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**GOING CONCERN AUDIT OPINION DETERMINED BY FINANCIAL
AND NON-FINANCIAL FACTORS**

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Abstract:

This research was conducted with the aim of knowing the influence exerted by the independent variables consisting of profitability, liquidity, leverage, audit quality, and audit tenure on the dependent variable, namely going-concern audit opinion. The unit of analysis used in this study is the transportation and logistics sector companies listed on the Indonesia Stock Exchange in the 2019-2022 period. In determining the number of research samples, a purposive sampling technique was used by setting certain sample criteria and resulting in a total sample of 24 companies. In this study the type of data used is secondary data which contains company information contained in the company's annual or financial reports. Research data analysis was carried out using a logistic regression model with SPSS IBM 25 statistical software tools. The results obtained from the partial hypothesis testing process are as follows. Profitability has no significant effect on going concern audit opinion. Liquidity has no significant effect on going concern audit opinion. Leverage has a significant positive effect on going concern audit opinion. Audit quality has a significant negative effect on going concern audit opinion. The tenure audit has a significant negative effect on the going concern audit opinion.

Keywords:

Audit Quality, Audit Opinion, Liquidity, Leverage, Tenure Audit, Profitability.



Background

Business continuity or going concern is something that is expected by all companies in carrying out their operations. Where by continuing to maintain business continuity in the future it is expected to achieve the vision and mission set by the company. So it is important for company management to continue to strive to maintain the continuity of the company's business. By maintaining the stability of the company's financial condition by continuing to create a profitable business environment. With the company maintaining the continuity of its business or business, it will be able to attract investors to invest in the company. Increased investor confidence in companies cannot be separated from management's ability to maintain the stability of their business operations. So that it has an impact on the valuation of shares, especially companies that go public which are listed on the Indonesia Stock Exchange.

The Minister of Transportation, Mr. Budi Karya Sumadi predicts that the impact of the COVID-19 pandemic can pose a threat of bankruptcy for various industrial businesses, especially those engaged in the transportation and logistics industry, which are the sectors that have experienced the deepest contraction due to the pandemic. This happened because of restrictions on community mobility carried out by the government as an effort to prevent transmission. Where he predicts a decrease in turnover for companies in the transportation industry reaching 30% to 50% (CNBCIndonesia.com, 2020). Of course this condition greatly affects the company's financial performance due to the significant decrease in turnover.

One of the transportation companies that recorded a significant loss in the first semester of 2020 was a state-owned airline, namely PT. Garuda Indonesia (Persero) Tbk. Where the company recorded a loss of USD 712.73 million or equivalent to IDR 10.40 trillion. This condition is in sharp contrast to the previous year where in the first semester of 2019 the company still managed to record a profit of USD 24.11 million or the equivalent of Rp. 352 billion before the COVID 19 pandemic. This condition occurred due to a decrease in the company's operating income, which was only able to record revenue of USD 917.28 million in the first half of 2020 was lower compared to the previous year which earned operating income of USD 2.19 billion (Kumparan.com, 2023)

Based on the auditor's report on the company's financial statements carried out in the 2019-2022 period, it shows that PT. Garuda Indonesia Tbk (GIAA) always gets a going concern audit opinion. Where in the 2019 company audit report the auditor from Ernst & Young (EY) emphasized the company's working capital which had a negative value of USD 2,124 million and the company's losses in the 2019 company's financial statements which recorded a loss of USD 669 million. This then triggers the auditor to give a going concern audit opinion to the company. This condition was exacerbated by the COVID-19 pandemic that hit the world which had an impact on the transportation industry. So that the auditor is increasingly worried about the business continuity of PT. Garuda Indonesia Tbk (GIAA). The same thing happened in the company's audit report for 2020 where the auditor emphasized or a going-concern audit opinion because the value of the company's short-term liabilities was higher than its current assets, which was USD 3.8 billion. Meanwhile, another emphasis was placed on the value of the company's equity which experienced a deficiency and the company's loss of USD 2.5 billion. Where giving the going concern audit opinion is a form of doubt from the auditor on the sustainability of the company's business.

Not only PT. Garuda Indonesia Tbk (GIAA) received a going concern audit opinion on the financial statements it audited, but there are other airline companies, namely PT. AirAsia Indonesia Tbk (CMPP). Where is the company PT. Airasia Indonesia Tbk (CMPP) obtained a going concern audit opinion in its audit report for the 2019 to 2022 period issued by KAP Ernst & Young (EY). Same with PT. Garuda Indonesia Tbk (GIAA), where the company PT. Airasia Indonesia Tbk (CMPP) obtained a going concern audit opinion because the auditor paid special attention to the equity deficiencies experienced by the company from 2019 to 2022. In addition, the company also continued to experience



accumulated losses throughout 2019-2022. So that the auditor gives doubts about the sustainability of the company's business.

This condition further reduces the possibility of creating a going-concern audit opinion for the company due to the reduced objectivity of the auditor in conducting a thorough examination of the financial condition. In the results of research conducted by Saputra & Kustina (2018), Yanuariska & Ardiati (2018), and Oktaviani & Challen (2020) proves that tenure audits have a significant negative effect on the creation of a going concern audit opinion. However, different results were obtained by Suryo et al (2019) and Suryani (2020) which stated that tenure audits did not have a significant effect on creating a going concern audit opinion.

THEORETICAL FRAMEWORK

Agency Theory

Agency theory is a basic idea that informs the current business practices used by organizations. use other people or agents (managers) to carry out business activities. The theory of evolutionary development was introduced in the 1970s in the book *Theory of the Firm, Managerial Behavior, Agency Costs, and Ownership Structure* by Jensen & Meckling (1976). The theory in question is a combination of economic theory, decision theory, social theory, and organizational theory. Jensen & Meckling (1976) define a hub-and-spoke relationship as a single, or more primary, (owner) channel. When there is a conflict between two parties to the relationship, such as when there is a conflict between a client's requests or goals and an agency conflict, it becomes difficult or expensive for the client to verify what the agency is doing. Jensen & Meckling (1976) and Brigham & Weston (1994) all make clear that there are two possible forms of relationship where problems may arise: one between shareholders and managers, and the other between traders and creditors.

Going Concern

Going Concern is the going concern for a business entity or company. When an organization is declared as a going concern, it is understood that the organization will be able to carry out its goals over a long period of time and will not experience liquidation during a short period of time (Setyarno et al., 2007). Management's main responsibility is to explain the risks associated with using the going concern basis in financial transactions, and the auditor's responsibility is to convince the auditor that the company's use of the going concern basis is safe and transparently disclosed in financial transactions (Praptitorini & Januarti, 2007). An audit report with a going concern modification is an indication of the risk that the auditee cannot maintain its business. From the auditor's point of view, the statement above includes several stages of analysis. The auditor must consider the results of 17 operations, the current economic situation of the business, their ability to pay for goods, and their future needs.

Audit Opinion

The report is a very important factor in the audit because it allows communication of the auditor's own findings to occur. The audit report is the final stage of the entire audit process (Arens & Loebbecke, 2003). To provide feedback on the state of the company's finances, the person requesting a double audited financial statement is contained therein and contains the auditor's opinion. The audit opinion is the auditor's opinion regarding the audited financial statements based on the audit program that has been prepared. Although the auditors concerned did not disclose any subjectivity in their audit, they did disclose some responsibilities throughout the process. In accordance with a special evaluation of the audit findings which are clearly stated, the auditor may give a certain opinion regarding a financial transaction (SA 700 No.6, SPAP 2016).



Audit opinion is given by the auditor using various audit procedures so that the auditor can provide conclusions on the opinion that must be given regarding the audited financial records. In this case, the auditor's opinion is based on his professional expertise. Opinions issued by the auditor are standard unqualified opinions, unqualified opinions with explanatory paragraphs or modifications to words, qualified opinions, unqualified and refusal to give opinions (Arens, 2008).

Profitability

When starting a business, you definitely want to get a profitable profit because profit is a crucial tool and is very much needed to help corporate entities maintain a going concern (Kusumawardani & Priyadi, 2018). However, if the business is operating profitably and has strong survivability at present, the situation will not worsen. It is impossible to conclude that this will increase the company's profit if it is known that the prevailing sales rate does not match the growth rate of operating expenses. This is because the rate of increase in sales is not necessarily followed by an increase in company profits, and a decrease in the rate of sales cannot be interpreted as a decrease in profits. In this study, profitability is proxied by ROA.

Likuidity

Brigham & Houston (2011) in Supriati (2018) explains liquidity is a ratio showing the relationship that occurs between the company's current assets and its current liabilities. According to Munawir (2007) liquidity is the ability of a company to fulfill its short-term requirements or analyze and interpret its short-term financial position. The ratio in this case reveals how current assets and current liabilities cover current liabilities. The company's ability to meet its short-term obligations has grown significantly as a result of a comparison between active short-term and long-term debt. So it can be said that liquidity is a sign of a company's ability to meet obligations in the short term. In this study proxies profitability by Current ratio.

Leverage

Horne & Wachowicz (2011) in Supriati (2018) explains what is meant by leverage is a ratio that shows the extent to which assets owned by a company are financed from debt or creditor loans. Leverage is a strategy to minimize the risks associated with transactions that involve a structure between debt and capital, as well as the capacity to finance the interest on the debt and other fixed expenses. This analysis is based on a ratio that takes into account the company's ability to meet contractual obligations, both long-term and short-term obligations. Leverage is a ratio that measures the extent to which assets are financed with debt (Munawir, 2007).

Audit Quality

Angelo (1981) in (Olivia & Setiawan, 2019) states audit quality is a possibility where an auditor will find and report violations and material misstatements that exist in the auditee's accounting system. Lee et al (1999) in Apriliyani et al (2013) defines audit quality as the possibility that the auditor will report financial information that contains material that is materially misleading and will not generate a warning without further investigation. According to the Professional Standards for Public Accountants (SPAP, 2015) audit quality is determined by how closely it conforms to auditing standards and quality management. Auditor professional qualification standards include independence, integrity and objectivity.

METHOD

In this study the research approach used is a quantitative approach. According to Sugiyono (2019) the quantitative approach is a research approach based on the philosophy of positivism, which is based on empirical and factual data that exist in the population and samples collected with a certain instrument before the data analysis process is carried out with statistical calculations. The type of research data used is secondary data, namely data that does not come directly from the research subject



but comes from other intermediaries such as company documents. In this study, the research data used came from information contained in the company's financial statements and audit reports which can be accessed via the company's official website or the official website of the Indonesian Stock Exchange.

The research data information is adjusted to the research instrument used to measure each research variable. Such as profitability (X1), liquidity (X2), and leverage (X3) variables require company financial information to be presented in the company's financial statements. Meanwhile, other variables such as going concern audit opinion (Y), audit quality (X4), and tenure audits (X5) require information about the company's audit results presented in the company's audit report. In this study the technique of taking or determining the research sample used one of the techniques of non-probability sampling. Non-probability sampling is a sampling technique in which each member of the study population does not have an equal opportunity to become a sample. The sampling technique used was *purposive sampling*.

RESULT

Goodness of Fit Test

The goodness of fit test is a test to determine the feasibility of the research model used. Where the regression model is said to be feasible when it has compatibility with research data. In this study, testing was carried out using the Hosmer & Lemeshow's test. The following are the results obtained from the test in this study.

TABLE OF GOODNESS OF FIT TEST RESULTS

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	4,972	8	,761

Based on the information in table 4.11 above, it is known that the value of the chi-square significance is 0.761. Where the value is greater than the significant level of 0.05. By using the basis of decision making on the goodness of fit test in the previous chapter, a conclusion can be drawn that the hypothesis is accepted because the model meets the goodness of fit. This means that there is no difference between the research data and the regression model or it can be said that the research data and the model have a good fit. Thus the logistic regression model is feasible to use in the research data analysis process.

Partial Hypothesis Test

The partial hypothesis test is a test conducted to obtain answers to the research hypotheses proposed in this study. Where the test is carried out to see the influence exerted by each independent variable consisting of profitability, liquidity, leverage, audit quality, and audit tenure on going concern audit opinion. To carry out a partial test of the research hypothesis, the Wald test was used. The following are the results obtained in the partial testing process of the research hypothesis.

TABLE OF PARTIAL HYPOTHESIS TEST RESULTS

Variables in the Equation

		S.E.	Wald	df	Sig.
Step 1 ^a	Profitabilitas	2,317	,662	1	,416
	Likuiditas	,161	1,067	1	,302
	Leverage	1,291	13,273	1	,000
	Kualitas Audit	,440	5,381	1	,020



Audit Tenure	,324	5,065	1	,024
Constant	1,035	,266	1	,606

a. Variable(s) entered on step 1: Profitability, Liquidity, Leverage, Audit Quality, Tenure Audit.

Based on the information in table 4.14 above, the results of the partial hypothesis test can be interpreted as follows: 1. In the profitability variable (X1) the significance value obtained is 0.416. Where the value is greater than the significant level of 0.05. So that in this study a conclusion can be drawn that H1 is rejected and H0 is accepted. Thus, the profitability variable has no significant effect on the going concern audit opinion. This means that an increase or decrease in the value of profitability has no significant effect on the receipt of the company's going-concern audit opinion. 2. In the liquidity variable (X2) the significance value obtained is 0.302. Where the value is greater than the significant level of 0.05. So that in this study a conclusion can be drawn that H2 is rejected and H0 is accepted. Thus, the liquidity variable has no significant effect on the going concern audit opinion. This means that an increase or decrease in the value of liquidity has no significant effect on the receipt of the company's going concern audit opinion. 3. In the leverage variable (X3) the significance value obtained is 0.000. Where the value is lower than the significant level of 0.05. So that in this study a conclusion can be drawn that H3 is accepted and H0 is rejected. Thus, the leverage variable has a significant positive effect on going concern audit opinion. This means that when there is an increase in the company's leverage value it will significantly influence the increase in going concern audit opinion. 4. In the audit quality variable (X4) the significance value obtained is 0.020. Where the value is lower than the significant level of 0.05. So that in this study a conclusion can be drawn that H4 is accepted and H0 is rejected. Thus, the audit quality variable has a significant negative effect on going concern audit opinion. This means that when there is an increase in the value of the company's audit quality it will have a significant effect on decreasing the going concern audit opinion. In the tenure audit variable (X5) the significance value obtained is 0.024. Where the value is lower than the significant level of 0.05. So that in this study a conclusion can be drawn that H5 is accepted and H0 is rejected. Thus, the tenure audit variable has a significant negative effect on going concern audit opinion. This means that when there is an increase in the company's tenure audit value it will significantly affect the decrease in going concern audit opinion.

DISCUSSION

Effect of Profitability on Going Concern Audit Opinion

Based on the results of the logistic regression test presented in table 4.12, it is known that the regression coefficient value obtained by the profitability variable is -0.1886 which indicates that there is a negative effect given by profitability on going concern audit opinion. Meanwhile, based on the results of the Wald test presented in table 4.14, it is known that the significance value obtained by the profitability variable is 0.416 which indicates that profitability has no significant effect on going concern audit opinion. So in this study the hypothesis was rejected, namely profitability did not significantly influence going-concern audit opinion.

Profitability is a financial ratio used to assess the ability of a company's management to generate profits from its operating activities. High profitability indicates the company's financial performance is in good condition. Likewise, the opposite applies when the performance of profitability is negative, indicating that the company's financial performance is in an unhealthy condition. This shows the success of company management is measured by the level of profitability obtained by the company.

Based on the agency theory, the owner of capital or the principal wants an increase in wealth derived from his investment. So that the principal will put pressure on management or agents to improve financial performance, one of which is profitability. So that this condition will cause a conflict of interest between the principal and the agent which raises the possibility of earnings management actions



carried out by the agent to fulfill the principal's wishes regarding company profits. Therefore, to ensure the correctness of the information presented in the financial statements, the principal will ask a third party, in this case the auditor. This is done with the aim of providing justification or opinion on the company's financial statements presented.

In examining the financial statements, the auditor does not only provide an opinion on the fairness of the information presented in the financial statements, but also other opinions related to the business continuity of the company. Where based on SA 570 of 2013 if there is a material event related to business uncertainty, the auditor is required to provide a special paragraph that provides an emphasis regarding the continuity of the company's business or a going concern audit opinion. The company's profitability performance can be used as a basis for the auditor to provide his justification regarding business continuity. Companies that are able to record positive profitability performance indicate that the company's operating activities are going well and do not interfere with business continuity so that a going concern audit opinion has a low probability to be given by the auditor. Information regarding the going concern audit opinion can be a signal for shareholders or investors regarding the company's performance. So that later the information from the going concern audit opinion can be a consideration or signal of caution for investors in making an economic decision in investing.

However, the results of this study do not state that the positive or negative profitability values do not have a significant effect on the going concern audit opinion. Based on research data PT. Blue Bird Tbk in 2020 and 2021 recorded a net loss in its financial statements but in those years with a profitability level of -0.0225 and -0.0024 respectively. But in that year the company did not receive a going concern audit opinion in its audit report. Then other research data PT. Garuda Indonesia Tbk in 2022 was able to record the highest profitability compared to other companies in the transportation and logistics sector of 0.5993, but in that year the company still received a going concern audit opinion in its audit report. This shows that profitability, which has positive and negative values, does not have a significant effect on the auditor's issuing a going concern audit opinion.

The results of this study are in line with the results of previous studies from Mutsanna & Sukirno (2020) and Rahmawati & Soeherman (2020) which state that profitability has no significant effect on going concern audit opinion. Nonetheless, the results of this study are still in conflict with the results of Widhiastuti & Kumalasari (2022) which state that profitability has a significant negative effect on going-concern audit opinion.

The Effect of Liquidity on Going Concern Audit Opinion

Based on the results of the logistic regression test presented in table 4.12, it is known that the regression coefficient value obtained by the profitability variable is 0.167 which indicates that there is an influence positive uh given by liquidity to going concern audit opinion. Meanwhile, based on the results of the Wald test presented in Table 4.14, it is known that the significance value obtained by the liquidity variable is 0.302, which indicates that liquidity has no significant effect on the going concern audit opinion. So in this study the hypothesis was rejected, namely liquidity did not have a significant effect on going-concern audit opinion.

Liquidity is a financial ratio used to assess a company's ability to meet its short-term obligations immediately. High liquidity indicates that the company's financial performance is in good condition. Vice versa, when the performance of liquidity is negative, it indicates that the company's financial performance is in an unhealthy condition. This shows the level of company liquidity can be used to measure the financial performance of the company.

Based on the agency theory, the capital owner or principal wants security guarantees for the investment entrusted to the agent to be managed. So that the principal will put pressure on management or agents to improve financial performance, one of which is liquidity. So that this condition will lead to



a conflict of interest between the principal and the agent which raises the possibility of fraudulent actions carried out by the agent to fulfill the principal's wishes regarding the company's liquidity ratio. Therefore, to ensure the correctness of the information presented in the financial statements, the principal will ask a third party, in this case the auditor. This is done with the aim of providing justification or opinion on the company's financial statements presented.

In examining the financial statements, the auditor does not only provide an opinion on the fairness of the information presented in the financial statements, but also other opinions related to the business continuity of the company. Where based on SA 570 of 2013 if there is a material event related to business uncertainty, the auditor is required to provide a special paragraph that provides an emphasis regarding the continuity of the company's business or a going concern audit opinion. The company's liquidity performance can be used as a basis for the auditor to provide his justification regarding business continuity. Companies that are able to record positive liquidity performance indicate that the company's operating activities are going well and do not interfere with business continuity so that a going concern audit opinion has a low probability of being given by the auditor. Information regarding the going concern audit opinion can be a signal for shareholders or investors regarding the company's performance. So that later the information from the going concern audit opinion can be a consideration or signal of caution for investors in making an economic decision in investing.

However, the results of this study do not state that the low or high liquidity value does not have a significant effect on the going concern audit opinion. Based on research data PT. Express Transindo Utama Tbk in 2021 and 2022 has a high current ratio which shows the company's liquidity level is in a healthy condition because it has a ratio of 7.2001 and 7.6843. But in that year the company received a going concern audit opinion in its audit report. Then other research data PT. Batavia Prosperindo Trans Tbk in 2019-2020 has a low current ratio which indicates the company's liquidity level is in an unhealthy condition because there is a possibility that the company has an inability to pay its debts which will mature soon. With a liquidity value of 0.2430 and 0.2185 each year, however, in that year the company did not obtain a going concern audit opinion in its audit report. This indicates that low or high liquidity does not have a significant effect on the auditor issuing a going concern audit opinion.

The results of this study are in line with the results of previous studies from Mutsanna & Sukirno (2020) and Rahmawati & Soeherman (2020) which state that liquidity has no significant effect on going concern audit opinion. Nonetheless, the results of this study are still in conflict with the results of Bahtiar et al (2021) which state that liquidity has a significant negative effect on going-concern audit opinion.

The Effect of Leverage on Going Concern Audit Opinion

Based on the results of the logistic regression test presented in table 4.12, it is known that the regression coefficient value obtained by the profitability variable is 4.704 which indicates that there is a positive influence exerted by leverage on going concern audit opinion. Meanwhile, based on the results of the Wald test presented in Table 4.14, it is known that the significance value obtained by the leverage variable is 0.000 which indicates that leverage has a significant influence on going concern audit opinion. So in this study the hypothesis is accepted, namely leverage has a significant positive effect on going-concern audit opinion.

Leverage is a financial ratio used to assess the financing of assets owned by a company from debt or loans. High leverage indicates the company's financial performance is in a bad condition. Vice versa, when the level of leverage is low, it indicates that the company's financial performance is in good condition. This shows the level of corporate leverage can be used to measure the financial performance of the company.

Based on the agency theory, the capital owner or principal wants security guarantees for the investment entrusted to the agent to be managed. So that the principal will put pressure on management or agents to improve financial performance, one of which is leverage. So that this condition will lead to



a conflict of interest between the principal and the agent which raises the possibility of fraudulent actions carried out by the agent to fulfill the principal's wishes regarding the company's liquidity ratio. Therefore, to ensure the correctness of the information presented in the financial statements, the principal will ask a third party, in this case the auditor. This is done with the aim of providing justification or opinion on the company's financial statements presented.

In examining the financial statements, the auditor does not only provide an opinion on the fairness of the information presented in the financial statements, but also other opinions related to the business continuity of the company. Where based on SA 570 of 2013 if there is a material event related to business uncertainty, the auditor is required to provide a special paragraph that provides an emphasis regarding the continuity of the company's business or a going concern audit opinion. The company's leverage performance can be used as a basis for the auditor to provide justification regarding business continuity. Companies that are able to record low leverage performance indicate that the company's operating activities are running well and do not interfere with business continuity so that a going concern audit opinion has a low probability to be given by the auditor. Information regarding the going concern audit opinion can be a signal for shareholders or investors regarding the company's performance. So that later the information from the going concern audit opinion can be a consideration or signal of caution for investors in making an economic decision in investing.

The results of this study state that where the level of leverage is low and high it has a significant influence on going concern audit opinion. Based on research data PT. Krida Network Nusantara Tbk has the lowest leverage value in 2019, namely 0.0303 and in that year the company did not obtain a going concern audit opinion on its audit report. Meanwhile, the highest leverage value of 3.1386 is owned by PT. Express Transindo Utama Tbk in 2020, in which year the company obtained a going concern audit opinion in its audit report.

The results of this study are in line with the results of previous studies from Simamora & Hendarjatno (2019), Ariska et al (2019), and Halim (2021) which state that leverage has a significant positive effect on going concern audit opinion. Even so, the results of this study are still in conflict with the results of Laksmi & Sukirman (2020) which state that leverage has no significant effect on going concern audit opinion.

The Effect of Audit Quality on Going Concern Audit Opinion

Based on the results of the logistic regression test presented in table 4.12, it is known that the regression coefficient value obtained by the audit quality variable is -1.020 which indicates that there is a negative influence given by audit quality to going concern audit opinion. Meanwhile, based on the results of the Wald test presented in table 4.14, it is known that the significance value obtained by the audit quality variable is 0.020 which indicates that audit quality has a significant influence on going concern audit opinion. So in this study the hypothesis is accepted, namely audit quality has a significant negative effect on going concern audit opinion.

Based right agency theory to avoid any information asymmetry in the company's financial statements presented by agents or company management. The capital owner or principal will ask an independent party, in this case the auditor, to examine the financial statements presented by the company. Do the financial statements contain a material information asymmetry or are the reports presented fairly? Where later the information from the results of the audit can be used as a signal for investors to be taken into consideration in the process of making economic decisions.

In examining the financial statements, the auditor does not only provide an opinion on the fairness of the information presented in the financial statements, but also other opinions related to the business continuity of the company. Where based on SA 570 of 2013 if there is a material event related to business uncertainty, the auditor is required to provide a special paragraph that provides an emphasis



regarding the continuity of the company's business or a going concern audit opinion. So it is necessary to have foresight and thoroughness from the auditor in examining and collecting information that can be used as evidence and a basis for consideration in granting a going concern audit opinion.

A good audit procedure shows the level of quality of the audit performed. Where a quality audit can determine the amount of audit evidence owned by the auditor before carrying out the judgment process. For this reason, optimal resources are needed from public accounting firms so that the information needed related to audit activities can be obtained properly which can represent all information in a relevant and reliable manner. The big four KAPs are considered to have good competence in terms of audit procedures so that the audit reports produced by the big four KAPs will be considered to have good quality. Because the inspection process will be more thorough and carried out effectively and efficiently. So that the big four KAPs have a better ability to reveal the level of sustainability of the company's operating activities with a thorough assessment. Therefore, the lower the probability of the appearance of a going concern audit opinion from the audit report provided by the big four KAPs.

The results of this study state that low and high audit quality have a significant effect on going-concern audit opinions. Based on research data on company financial report data audited by the big four KAP, 16 research data did not obtain a going concern audit opinion. One of them is PT Samudera Indonesia Tbk, which during the 2019-2022 period was audited by the big four KAPs which always did not obtain a going concern audit opinion. Even though the company recorded losses in the last two years, namely in the 2019-2020 period, the auditor did not provide a going concern audit opinion because the auditor obtained relevant and reliable evidence to assess the company as having good business continuity so that a going concern audit opinion was not given. Meanwhile, there are 18 company financial statement data that obtained going concern audit opinions audited by non-big ten KAPs. One of them is Steady Safe Tbk, which during the 2019-2022 period always received a going concern audit opinion. Even though the company has always recorded profits for the last four years, the auditor still provides a going concern audit opinion which assumes that the company's profit does not provide certainty for the business to continue as a going concern in the future.

The results of this study are in line with the results of previous studies from Bawono et al (2021) and Juanda & Lamury (2021) which state that audit quality has a significant negative effect on going concern audit opinion. Nevertheless, the results of this study are still in conflict with the results of Effendi (2019) which states that audit quality does not have a significant effect on going concern audit opinion.

The Effect of Tenure Audit on Going Concern Audit Opinion

Based on the results of the logistic regression test presented in table 4.12, it is known that the regression coefficient value obtained by the tenure audit variable is -0.729 which indicates that there is a negative influence given by the tenure audit on going concern audit opinion. Meanwhile, based on the results of the wald test presented in table 4.14, it is known that the significance value obtained by the tenure audit variable is 0.024 which indicates that the tenure audit has a significant influence on the going concern audit opinion. So in this study the hypothesis is accepted, namely audit tenure has a significant negative effect on going-concern audit opinion.

Based on agency theory to avoid information asymmetry in the company's financial statements presented by agents or company management. Owner of capital or principal pal will ask an independent party, in this case the auditor, to examine the financial statements presented by the company. Do the financial statements contain a material information asymmetry or are the reports presented fairly? Where later the information from the results of the audit can be used as a signal for investors to be taken into consideration in the process of making economic decisions.



In examining the financial statements, the auditor does not only provide an opinion on the fairness of the information presented in the financial statements, but also other opinions related to the business continuity of the company. Where based on SA 570 of 2013 if there is a material event related to business uncertainty, the auditor is required to provide a special paragraph that provides an emphasis regarding the continuity of the company's business or a going concern audit opinion. So it is necessary to have foresight and thoroughness from the auditor in examining and collecting information that can be used as evidence and a basis for consideration in granting a going concern audit opinion.

Audit tenure shows the length of the engagement formed between the auditor and the auditee. Engagements that are established for a long time can indicate a special relationship between the auditor and the auditee. So that this has an impact on the objectivity of the auditor in carrying out audit procedures on the company's financial statements. If the engagement that occurs between the auditor and the auditee has a long period of time, it will interfere with the view or assessment given by the auditor on the company's financial statements. This will certainly have an impact on the going concern audit opinion given by the auditor to the auditee, which will be less likely to occur.

The results of this study state that both low and high tenure audits have a significant influence on going-concern audit opinions. Based on research data, companies that have a short engagement period are owned by PT. Express Transindo Utama Tbk where almost every year the company is always audited by a different KAP. The audit results obtained from the different KAPs have the same result that the company obtains a going concern audit opinion. This shows that auditors who do not have a long engagement have the possibility of being more objective by issuing a going concern audit opinion on the company's financial statements. Meanwhile, one of the companies that has a long association with auditors is owned by PT. Indomobil Multi Jasa Tbk which in the last 4 years has always been audited by the same KAP. With the results of the opinion from the auditor, there was no material evidence to provide a going concern audit opinion. Even though the company experienced net losses in 2020 and 2021 and has a low liquidity ratio because the value of its short-term liabilities is greater than its current assets. In that year the auditor did not issue a going concern audit opinion.

The results of this study are in line with the results of previous studies from Yanuariska & Ardiati (2018), and Oktaviani & Challen (2020) which state that tenure audits have a significant negative effect on going concern audit opinion. Nonetheless, the results of this study are still in conflict with the results of Suryo et al (2019) which state that tenure audits have no significant effect on going-concern audit opinion.

CONCLUSION

The results of this study are as follows. Profitability has no significant effect on going concern audit opinion. Where the high level of profitability of a company does not have a significant effect on changes in the going concern audit opinion value that will be received by the company. Liquidity has no significant effect on going concern audit opinion. Where the high level of liquidity of a company does not have a significant effect on changes in the going concern audit opinion value that will be received by the company. Leverage has a significant positive effect on going concern audit opinion. Where an increase in the leverage value of a company has an effect on an increase or a high probability of a going concern audit opinion being received by the company. Audit quality has a significant negative effect on going concern audit opinion. Where the increase in the value of audit quality will reduce the possibility of a going concern audit opinion on the company's financial statements. The tenure audit has a significant negative effect on the going concern audit opinion. Where the increase in the value of the tenure audit will reduce the possibility of a going concern audit opinion on the company's financial statements.



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