RESEARCH ARTICLES
published:31 July 2024
doi : 10.21070/jas.v8i2.1866

The Impact of Digital Integrated Reporting on the Influence of Financial Performance on Firm Value

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General Background: The increasing complexity of global financial markets necessitates enhanced transparency and comprehensive reporting, leading to the adoption of digital integrated reporting (DIR) as a framework to provide stakeholders with concise, strategic insights into company performance. **Specific Background:** In Indonesia, the integration of DIR into financial reporting practices has become crucial, particularly for firms within the LQ-45 index on the Indonesia Stock Exchange, which are considered leaders in corporate governance and reporting standards. **Knowledge Gap:** Despite DIR's recognized importance, its moderating role in enhancing the relationship between financial performance metrics—Return on Assets (ROA), Current Ratio (CR), and Debt to Equity Ratio (DER)—and firm value remains underexplored. **Aims:** This study aims to evaluate the effect of ROA, CR, and DER on firm value, considering DIR as a moderating factor, within Indonesian LQ-45 companies during 2019–2021. **Results:** The findings reveal that ROA and DER significantly impact firm value, while DIR positively moderates the effects of ROA and DER on firm value. **Novelty:** This research uniquely identifies DIR's moderating influence, offering a fresh perspective on how digital reporting mechanisms can enhance the predictive power of traditional financial metrics. **Implications:** The study underscores the strategic importance of DIR in corporate reporting, suggesting that enhanced disclosure can lead to increased investor confidence and potentially higher firm valuation, thereby informing policy and practice in corporate governance and financial reporting.

Keywords : Digital Integrated Reporting, Return on Assets, Current Ratio, Debt to Equity Ratio, Firm Value

OPEN ACCESS
ISSN 2548-3501 (online)
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Received: 23 April 2024
Accepted: 17 July 2024
Published: 31 July 2024
Citation:
Ningdiyah, Asyik and Fidiana (2024) ***The Impact of Digital Integrated Reporting on the Influence of Financial Performance on Firm Value***

INTRODUCTION

The value of the company is a condition certain to be achieved by a company as described by the public's trust in the company through a process of activity over several years, i.e., since the company was established. Company value is very important because it reflects the performance of companies that can influence investors' perceptions of the level of success of a company. Every owner of the company always shows to potential investors that their company is right as an alternative investment. The value of the company is a mirror that depicts to what extent the company is valued by the public or a willing price paid by investors (Xiang & Birt, 2021).

The value of the company is influenced by several things, one of which is financial performance. Several variables of financial performance were used in this research: Profitability, liquidity, and leverage. Profitability plays a very important role in all aspects of business Because it shows How a company does its activities in a way effective and efficient or size effectiveness management company (Mahardikari, 2021; Rajapaksha & Kehelwalatenna, 2022; Khairani, 2020). The investor's goal in investing capital in the company is to get a return, where the more the company produces gain or gain, the more The returns obtained by investors are also high, so they have an impact on increasing the company and prospering the owners. Research results ((Ganda, 2022); (Mokhtar, 2017); (Martins & Lopes, 2016); (Xiang & Birt, 2021); (Indrayani et al., 2022)) show that Return on Assets has an effect positive to mark company. However, the results of (Sinaga, 2021) research show that Return on Assets has no effect on Firm Value.

Liquidity-level Companies are usually used as investors' reject measures for retrieval decisions. High liquidity is considered to be a failed company in compliance with the obligation of a financial period. Companies that can fulfill their obligation have finances at the appropriate time, which means the company is in a position to liquidate, and corporations have tool higher payments or assets compared to the short obligation period (Vriend, 1996). Research results (Xiang and Birt, 2021; Tanusdjaja, 2021) show that the current Ratio has a positive effect on firm value. Meanwhile (Sinaga, 2021) stated that the Current Ratio has no effect on Firm Value.

Leverage is the ability of a company to be in compliance with all obligations or debt, either short or long, with guaranteed assets owned. Debt is a positive signal for investors as to how to increase profits, so it's related positively to the well-being of the owner (Maharani, 2018). Research results (Tanusdjaja, 2021) show that the Debt-to-equity ratio has a positive effect on firm value. At the same time, the research results of Indrayani et al. (2022) show that the debt-to-equity ratio has no effect on Firm Value.

Modern era and support digitalization demand A known thorough and comprehensive financial reporting with Integrated reporting (IR). IR began to be adopted at the end of 2019 by BI and OJK so that companies are more efficient in reporting to authorities (Soegiarto et al., 2022). The implementation of integrated reporting brings lots of benefits to the economy in a sustainable way, although it is still a natural disclosure volunteer.

The International Integrated Reporting Council's (IIRC) Framework is a framework a start for the company in pushing thinking and reporting in an integrated way, where a number of reports consisting of finance, notes management, governance, and remuneration, as well as sustainability reports (Hamad et al., 2022). In reporting, "explained the ability of something organization to create value and maintain value in the term. " In addition, "material information about strategy, governance and remuneration, performance, risks, and prospects, something reflecting the organization's commercial, social, and environmental, Where the organization's operations are also covered and presented in Integrated Reporting.

In terms of the implication, reporting integrated is said to be able to create a mark period short, medium, and long for the company, increasing trust holder interests and being key to keeping health business in the middle change fast environment. Actual facts show that only 50% of the total 8 elements are related to reporting necessary integration.

Digital Integrated Reporting is variable Moderation because Digital Integrated Reporting has an important role in improving the performance of companies (Geno et al., 2023). Reporting integrated digitally makes it easier for management businesses to think and connect risks and opportunities involved in making decisions and developing businesses to improve performance business. Reporting Integrated Digital reveals integrating information ESG (Environmental, Social, and Governance) factors into strategy, measurement performance, and assessment of risks and opportunities business to maximize the creation mark period long (El-Deeb, 2019). High social performance can increase the value of a company by improving financial performance, namely by increasing cash flow and reducing capital costs. Second, because previous research has shown results are inconsistent, researchers do research again with the same theme, but there are several updates.

Previous research is related to the value of the company, and more research influencing factors mark the company (Penela et al., 2019). This research is more direct to influencing factors that mark companies in the development disclosure of financial statements from mandatory disclosure to paper-based voluntary disclosure to internet-based voluntary disclosure. That matter gives a description of the characteristic differences in development disclosure between companies and the factors that influence it. It can also provide instructions about the condition of the company in a reporting period (Purnamasari & Fauziah, 2022).

Influence positive between evaluation company and Reporting More tightly integrated into the company with complexity higher organization (Setiawan, 2016) shows that Reporting integrated improves the environment information in complex companies like companies with high intangible assets, companies with various segment business, and big company. Additionally, we found that in the company that needs financing higher external, sub-sample company with

Reporting Higher integration own evaluation companies (Torre et al., 2016) reports that Reporting Integrated reduces information asymmetry between company insiders and external capital suppliers. The analysis also shows that companies with Reporting Highly integrated outperform companies with Reporting Low integration, which is good in terms of the stock market and accounting performance(Dyczkowska et al., 2022).

El-Deeb (2019) points out that implementation reporting enhances performance and value companies on the Egyptian stock exchange market. As far as I know, the researcher mentioned variables that have not yet been investigated in the Egyptian market. This research provides insight into the future applications (IR) that can be used as the basis for further research in Egypt.

This research is different from previous research in terms of population, time, and sample used, namely Company LQ45 for the 2019-2021 period. LQ45 shares are one of the active shares, so you can continue to experience price changes; they have the lowest risk compared to other listed shares. The aim of this research is to determine and test the influence of Return on Assets (ROA), Current Ratio (CR), and Debt to Equity Ratio (DER) on Company Value with digital Integrated Reporting as a moderating variable.

Theoretical Framework

Signal theory explains How issuers manage financial information in order to provide signals to investors with the aim of growing interest investment.

Trade-off theory explains how issuers endeavour to balance profits and costs by utilizing optimal debt structure, which, with a certain level of debt, issuers can increase profits for the company because of savings tax. The substance of the trade-off theory lies in benefits taxes to balance benefits and costs as a consequence of the utilization of debt (Nanda, 2019).

The pecking order model hypothesizes that issuers prefer internal funding sources with lower risk compared to risk external funding sources through publishing securities. An issuer would prefer retained earnings before stepping into debt, whether it is safe debt, risky debt, or outside debt (Brealey, Myers, 2018).

The International Integrated Reporting Council defines IR as a concise form of information that issues communicate in a way to stakeholders. It also describes how the creation of value and prospects period is built through governance, strategy, and performance. So, IR doesn't just summarize information on current achievements but also reflects What will achieved in the future (Hamad et al., 2022; Rajapaksha & Kehelwalatenna, 2022).

The Effect of Return on Assets on Firm Value

A company that owns profitability or level income on high investment in using debt on a scale small, possible funding in financing part big need company with the funds obtained internally (Rahmasari, 2021). This makes potential investors buy share companies, with many requests from share companies, so the price of shares rises (Mamari et al., 2022). That matter shows that a capable company produces profits that have received a positive response from investors and potential investors so that they are increasing the mark of their company.

Research results (Ganda, 2022; Mokhtar, 2017); Martins & Lopes, 2016; Xiang & Birt, 2021; Indrayani et al., 2022; Tanusdjaja, 2021; Hocky & Chandra, 2022) show that Return on Assets has an effect positive to mark company.

H1: Return on Assets has an effect positive towards Firm Value

Effect Liquidity towards Firm Value

Liquidity can be interpreted as the ability of a company to pay off an obligation period that is short. The tall the company to pay off term debt, in short, the more liquid the company is. Where does the level of liquidity of a company influence investors in making decisions about investments (Kamaliah, 2020)? Investors don't invest in a company that has less capital liquid because they think that less company liquid on their own trend experience something bankruptcy. Strength indicates a company with a ratio of high liquidity related to financial reporting as complete as possible (Prasetya, 2012). It is based on the hope that a company with strong financial trends reports financials as completely and extensively as possible than a company that owns condition weak finances.

Research results (Xiang & Birt, 2021; Jihadi et al., 2021; Tanusdjaja, 2021) show that the Current Ratio has an effect positive towards Firm Value.

H2: Current Ratio has an effect positive towards Firm Value.

The Effect of Leverage on Firm Value

Leverage is the ability of a company to pay off obligations smoothly. Agency Theory explains that the higher a company's leverage is, the better the transfer of prosperity from creditor to holder share company. A company that owns a proportion of debt is greater in the structured capital and has a higher agency (Penela et al., 2019). Therefore, companies that have high leverage have higher obligations to fulfill the need for information creditors for a long period (Mokhtar, 2017). Companies with a high debt amount bear a higher agency. This is caused by a transfer of wealth from debtholders to stockholders (Ramadhanty et al., 2022). On the other hand, with a higher leverage proportion, the need for information about the ability of the company to pay obligations by creditors is higher. One of the ways to reduce costs against the agency as well as conflict emerging interests is to disclose more information, i.e., with the disclosure of financial information via the company website.

Research results (Tanusdjaja, 2021) show that the Debt-to-equity ratio has a positive effect on firm value.

H3: Debt To Equity Ratio has an effect positive towards Firm Value

Digital Integrated Reporting moderates the influence of Return on Assets on Firm Value

Profitability is the ability of a company to get profit in relation to sales, total assets, or own capital. The main purpose of the company is usually to produce profit. With existing profit, it gives positive information to stakeholders. Based on stakeholder theory, a company that has a level of profitability will fulfill the needs of its stakeholders (Hronová & Špaček, 2021). One of the considerations for investors is the analysis of the financial performance of a company. A company that owns mark profitability tall describes a company that owns the ability to optimize the assets owned in producing future profits and give profits to investors.

The more IR disclosures by the issuer, the more it gives a signal about the performance of the issuer so that it is expected to increase the value of the market. By disclosing IR, the issuer hopes to achieve his finances because it means the issuer has communicated further about governance, strategy, achievements , and other positives (Abbas et al., 2021). With IR, there are also issuers who want to build an image. Positive disclosure has more benefits than the cost incurred. Therefore, IR is expected to improve financial performance, which may increase interest investment and corporate value in the next few years.

H4: Digital Integrated Reporting moderates the influence of Return on Assets on Firm Value

Digital Integrated Reporting moderates the influence of the Current Ratio on Firm Value

According to (Kasmir, 2019), the ratio liquidity is used to measure how much it is liquid in a company. The taller the liquidity company is, the more funds are available for companies to finance operations and investments so that investors can assess the performance of the company and influence the increase mark company (Eccles et al., 2019). Signal theory shriveled that a good company can differentiate itself from a bad company by sending credible signals about quality to the public (Moeljadi et al., 2022). Signal theory, in essence, is related to subtraction asymmetry information between two parties (Karini & Cahyono, 2023).

To reduce information asymmetry, managers are advised to provide information that investors or potential investors need (Utomo, 2021). so that the disclosure element of digital integrated reporting is considered a credible signal for the company, so that it can add company value. Flores et al., (2019) found digital integrated reporting has impact a more substantial positive impact on a company with a higher complexity organization, by increasing information in the environment complex enterprise, as in a company with significant assets, with segment lots of business, and big investment. Companies with level integration and high reporting outperform companies with low reporting in terms of financial performance and value company. Hamad et al., (2022) shows that digital-integrated reporting moderates the influence of the current ratio on marking the company and the expected future of the company.

H5: Digital Integrated Reporting moderates the influence of the Current Ratio on Firm Value

Digital Integrated Reporting moderates the influence of Leverage on Firm Value

The leverage ratio is a ratio used to measure the extent to which company assets are financed with debt (Kasmir, 2015). Leverage can be used to increase capital in a company. However, if a company uses too much debt, it will affect the profits it makes and also affect the value of the company. According to (Narsa & Pratiwi, 2018), states that if a company is subject to income tax, then using debt is the right decision taken by the company to increase the value of the company.

The draft that a certain level of leverage is able to increase profits by taking advantage of subtraction cost tax has been received generally. Impact next is performance financial positive issuer expected able to increase interest investment. This positive performance will be more known to the public if the issuer is able to disclose the information he has in a systemized way. This means that IR can play a role in improving the image of the corporate issuer and is capable of managing sources of funds (internal and external) to develop the welfare of all parties.

H6: Digital Integrated Reporting moderates the influence of Debt to Equity Ratio on Firm Value

METHODS

Samples are selected purposively based on criteria (1) LQ45 companies listed on the Indonesia Stock Exchange, there are 45 companies (2) Present report finance complete in the period 2019-2021 (3) Companies that were not suspended in 2019-2021 research, only 2 companies suspended so remaining 43 companies with a 3-year observation so that amount observation to 129. The data analysis technique used in this research is Moderated Regression Analysis (MRA) with SPSS version 27 data processing tools.

Research Variables

[Table 1. Definitions Operational Variable Study]

[Table 2. Descriptive Statistics]

RESULTS AND DISCUSSION

Analysis results show the Return on Assets variable has a mark. The smallest (minimum) is -0.4992, and it is owned by PT. Waskita Beton Precast Tbk. This matter is because of the 2019 – 2021 PT. Waskita Beton Precast Tbk experienced a decline, namely 5.69 %, -49.91%, and -28.23%. Decline The ROA ratio is due to PT. Waskita Beton Precast Tbk experienced a loss amounting to Rp. -4,287,311,000,000 in 2020 and Rp. -1,943,363,000,000 in 2021. The largest (maximum) value is 0.3580, and it is owned by PT Unilever Indonesia Tbk. The results of the calculation show that the performance of the company PT Unilever Indonesia Tbk is good enough because ROA results exceed 30%, though there was a decline from 2020 to 2021. Average Return on Assets 129 corporate shows 0.056312 with a deviation of 0.1018749 (above average). Conclusion: high data variation in Return On Assets.

Analysis results show that the Current Ratio variable has marked the smallest (minimum) at 0.2796, which is owned by PT Jasa Marga (Persero) Tbk. Ratio liquidity of PT Jasa Marga (Persero) Tbk is at in the circumstances Good or liquid Because activity fluent company Enough For fulfill obligation short his and can is known that amount assets and inventory company are taller than amount obligation fluent his company. The largest (maximum) value is 20.7832, owned by Bank Negara Indonesia (Persero) Tbk. This matters because Bank Negara Indonesia (Persero) Tbk's own mark debt is currently very low in 2019 compared to 2020 and 2021. Views from the current ratio are below 200%, then the level of liquidity of Bank Negara Indonesia (Persero) Tbk can not be Good enough. With pay attention to the relative current ratio of Bank Negara Indonesia (Persero) Tbk decreasing, this shows that the performance finance of Bank Negara Indonesia (Persero) Tbk is not effective in managing assets smoothly p. This means it Still Not yet capable of paying debt fluently and company is too tall. So, party management companies must emphasize the amount of debt period short on the company. Average Current Ratio 129 corporate 2.564553.

Analysis results show that the debt-equity ratio variable has a mark. The smallest (minimum) is 0.1447, which is owned by PT Vale Indonesia Tbk. With the DER ratio, the company has a greater ability to fulfil all its obligations. The more low ratio DER is increasingly Good. This shows that the debt is owned by a company that is no bigger than its equity. The largest (maximum) value is 16.0785, owned by PT Bank Tabungan Indonesia (Persero) Tbk. This matters because the DER ratio is less suitable For analysing shares from sector banking. Because of savings, funds from customers enter into debt post or credit. This can cause the DER of the company to rise. Because the bigger the savings customers are, the larger the DER is. Then, I am not amazed If share banking usually has a sufficient DER ratio. Average corporate Debt To Equity Ratio 129 shows positive results of 2.1613, meaning the Debt To Equity Ratio received positive (experiencing an increase). The standard value is the deviation of the debt-to-equity ratio, which amounts to 2.6864183 (above average), meaning that the debt-to-equity ratio has a high level of data variation.

Digital Integrated Reporting has a mark. The smallest (minimum) is 0.2903, which is owned by PT Sentul City Tbk, Charoen Pokphand Indonesia Tbk, and PT Elnusa Tbk. This matter is due to PT Sentul City Tbk, Charoen Pokphand Indonesia Tbk, and PT Elnusa Tbk only revealing 9 elements of 31 elements from the Digital Integrated Reporting disclosure. The largest (maximum) value is 0.4839, and it is owned by PT Bank Tabungan Indonesia (Persero) Tbk, PT. Indo Tambangraya Megah Tbk, PT. Matahari Department Store Tbk, PT. United Tractors Tbk, PT. Unilever Indonesia Tbk. This matter is because of PT Bank Tabungan Indonesia (Persero) Tbk, PT. Indo Tambangraya Megah Tbk, PT. Matahari Department Store Tbk, PT. United Tractors Tbk, PT. Unilever Indonesia Tbk reveals 15 elements of 31 elements from the Digital Integrated Reporting disclosure. Average Digital Integrated Reporting 129 corporates show positive results amounting to 0.397352. The average (mean) value is sufficient. This shows that the more effective supervision carried out by the company, the more increase that push applications from integrated reporting elements inside the report's annual

Firm Value has marked the smallest (minimum) at 0.5717, which is owned by PT. AKR Corporindo Tbk. This matters because, throughout 2019-2021, the prices of shares of PT will be high. AKR Corporindo Tbk. Experience fluctuation. According to report data, PT AKR Corporindo's finances Tbk during the 2019 price period the shares amounting to 790. However, in 2020, it was possible to experience a decline in the price of shares 636. Then, in 2021, it experienced an increase in return of 822. The largest (maximum) value is 14.4147, which is owned by PT Unilever Indonesia Tbk. This matters because of the price shares of PT. Unilever Indonesia Tbk. is one of the shares with sufficient development and is stable and inclined to experience enhancement every year. Average Firm Value for 129 corporations: 1.588195. This means it is overvalued because it exceeds number 1.

Test Assumptions Classic

[Table 3. Assumption Test Results]

[Table 4. *Goodness of Fit Test, Coefficient of Determination (R2), Multiple Linear Regression*]

[Table 5. Test Results Hypothesis]

Discussion

Influence *Return on Assets* (ROA) against *Firm Value* (FV)

The results of the multiple linear regression test show that *return on assets* is influential, positive, and significant in *firm value.* This matter is proven with a beta value of 4.687 and a value significance obtained of 0.000, where the number is smaller than the level significance of 0.05, the said *Return on Assets* has an effect positive to *firm value.* This matter shows that the higher the *return on assets* owned by the company, the higher *the firm's value*. Therefore, the *Return on Assets* company a more complete disclosure report annually.

High profitability reflects the ability of the company to produce high profits for holder shares (Bhimantara & Dinarjito, 2021; Islam, 2021). Acquiring a company's profit is also related to the ability of the company to pay dividends, so the impact marks increasing companies. Enhancement Power pull company makes the company more interested in investors because the level of profit is bigger. Increased company performance increases the value of the company.

Corporate profits are an element in creating a company that shows a prospective company in the future. In accordance with draft *signaling theory*, profitability becomes a signal from illustrative management prospect company based on the level of profitability that is formed, and accordingly, direct influence mark reflected company from level price shares on the market (Indrayani *et al.*, 2022).

ROA can tied to good/healthy if > 2% (Durán et al., 2020). The ratio value between profits obtained by a company using more assets from 2% can describe the ability To get profit clean compared to the assets the company used. Racial influence is marked by the sale price share. Companies with good ROA fundamentals can increase investor confidence to buy shares in the company with ROA value > 2%. Based on the results of secondary data processing for all samples obtained, namely 43 LQ45 companies in 2019-2021, it is known that the statistical average value descriptive ROA reached 5.6312%. This matter shows that ROA has a value above average or better than the mark standard (2%), which has been set in the standard industry. It means its height, the average value of *Return on Assets* obtained by LQ45 company in the study, shows that the company is in good condition. It has strong finances and then gets more pressure from the external party to increase *its value. Firm value* is investors' perceptions of a company, which is often linked with price share. The value of the company formed through stock market indicators is strongly influenced by opportunities for investment. Research result This is in line with the results of a study earlier that showed that *Return on Assets* has an effect on *Firm Value* (El-Deeb, 2019; Geno et al., 2023; Velte, 2022). However, the results of this research contradict the results of research conducted by Sinaga (2017) which shows that Return on Assets has no effect on Firm Value.

Influence *Current Ratio* (CR) against *Firm Value* (FV)

The results of the multiple linear regression test show that *the current ratio* is influential, positive, and significant to *firm value.* This matter is proven with a beta value of 3.019 and a value significance obtained of 0.001, where the number that is smaller from level significance is equal to 0.05, and then the *current ratio* is said to be positive to *the firm value.* This matter shows that the higher the *current ratio* owned by the company, the higher the firm value. This matter shows that its high *Current Ratio* can show available funds for dividend payments, finance operation companies, and investments so that the performance of the company gets better.

The *current ratio* is very good If the value is≥ 200%. Based on the results of secondary data processing For all samples obtained, namely 43 LQ45 companies in 2019-2021, it is known that the statistical average value descriptive CR reached 256.4553%. This matter shows that CR has a value above average or better than the mark standard (200%), which has been set in the standard industry. It means the higher the *current ratio*. This means the company can fulfill long-term financial obligations more easily. Assets smoothly in question include cash, receivables, letters of value, and supplies. From assets fluent, the inventory markup assets are less smooth liquid compared with others. A company with a high *current* ratio, Of course, ensures that it can pay debt company already due due proportion or distribution from assets profitably smoothly. Research result This is in line with a study earlier that showed that *the Current Ratio* is influential positively on *Firm Value* (Maharani & Fuad, 2020; Vriend, 1996). The results of this research are in line with research results (Xiang & Birt, 2021; Jihadi et al., 2021; Tanusdjaja, 2021)) which show that the Current Ratio has a positive effect on Firm Value. However, the results of this research contradict the results of research (Sinaga, 2021), which states that the Current Ratio has no effect on Firm Value.

The Influence of Debt to Equity Ratio on Firm Value

The results of the multiple linear regression test show that the debt-to-equity ratio has a positive and significant effect on firm value. This matter is proven with a beta value of 2.903 and a value significance obtained of 0.001 where the number is smaller than the level significance equals 0.05, then apparently, the current ratio has an effect positive to firm value. So, the Debt to Equity Ratio (DER) has an effect on marking a company where investors choose a high debt to equity ratio (DER) value Because showing small risk finances covered company. This matter shows that the higher the debt and equity ratio owned by the company so, the higher the firm's value.

The results of this research are in line with the results of research conducted by (Tanusdjaja, 2021), showing that the Equity Ratio has a positive effect on Firm Value. However, the results of this study contradict the results of research by (Indrayani et al., 2022), which shows that the Debt Tto Equity Ratio has no effect on Firm Value.

Digital Integrated Reporting moderates the influence of Return on Assets on Firm Value

The results of the multiple linear regression test show that *digitally integrated reporting* moderates the influence of *return on assets* on *firm value.* This matter is proven with a beta value of 2.088 and a value significance obtained of 0.008, where the number is smaller from level significance equal to 0.05. Then, *digital integrated reporting* moderates the influence of *return on assets* on *firm value.* This matter shows that the more widely disclosed *digital integrated* reporting company, the higher *the return on assets* owned by the company, so the higher the value of the DIR company. The higher the DIR expressed company, the higher the level of completeness of the disclosure report annually company.

The drafting report DIR-shaped consists of 8 elements (IIRC, 2016). Element This means elements or parts of the main thing presented in the reporting company in the form of DIR. Elements must be fulfilled so that they can become integrated reports. One of the elements of disclosure *in digital integrated reporting* is outlook or prospect. Element This hook opportunity company to condition industry or economy in a general way. DIR is considered to provide more benefits compared to company costs.

Rajapaksha & Kehelwalatenna (2022) stated that DIR adds *value* to information companies. This happens because DIR can remove information asymmetry and create participant *capital markets* to make the right decision. DIR disclosures provide a signal to stakeholders regarding the condition of the company. Signal: This is translated as stakeholder news. It is good for the company because it can increase the company's mark.

Digital Integrated Reporting moderates the influence of the Current Ratio on Firm Value

The results of the multiple linear regression test show that *digitally integrated reporting* moderates the influence of *the current ratio* on *firm value.* This matter is proven with a beta value of 2.304 and a value significance obtained of 0.000, where the number is small from the level significance equal to 0.05. Then, *digital integrated reporting* moderates the influence of *the current ratio* on *firm value.* This matter shows that the more tall the *digitally integrated* reporting company is, the taller *the current ratio* owned by the company, so the higher the value of the company. Therefore, the DIR expressed that the company had a higher level of completeness in the disclosure report annual company.

This matter happened because the company used part of the funds to fulfill its obligations rather than for possible investment to produce profit (profit) for the company. However, if the company has a level of low liquidity, then the company freely uses the funds for investment, so it can produce profit (profit) for the company. If there are sufficient funds, then the company operates in a way that does not experience the difficult consequences of crisis finance. However, working capital is excessive, which shows that there are no productive funds (unemployed).

Digital Integrated Reporting moderates the influence of Debt to Equity Ratio on Firm Value

The results of the multiple linear regression test show that *digitally integrated reporting* moderates the influence of *the debt-to-equity ratio* on *firm value.* This matter is proven with a beta value of 1.010 and a value significance obtained of 0.006, where the number is small from level significance equal to 0.05. Then, *digital integrated reporting* moderates the influence of *the debt-to-equity ratio* on *firm value.* This matter shows that the more the disclosed *digital integrated* reporting company, the higher the company's debt to *equity ratio* is, so the higher the value to the company; therefore, the higher the DIR expresses the company, and the higher the level of completeness disclosure report annual company.

Condition the indicated that when Debt to Equity Ratio or high debt level can be linked with source company funding have. The high level of debt-to-equity ratio is also comparable with supervision strictly enforced. The cost of debt acquired related to incentives provided to managers and supervision can be done through wide disclosure information companies as well as integrated reporting. So, when a company's maximum debt-equity ratio level is comparable with optimally integrated reporting disclosure as a form of supervision and has a good impact on performance, the company will still get trust from creditors.

CONCLUSION

High profitability reflects the ability of a company to produce high profits for holder shares. Acquiring a company's profit is also related to the ability of the company to pay dividends, so the impact marks increasing companies. Enhancement Power pull company makes the company more interested in investors because the level of profit is bigger. Increased company performance joins in increasing mark company.

Enhancement liquidity reflects the ability of corporations to fulfil soft debt obligations, which increases interest investment because investors believe corporations are capable of promoting the well-being of the holder of the shares after debt obligations are settled. Likewise, capable issuers resolving long-term debt problems long will become a signal that only capable issuers pay off the risky debt that will share the well-being of the holder share. Therefore, that's a hypothesis enhancement mark corporate with managing leverage can be accepted.

The ability of corporations to manage their liquidity and leverage will have more impact. If achievements are strategic, they are informed in a way integrated through the IR mechanism. Therefore, the use of IR has an impact on strengthening role liquidity and leverage against mark corporations Because it means the issuer has endeavored to communicate performance to stakeholders.

However, research faces a number of limitations, especially since the generalization is limited to 1 country, namely Indonesia. In the country of issue, *digital integrated reporting* is *voluntary.* So that study This No can be generalized for other countries that have published *digital integrated reporting* in a way *mandatory; measurement digital integrated reporting* has 8 elements component. However, research can only analyze how much Lots disclosure information about elements component *digitally integrated reporting* to in reporting company in a way whole so that No can analyze the influence of each element component *digitally integrated reporting.*

Based on the discussion and conclusions of the results above, there are suggestions stated: Use the sample not only limited to LQ45 companies but also expand to several other industrial sectors such as manufacturing, mining, consumption, telecommunications, pharmaceuticals, and so on.

The theoretical implication of this research is that this research can be used as a public addition regarding the impact of adopting Integrated Reporting (IR) on the relevance value of accounting information in a performance report presented by the company. Apart from that, the practical implication of this research is to provide consideration for regulators not to rush in implementing Integrated Reporting (IR), with the aim of not giving a positive signal to the market so that it can have a negative impact on investor valuation, and therefore, Regulators also need to consider public factors that support public companies in adopting Integrated Reporting (IR), especially before the adoption obligation is implemented. Apart from that, several companies in Indonesia have declared that they have implemented integrated reporting (IR). Therefore, regulators can use these companies as a reference company model in evaluating the success of adopting Integrated Reporting (IR).

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Conflict of Interest Statement: The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

LIST OF TABLES

Table 1/ *Definitions Operational Variable Study*

No	Variable	Definition	Measurement
1	Firm Value (FV)	The value of the company that is A conditions that have been achieved by a companies and corporations something description from trust public to A company after through a certain process from beginning its founding company until moment this (Indrayani et al., 2022).	Firm Value is measured with Tobin's Q. Tobin's Q is rated can give the best information Because enter all over assets and liabilities company (Sinaga, 2021).
2	Digital Integrated Reporting (DIR)	form communication short about how the organization's strategy, governance, performance and prospects lead to creation mark organization Good period short, medium, or long (IIRC, 2016).	$DIR = \frac{Total\ components\ disclosed\ by\ the\ company}{Total\ DIR\ components}$ $(31\ components)$
3	Return on Assets (ROA)	Return on Assets shows ability company produce profit from assets used. With know ratio this, got it is known is company efficient in utilise its assets in activity operational company	$Return\ On\ Assets = \frac{Profit\ After\ Tax}{Total\ Assets}$ (Agrien, 2022)
4	Current Ratio (CR)	Current Ratio can be interpreted as ability company in pay off obligation period short.	$Current\ Ratio = \frac{Current\ Assets}{Current\ Liabilities}$ (Thamrin et al., 2021).
5	Debt To Equity Ratio (DER)	Debt To Equity Ratio is ability company in fulfil obligation period long and term short.	$Debt\ to\ Equity\ Rati = \frac{Total\ Liabilities}{Equity}$ (Indrayani et al., 2022)

Source : Simplification by the author (2023)

Table 2 / *Descriptive Statistics*

	N	Min	Max	Mean	Std. Deviation
DIR	129	0.2903	0.4839	0.3973	0.0560
FV	129	0.5717	14.4147	1.5881	1.5938
ROA	129	-0.4992	0.3580	0.0563	0.1018
CR	129	0.2796	20.7832	2.5645	2.8595
DER	129	0.1447	16.0786	2.1613	2.6864
ROADIR	129	-0.1932	0.1732	0.0229	0.0438
CRDIR	129	0.1173	9.3860	1.0351	1.2531
DERDIR	129	0.0572	7.7800	0.8985	1.1915
Valid N (listwise)	129				

Source : Processed Data (2023)

Table 3 / Assumption Test Results

Test Assumptions		Results
Normality test *Kolmogorov-Smirnov* *Asymp. Sig* (2- *tailed)*	*0.870*	Asymp. Sig. (2-tailed): 0.870 > than 0.05. Conclusion : p This show that regression model fulfil assumption normality and can continue to testing furthermore.
Multicollinearity Test 1. Tolerance ROA CR DER DIR ROA*DIR CR*DIR DER*DIR 2. VIF ROA CR DER DIR ROA*DIR CR*DIR DER*DIR	0,423 0,664 0,111 0,114 0,211 0,887 0,514 2,362 1,507 8,582 6,208 4,246 1,127 1.095	Based on table 5, can concluded that the multicollinearity test show ıt tolerance value for each variable in study This is above 0.1 and the F value is also below 10, meaning the data is correct free from ılticollinearity
Heteroscedasticity Test ROA CR DER DIR FV ROA*DIR CR*DIR DER*DIR	0,704 0,873 0,117 0,142 0,193 0,432 0,331 0,124	significance value of each variable is > α = 0.05. Conclusion : egression model No there is heteroscedasticity
Autocorrelation Test *Run Test* Asymp. Sig. (2-tailed)	*0.604*	Asymp. Sig. (2-tailed) 0.604 > 0.05. Conclusion : no there is symptom or problem autocorrelation.

Source : Processed Data (2023)

Table 4 / *Goodness of Fit Test, Coefficient of Determination (R2), Multiple Linear Regression*

Model			
$FV = a + \beta_1 ROA + \beta_2 CR + \beta_3 DER + \beta_4 DIR + e$			
Variable	Directional Expectations	Coefficient	Sig.
TR (Proper)	+	4,687	,000
TL (ME)	+	3,019	,001
TS (Size)	+	2,903	,001
TP (Profit)	+	1,010	,006
Constant			
Rsquare	99.5%		
Prob. F	0,000		
N	129		

Source : Processed Data (2023)

Table 5 / *Test Results Hypothesis*

No.	Description	Information	Results
H_1	*Return on Assets* influential positive to *Firm Value*	H_1 : Sig 0.000 < 0.05	Accepted
H_2	*Current Ratio* influential positive to *Firm Value*	H_2 : Sig 0.001 < 0.05	Accepted
H_3	*Debt To Equity Ratio* influential positive to *Firm Value*	H_3 **:** Sig 0.001 < 0.05	Accepted
H_4	*Digital Integrated Reporting* moderate influence *Return on Assets* to *FV*	H_4 : Sig 0.008 < 0.05	Accepted
H_5	*Digital Integrated Reporting* moderate influence *Current Ratio* to *Firm Value*	H_5 : Sig 0.000 < 0.05	Accepted
H_6	*Digital Integrated Reporting* moderate influence *Debt to Equity Ratio* to *FV*	H_6 : Sig 0.006 < 0.05	Accepted

Source : Processed Data (2023)