

Variables that are considered moderating variables can increase the influence of the independent variable on the dependent variable if the statistical test results show a significance value below 0.05 and the regression coefficient is negative.

Tabel 2. Normality Test Results

	Shapiro-Wilk		
	Statstic	df	Sig.
Unstandarduzed Residual	,973	52	,272

Table 2 shows the results of the normality test using the Shapiro-Wilk method. The statistical value for the normality test on unstandardized residuals is 0.973, with 52 degrees of freedom, and a significance value (Sig.) of 0.272. Based on these results, it can be concluded that the asymptotic significance value (2-tailed) is 0.272. Therefore, we can conclude that the tested data has a normal distribution. The results of this test provide an indication that the normality assumption is met, validating the fit of the data to a normal distribution, which supports the validity of using parametric statistical analysis on the data.

Tabel 3. Multicollinearity Test Results

Unstandardizd Coefcients				Standardzed Coeficients	T	Sig.	Colinearity Statstics	
Model		B	Std. Error	Beta			Tole-rance	VIF
1	(Constant)	8,296	4,550		1,823	,074		
	R KAP	,350	3,044	,017	,115	,909	,943	1,060
	ARL	-,061	,046	,194	-1,329	,190	,925	1,081
	EPS	-,001	,001	-,164	-1,123	,267	,933	1,072

Table 3 shows the results of the multicollinearity test using Tolerance (T) and Variance Inflation Factor (VIF) for the KAP Reputation, Audit report lag and Earning per Share (EPS) variables. The Tolerance and VIF values are 0.909 and 1.060 respectively for KAP Reputation, 0.925 and 1.081 for Audit report lag, and 0.933 and 1.072 for Earning per Share (EPS). It can be concluded that all Tolerance values are greater than 0.10 and all VIF values are less than 10. Based on these results, it can be concluded that the regression model does not experience multicollinearity. A high Tolerance value indicates a low level of correlation between variables, while a low VIF value indicates that these variables are not mutually redundant. Therefore, it can be stated that this regression model is suitable for use because there are no multicollinearity problems that could affect the validity of the regression analysis results.

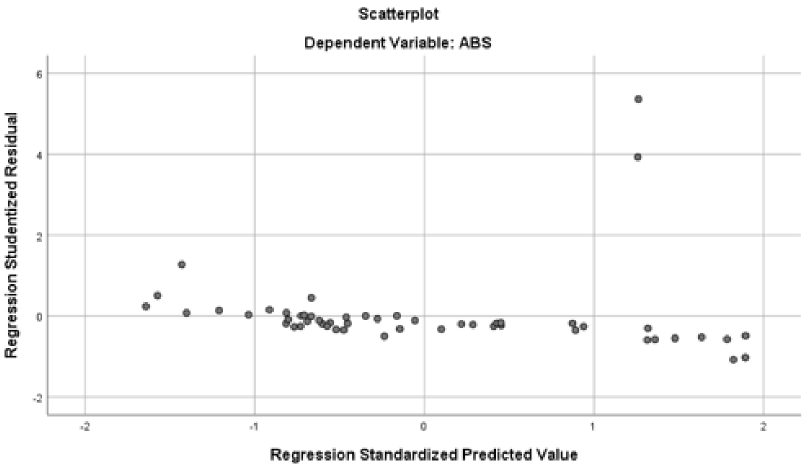

Figure 2. Heteroscedasticity Test Results

Apart from that, in the Heteroscedasticity test it is assumed that heteroscedasticity is fulfilled or the residual variance is homogeneous, because the points are distributed in an unpatterned pattern above or below the number 0 on the Y axis, as can be seen in the scatterplot results in Figure 2.

Tabel 4. Autocorrelation Test Results

Model	R	R Square	Adjustd R Square	Std. Eror of the Estimate	Durbin-Watson
1	,226	,051	-,008	7,6913998	2,054

Table 4 presents the results of the autocorrelation test with parameters such as the R value (correlation between independent and dependent variables), R Square (coefficient of determination), Adjusted R Square (adjusted coefficient of determination), Standard Error of the Estimate (standard error of estimation), and Durbin- Watson. The R value in this model is 0.226, indicating the level of correlation between the independent and dependent variables. The coefficient of determination (R Square) is 0.051, which means that 5.1% of the variation in the Company Value variable is influenced by KAP Reputation and Audit Report Lag, while the remaining 94.9% is influenced by other factors not examined in this research.

Adjusted R Square provides a correction for model overfitting, and a value of -0.008 indicates such adjustment. The Standard Error of the Estimate is 7.6913998, indicating the extent to which the estimate of the dependent variable may vary from its true value. Durbin-Watson, with a value of 2.054, measures the presence of residual autocorrelation. Values between 1.5 and 2.5 indicate that there is little or no autocorrelation in the model. Based on the test results, it can be stated that this model has a limited level of explanation of variations in the Company Value variable, and most of these variations are influenced by other factors that are not included in the model. In addition, the Durbin-Watson test results show that there is no significant autocorrelation in the model residuals.

Tabel 5. Implementation of the Durbin Watson Test

dL	dU	dW	4-dU	4-dL
1,4339	1,6769	2,054	2,3231	2,5661

Table 5 shows the results of the Durbin-Watson analysis with the values of dL (lower limit), dU (upper limit), and dW (Durbin-Watson statistics). In this context, the dW value is 2.054. To evaluate whether there is autocorrelation in the residuals, comparisons between dW and dU (upper limit) and 4-dU are also presented. In this case, dW (2.054) is between dU (1.6769) and 4-dU (2.3231). Traditionally, if the dW value is closer to 2, it indicates that there is no significant autocorrelation in the model residuals. In this case, because the dW value is midway between dU and 4-dU, it can be concluded that the assumption of no autocorrelation in the residuals (assumptions met) is acceptable. Therefore, the results of the Durbin-Watson analysis in table 5 conclude that there is no significant autocorrelation in the residuals, validating the suitability of the regression model.

Tabel 6. Partial Test Results H1, H2, H3, H4

Hypothesis 1						
Unstandardzed Coefficient				Standardzed Coefficient		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	3,360	,027		122,894	,000
	R KAP	,550	,030	,934	18,488	,000
a.	Dependent Variable: ABS					
Hypothesis 2						
1	(Constant)	1,381E-15	3,`57		,000	1,000
	ARL	,000	,044	,000	,000	1,000
a.	Dependent Variable: ABS					
Hypothesis 3						
1	(Constant)	416,631	117,127		3,557	,001
	NP	-4,764	13,787	-,049	-,346	,731
a.	Dependent variable: NP					
Hypothesis 4						
1	(Constant)	403,362	115,637		3,488	,001
	NP	-,779	13,612	-,008	-,057	,955
a.	Dependent variable: NP					

The reputation value of the Public Accounting Firm (KAP) is 0.000 <0.05 with a positive t value of 18.488 and a positive regression coefficient of 0.550, so the conclusion is drawn that H0 is rejected and the hypothesis or H1, namely that KAP reputation has an effect on company value, is accepted. The audit report lag value is 1,000 > 0.05 with a t value of 0.000 and a regression coefficient of 0.000, so it can be concluded that H0 is accepted and the hypothesis or H2, namely that audit report lag has an effect on company value, is rejected. The probability value of company value is 0.731>0.05 with a negative t value of -0.346, a negative regression coefficient of -4.764, so it is concluded that H0 is rejected and the hypothesis or H3, namely that EPS cannot moderate the influence of KAP reputation on company value, is accepted. The audit report lag probability value is 0.955 > 0.05 with a negative t value of -0.057 and a negative regression coefficient of -0.779, so it is concluded that H0 is rejected and the hypothesis or H4, namely that EPS cannot moderate the influence of KAP reputation on company value, is accepted.

5. DISCUSSION

The analysis output from the t test obtained results showing that the Public Accounting Firm (*Kantor Akuntan Publik*/KAP) reputation variable calculated through a dummy variable proxy had a significance value of 0.000 or <0.05, on the other hand the regression coefficient was 0.550 and the t value was 18.488, so it was concluded that the KAP reputation variable had a partial effect on the value. company. In line with agency theory, this study shows that companies want their audit reports to be completed quickly and well so that they can be used by stakeholders. In this research, the differences in KAP selection chosen by companies on the LQ45 index list influence the level of company value. The principal gives his authority to the agent to implement policies in accordance with his interests by issuing timely reports (Jensen & Meckling, 2019; Lu, 2021). Companies with big four services or those affiliated with them obtain financial reports with higher audit quality, compared to companies that use non-big four services.

The publication of financial reports on time and quality audit results by the principal can be used well by the agent in making decisions. The more agents decide to invest in the company, the impact on increasing the value of the company, the reputation of the KAP will influence the value of the company. This study strengthens previous studies such as Wafiyah & Santoso (2021), Dewi (2020), Karjono & Himawan (2019), and Zaini et al. (2019) who concluded that KAP reputation calculated through a dummy variable proxy had an effect on company value. Companies that choose big four affiliated KAP services tend to increase company value. The research results are at odds with Sanulika (2018) study which concluded that the reputation of a KAP has no effect on company value.

Apart from that, the output from the t test shows that the results of the audit report lag variable which is assessed through a proxy for the difference between the audit date and the financial report date have a significance value of 1.000 or >0.05 with a t value of 0.000, while the regression coefficient is 0.000, so it is concluded that the audit report lag variable has no significant effect on the value of the company. In accordance with agency theory, this study shows that companies tend to try to shorten their audit report lag because they receive more attention from external parties. In this study, the differences in the length of audit report lag owned by LQ45 companies affect the value of their companies. The principal gives his authority to the agent to implement policies in accordance with his interests by issuing timely reports (Jensen & Meckling, 2019; Barney, 2021). The length of the audit report lag will influence the decision making of various parties related to the company, including investors, in determining their investment. Company managers must issue audit reports on time. Company managers who are late in publishing audit reports will get a bad record and risk being replaced by the company owner as an effort to maintain harmony between principal and agent targets in company operations, but the length of audit report lag has no effect on company value.

This research strengthens the study of Mujaddidi et al. (2022), Nurmawati & Fauziah (2022), Jefriyadi & Ethika (2021), and Utomo et al. (2017) which revealed that the audit report lag variable which is calculated as a proxy for the difference between the audit date and the financial report date has no effect on company value. The results of this study conflict with the study of Girsang et al. (2015) in Indonesian Stock Exchange banking companies who concluded that audit report lag had an influence on company value. This difference is possible because of the different research objects taken. Companies in the LQ45 index are companies that have been selected based on certain criteria every semester, have good financial performance, and are representatives of important economic sectors in Indonesia (Chasanah & Sagoro, 2017). Banking companies are a sub-sector of financial sector companies on the Indonesia Stock Exchange. So, studies in other sectors can be carried out to find out more about how audit report lag can have an influence on company value.

Therefore, the output from the results of the moderation regression test using the residual method reveals that the KAP reputation variable has a regression coefficient value of -4.764 and a probability value of 0.731 or >0.05, so it can be concluded that the EPS variable cannot strengthen the influence of the KAP reputation variable on company value. This research reveals that the large Earning per Share (EPS) value of LQ45 index companies, whether large or small, not only chooses to use the services of big four or affiliated KAPs, but also chooses to use non-big four services, so that whatever the company's EPS value cannot strengthen its influence Public Accounting Firm's reputation for company value. It is necessary to find other variables that can influence the relationship between the reputation of a KAP and company value.

This research shows that EPS cannot moderate the relationship between KAP reputation and company value, which is close to Sanulika (2018) study which concluded that auditor switching was not able to mediate the relationship between KAP size and company value. The output from the results of the moderation regression test using the residual method reveals that the audit report lag variable has a regression coefficient value of -0.779 and a probability value of 0.955 or >0.05 so that it can be concluded that EPS cannot strengthen the influence of the reputation of the Public Accounting Firm (KAP) on company value. EPS is a variable that has a negative effect on company value. unable to strengthen or weaken the relationship between audit report lag and company value which was stated to have no effect by Mujaddidi et al. (2022), Nurmawati & Fauziah (2022), Jefriyadi & Ethika (2021), and Utomo et al. (2017). Companies with a short audit report lag do not indicate that the company has a higher value and EPS than companies with a longer audit report lag time. This research proves that EPS cannot moderate the effect of audit report lag on company value.

6. CONCLUSION

The test conclusion was that Public Accounting Firm (*Kantor Akuntan Publik*/KAP) reputation influenced company value. Audit report lag has no effect on company value. EPS is unable to moderate the influence of KAP reputation on company value, EPS is unable to moderate the influence of audit report lag on company value. There are still limitations in this study, so the researchers provide suggestions, including improving the quality of accounting staff, information systems and internal controls in order to minimize misrepresentation of financial reports, so that audits can be carried out quickly. Auditors must always prepare a mature and structured audit program to anticipate company delays in reporting audit reports. Future researchers should add research periods and pay attention to other variables related to their influence on company value, such as audit opinion, solvency, profitability, and other indicators that have not been discussed in this study. Research objects other than the LQ45 stock index can also be considered, such as IDX30, IDX80, Kompas 100, etc.

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