

DETERMINANTS OF GOING CONCERN AUDIT OPINION

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Abstract: This study was conducted to determine the impact of audit quality, total asset turnover, company size, growth opportunity, DER, DAR, and previous year's audit opinion on audit opinion regarding business continuity in food and beverage subsector companies located in the IDX in the period 2020 to 2022. Financial statements are secondary data used in research with purposive sampling in determining and based on predetermined characteristics there are 78 companies. Quantitative becomes a research model using logistic regression to obtain results where previous period Audit Opinions have an impact on Going Concern Audit Opinions, while Audit Quality, Total Asset Turnover, Company Size, Company Growth, Debt To Equity, Debt To Asset have no impact on Going Concern Audit Opinions in food and beverage subsector manufacturing companies.

Keywords: Debt To Asset, Debt To Equity, Audit Quality, Going Concern Audit Opinion, Previous Year Audit Opinion, Total Asset Turnover, Company Size

Abstrak: Penelitian ini dilakukan agar mengetahui dampak dari kualitas audit, total asset turnover, ukuran perusahaan, pertumbuhan perusahaan, DER, DAR, dan opini audit tahun sebelumnya terhadap pendapat audit mengenai kelangsungan bisnis pada perusahaan subsector makanan dan minuman yang terdapat di BEI pada periode 2020 hingga 2022. Financial statement menjadi data sekunder yang digunakan pada penelitian dengan purposive sampling dalam menentukan dan berdasarkan karakteristik yang sudah ditetapkan terdapatlah 78 perusahaan. Kuantitatif menjadi model penelitian dengan menggunakan regresi logistik sehingga memperoleh hasil dimana Opini Audit periode sebelumnya berdampak Opini Audit Going Concern, sedangkan Kualitas Audit, Total Asset Turnover, Ukuran Perusahaan, Pertumbuhan perusahaan, Debt To Equity, Debt To Asset tidak berdampak pada Opini Audit Going Concern di perusahaan manufaktur subsektor makanan dan minuman.

Kata Kunci: Debt To Asset, Debt To Equity, Kualitas Audit, Opini Audit Going Concern, Opini Audit Tahun Sebelumnya, Total Asset Turnover, Ukuran Perusahaan

1. INTRODUCTION

Public companies are required to submit financial statements based on Financial Accounting Standards and are required to have been audited (Decree of the Chairman of the Capital Market Supervisory Agency and Financial Institutions Number: KEP-346/BL/2011). The financial statement based on PSAK No. 1 aims to explain the form of entity development, financial position, performance, and cash flow which is useful for users of financial statements to gain certainty. Financial statements are presented in a relevant and reliable manner to support decisions on what management and investors should do (Subarkah & Ma'ruf, 2020).

Audit opinion regarding financial statements is stated as an observation made by investors to decide to increase trust for potential investors, so that they can invest in the company, especially regarding the survival of the company.

The purpose of establishing a business is certainly expected to continue to develop and run well and for the implementation of these objectives an auditor is needed to evaluate and assess whether there is a possibility that can put the company in a position of difficulty in continuing its operations, this will be attached to the auditor's report based on (Public Accountant Professional Standard SA 570). The going concern audit report can disclose new information about the entity, which can affect the responses and decisions of stakeholders. Muttaqim & Sudarno (2012) say that the audit opinion regarding business development is an opinion held by the audit team for the development of the agency and is an opinion in the financial statement if a business experiences conditions that are contrary to going concern which means that the entity is in trouble.

Audit quality, company size, and company growth are some aspects that have an impact on audit opinion. Widhiastuti & Kumalasari (2022) state the need for a good audit reputation and a vigilant attitude in providing opinions to maintain public trust (Widhiastuti & Kumalasari, 2022). The aspect that affects going concern is company size, which states that companies on a large scale certainly have good management and can manage the company and are ready to overcome conditions that are sometimes less supportive of the company so that it is easy to overcome financial problems and has little chance of receiving a going concern audit opinion (Mutchler, 1985). Furthermore, there is an increase in growth which indicates that the entity can maintain its business continuity. Growth tends to be less likely to get a going concern audit opinion (Lako, 2019).

Total asset turnover, leverage, and the previous year's audit opinion are also factors that have an impact on the audit of business continuity. Total asset turnover is a measure of the company's effectiveness and efficiency in utilizing assets to generate net sales. An increase in the total turnover ratio will make the company less likely to get an audit opinion on business continuity (Widhiastuti & Kumalasari, 2022). The next factor is leverage which is a tool that interprets the company's superiority in paying off its obligations which can be calculated using DER and DAR. DER is a comparison of numbers derived from debt with numbers derived from capital and it can be said that the higher the DER will make the company even higher to be unable to pay off its

obligations so it has the potential to get a going concern audit opinion. Meanwhile, DAR is the ratio of total assets obtained through debt, so the higher the DAR, the unhealthy the company's condition will be. This is because DAR can cause uncertainty in business development and can cause a greater concern in audit opinion (Widhiastuti & Kumalasari, 2022). The last aspect is the previous period's audit opinion which is one of the last factors in this study, the audit opinion given in the previous period can be the basis for providing an audit opinion in the current period related to business development (Mutsanna, 2020).

Juanda & Lamury's research (2021) states that audit quality and leverage partially have a relationship to going concern audit opinion. These results do not support Widhiastuti & Kumalasari's research (2022) which explains that audit quality and leverage have no impact on audit opinion regarding business development. Meanwhile, research by Widhiastuti & Kumalasari (2022) and Kurnia & Mella (2018) shows that growth opportunities do not impact acceptance opinion in audit opinion regarding business continuity. This research contradicts the results of Praptitorini & Januarti (2014) which show that growth opportunity has an impact on audit opinion on business continuity. The results of Minerva et al (2020); Pradesa (2019), and Praptitorini & Januarti (2014) show that company size has an impact on going concern audit opinion. The results of this study are not in line with Widhiastuti & Kumalasari (2022); Mutsanna & Sukirno (2020) and Kurnia & Mella (2018) which show that company size has no impact on audit opinion regarding business development. Previous research does not show misaligned results, thus motivating researchers to test aspects that affect audit opinion in business development in the form of audit quality, total asset turnover, company size, growth opportunity, DER, DAR, and previous audit opinion and audit opinion on business continuity.

2. LITERATURE REVIEW

2.1 Agency Theory

Agency relationships occur when the principal pays the agent to do work in accordance with the principal's interests, which aims to make the company superior by being managed by a professional (Jensen & Meckling, 1976). Agency theory states that conflicts of interest can arise because each acts in his or her interest. Because company managers have more information than agents, agents can commit fraud on financial reports, so that the reports are well presented, thus benefiting the principal, good agent performance will affect fee increases and salary increases. (Widhiastuti & Kumalasari, 2022).

Agency theory assumes an imbalance of explanations and differences in needs between principals and agents. Shareholders, as principals, are thought to be only interested in increasing profits and investing in the company. Agents, on the other hand, are assumed to be motivated to maximize the rewards derived from their relationship with the principal, which is related to their respective interests in the company. As a result, there is a concern that potential investors and owners of the company may become suspicious of the company as the more informed agents, i.e. the

management of the company, attempt to hide the problems and imbalances that occur within the company. (Juanda & Lamury, 2021).

Management has a responsibility regarding the continuity of the company it leads, hence the need for an auditor as a third party to help mediate the interests of shareholders and management in managing company finances. Auditors have a task in the form of providing opinions on the accuracy of financial statements (Pradesa, 2019).

2.2 Going Concern Audit Opinion

Audit opinion on business development is the view given by the audit team in determining whether the company can maintain its business continuity (IAI, 2011). This opinion is issued if the auditor feels anxious about the uncertainty about the company's business continuity. In analyzing the profitability of a company, auditors must pay attention to factors, such as business results, the state of the economy that has an impact on the industry, and the ability to meet commitments and needs (liquidity).

The accuracy of an auditor to analyze aspects of showing going concern problems, so that deciding whether management has the right plan to overcome the problem is something that must be owned by the auditor and several indicators will affect the auditor in issuing a going concern audit opinion, namely the existence of negative trends such as frequent fraud and negative cash flow and others (Juanda & Lamur, 2021).

Kurnia & Mella (2018) state that the business continuity audit opinion is an auditor's statement that questions the ability of the GMS to maintain business continuity. This is in line with the opinion of the Indonesian Public Accountants Association (IAPI) in 2011. Issuance is made when there is uncertainty about the superiority to maintain its business in a certain period. One aspect that has an impact on the audit opinion on business continuity is total asset turnover, company size, company growth, DER, and DAR.

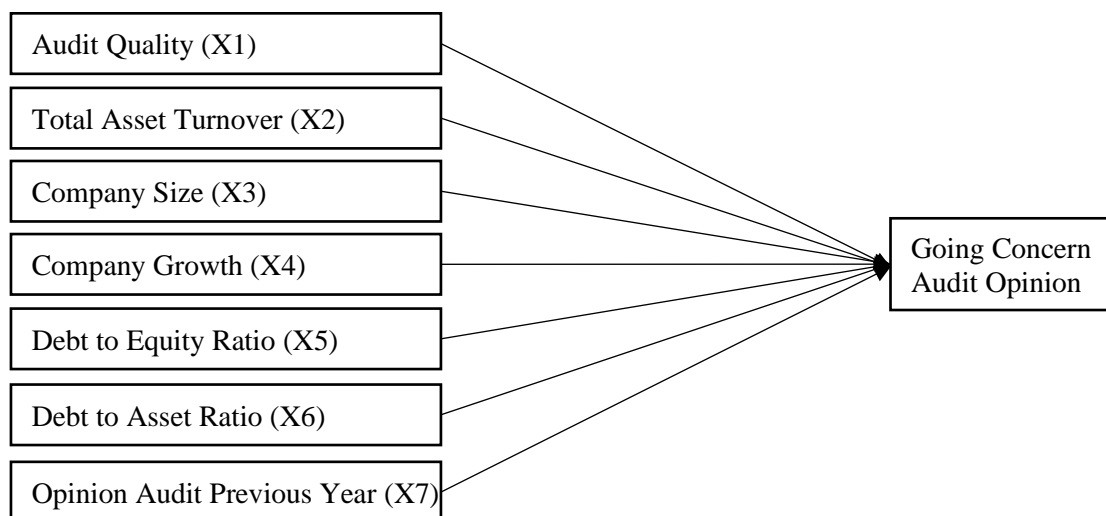


Figure 1. Framework

2.3 Hypothesis

H₁: Audit quality affects going concern audit opinion.

Highly qualified auditors can usually protect and reduce problematic accounting practices and report material irregularities compared to inferior auditors (Effendi, 2019). Highly qualified auditors tend to issue performance statements when clients experience problems in their operations (Ilham, 2015). Therefore, companies likely to engage in questionable accounting practices are more likely to receive an opinion of concern when audited by a qualified auditor. Pasaribu (2015) shows that auditor quality has no impact on auditor opinion due to asymptotic meaning (Sig.) based on this description and supported by the results of Krissindiastuti & Rasmini (2016) which show that audit quality has an impact on performance.

KAP Big Four is an international class KAP so it needs to pay attention to reputation and quality to maintain public trust (Widhiastuti & Kumalasari, 2022). Auditors who can minimize the gap between management and owners are good so they can obtain audit results that will show the true condition of the company.

H₂: Total asset turnover affects going concern audit opinion.

Total asset turnover is an operating ratio that provides a measure of an organization's efficiency and effectiveness in using its assets to generate net income. The company must be able to balance revenue with different asset elements. The higher the turnover of total assets, the higher the chance of the business obtaining an audit opinion on going concern. This statement supports agency theory and signal theory which states that the company provides a signal in the form of an increased total asset turnover, thus indicating that the business is in a no-worry condition. The effectiveness in managing assets owned is the definition of total asset turnover, the increasing total asset turnover will dedicate the company to maintaining its survival through sales.

Muttaqin & Sudarno (2012) said that the turnover of total assets in audit opinion to business continuity, while Damanhuri & Putra's research (2020) states that total asset turnover has a negative impact on going concern audit opinion.

H₃: Company size affects going concern audit opinion.

The size of a company is calculated from the amount of assets available. If the company has a positive increase in assets that makes operating results increase, it has an impact on company confidence and shows that the company is unlikely to be in a bankrupt condition (Safitri & Akhmadi, 2017).

Auditors are said to provide more input regarding the business continuity of small companies compared to large companies, Santosa & Wedari (2007). Alichia (2013) conveyed that large-scale companies have the opportunity to excel in competition so it becomes an aspect of auditor review to provide audit opinions on the company's business development.

H₄: Company growth affects going concern audit opinion

When the business is doing well, the business can continue to exist and maintain its financial position which is reflected in business growth Rahman & Siregar (2012). Compared to the previous year, an increase in sales can be classified as good growth for the company (Dewayanto, 2011). This situation means that the company can

maintain its financial position, which allows it to survive and increase its growth rate. A growing company needs financing to run its business. Growth

The growth of a company is reflected in the growth of sales, profits, and assets. Growth is driven by the process of running a business over a period, which continues as revenue grows.

Company growth illustrates the high profitability of the company, as investors expect a return on their investment. The growth of the company shows its ability to continue as a maintenance company. The growth of the company's wealth is the efficiency with which the company stimulates its growth. A good company can be judged by its sales and production growth. Growth opportunity comes from the comparison of the amount of assets with a decrease or increase in the company's balance sheet.

H₅: Debt to equity ratio affects going concern audit opinion.

Harjito's research (2015) states that DER is an indicator of financial leverage which argues that DER is not related to the auditor's corporate opinion. The gearing ratio is the ratio of company debt to equity. The higher this matrix, the greater the uncertainty of the auditor team regarding the superiority of the agency in continuing its development. This is because most of the company's capital is used to pay debts, leaving fewer resources to operate the company. In addition, the greater the debt, the greater the risk of the company defaulting, leading to bankruptcy. Januarti (2009) claims that DER has a positive impact on business continuity.

H₆: Debt to asset ratio affects going concern audit opinion

DAR is the company's ability to pay off its obligations for one year or more. The leverage ratio can be measured by the debt-to-equity ratio (DAR), which results from the comparison of total liabilities and total assets. This comes from comparing the total amount of debt to equity. If the amount of the company's debt exceeds the amount of its assets, it means that the company is in a less stable position due to problems in paying off its debts.

The higher the debt-to-asset ratio, the lower the company's performance, so there can be uncertainty about the company's profitability and the possibility of better continuity analysis. This research is in line with Firdaus (2017) who found that DAR has a positive effect on company sustainability. Harjito's research (2015) which uses the leverage ratio (DAR) as a measure of leverage does not find a relationship between DAR and relevant conclusions, while (2009) states that there is a positive impact of DAR with relevant conclusions determined to go. relevant conclusions.

H₇: Previous year's audit opinion affects going concern audit opinion

Ramadhani & Hajering (2018); Januarti (2009); Rahman & Siregar (2012); and Ramadhani & Hajering (2018) found a clear positive correlation between the previous year's business continuity report and the current year's business continuity report. If the auditor produces a relevant report in the previous year, the company may obtain a relevant report in the current period (Santosa & Wedari, 2007). The size of a company is calculated based on the amount of assets it has. If the company has positive asset growth and increased operating results, it can certainly increase trust in the company

so that it can show that the company is unlikely to go bankrupt (Safitri & Akhmadi, 2017).

Santosa & Wedari (2007) state that auditors provide a lot of input on business continuity in small companies. Alichia (2013) states that if the company is included in the large category, it certainly has a great opportunity to excel in competition in the industry so this makes the auditor's consideration in providing an opinion on business continuity in large companies.

3. RESEARCH METHODS

The method in this study is quantitative using financial statements as secondary data. The food and beverage subsector on the IDX is the sample in this study using the period 2020 to 2022. Purposive sampling is used as a guide in determining the research sample by applying several characteristics such as companies that have annual financial statements that have been audited. The number of samples in this study was 26 food and beverage subsector manufacturing companies for 3 years of observation or 78 observations. Going concern audit opinion is the dependent variable while audit quality, total asset turnover, previous audit opinion, company growth, DER, and DAR are independent variables.

Here are some characteristics of research sampling:

1. Auditee has been listed on the Indonesia Stock Exchange from 2020 to 2022.
2. Auditees who published independently audited financial statements in the period 2020 to 2022.
3. Auditees have annual report data published and related to research variables from 2020 to 2022.

This study is assessed using a dummy with a number zero if the company does not get a going concern audit opinion and a number one if the company gets a going concern audit opinion. The independent variables consist of total asset turnover (TATO), and company growth (GROW), company size is measured using a nominal scale, and DER and DAR are calculated on a ratio scale. The nominal scale is carried out for the independent variables of audit quality (AUD) and previous period audit opinion (OGCBF).

Table 1. Operational and Conceptual Definitions

No	Variables	Operational Definition	Measurement
	Going Concern Audit Opinion	"An opinion that describes the auditor's judgment about the entity's ability to conduct its business in the future"	"Using a dummy that assigns a number zero to one to companies that do not have an audit opinion and companies that obtain an audit opinion for their continuity of business"
2	Audit Quality	The auditor's ability to trace irregularities in the entity's financial statements. An audit report can be said to be good if it is able to reduce bias in the report, to produce the right data"	"The use of a zero dummy for companies that do not use KAP services in the form of the big four"

No	Variables	Operational Definition	Measurement
3	Total Assets Turnover	"Total asset turnover is used to estimate the total sales derived from the assets contained in the company"	"Total asset turnover equals net sales divided by total assets"
4	Company Size	"A number that shows the size of the entity based on the amount of labor, assets, and the amount of profit earned"	"Company size is equal to the sum of its assets"
5	Company Growth	"Excellence entity to maintain economic conditions in a state of economic development in its business sector which can be known based on the development of sales which is the main activity of the company to maintain its business"	"Growth is equal to net sales for the period minus net sales for the previous period and divided by net sales for the previous year"
6	<i>Leverage</i> (DER)	"The company's ability to pay off its obligations using its equity"	"DER is equal to the sum of liabilities divided by total equity"
7	<i>Leverage</i> (DAR)	"A company's ability to pay its debts using its assets"	"DAR is equal to the amount of debt divided by the amount of assets"
8	Opinion Audit Previous Year	"It is an audit opinion that was used in the period before the research was conducted, so this opinion was used by researchers from 2018 to 2022"	"Using a dummy that gives a number one for entities that receive an audit opinion and a number zero for entities that do not receive an audit opinion on their going concern"

$$LN_{OGC/1-OGC} = \alpha + \beta_1 AUD + \beta_2 TATO + \beta_3 SIZE + \beta_4 GROW + \beta_5 DER + \beta_6 DAR + \beta_7 OGCBF + \varepsilon t$$

α = Constant

$\beta_1 \dots \beta_7$ = Regression Coefficient

OGC = *Going Concern Audit Opinion*

AUD = *Audit Quality*

TATO = *Total Asset Turnover*

SIZE = *Company Size*

GROW = *Company Growth*

DER = *Debt To Equity Ratio*

DAR = *Debt To Asset Ratio*

OGCBF = *Previous Year Going Concern Audit Opinion*

ε = error

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistics

Descriptive statistics are applied to understand the distribution of sample or population data by observing the highest, lowest, mean, and standard deviation. Audit quality, total asset turnover, company size, growth opportunity, debt to equity ratio, debt to asset ratio, previous year's audit opinion, and going concern audit opinion are research variables.

Table 2. Descriptive Statistical Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
AUD	78	0	1	.370	.486
ASTURNOV	78	.001	54.719	1.704335	6.109725
UP	78	14.065	30.735	24.96091	4.654880
GROWTH	78	-.999	1314.671	16.97801	148.843645
DER	78	.109	17.037	1.24932	2.429727
DAR	78	.098	.945	.42195	.190240
OGCBF	78	0	1	.09	.288
OGC	78	0	1	.08	.268
Valid N (listwise)	78				

Source: Data processed with SPSS, 2023

4.2 Logistic Regression

4.2.1 Assessing the *Overall Model (Overall Model Fit Test)*

The test used on the independent variable to see its effect on the dependent variable is by comparing the -2 Log Likelihood (-2LL) block number equal to zero with the final -2 Log Likelihood (-2LL) block number equal to one in the *Iteration History* table, then it is said that the decrease (-2LOGL) shows a good regression model.

Table 3. Initial -2 log likelihood (-2LL) values

	iteration	-2 Log likelihood	Coefficients constant
Step 0	1	46.668	-1.692
	2	42.527	-2.291
	3	42.307	-2.470
	4	42.306	-2.485
	5	42.306	-2.485

Source: Data processed with SPSS, 2023

Table 4. Final -2 log likelihood (-2LL) values

		Coefficient								
iteration		-2 Log likelihood	Constant	AUD	TATO	SIZE	GROW	DER	DAR	OGCBF
Step	1	32.209	-2.369	-.087	.072	.012	.000	-.020	.252	2.199
1										
2		21.955	-4.163	-.253	.111	.040	.000	-.057	.625	3.169
3		42.307	-6.395	-.649	.144	.092	.000	-.137	1.429	3.859
4		17.953	-8.691	-1.394	.171	.153	-.001	-.286	2.681	4.267
5		17.578	-10.155	-2.363	.196	.191	-.001	-.555	4.080	4.452
6		17.412	-10.829	-3.362	.206	.204	-.002	-1.038	5.794	4.535
7		17.360	-11.093	-4.339	.191	.207	-.002	-1.434	7.016	4.590
8		17.348	-11.498	-5.332	.193	.207	-.003	-1.515	7.261	4.605
9		17.344	-11.150	-6.332	.193	.207	-.003	-1.517	7.266	4.605
10		17.343	-11.150	-7.322	.193	.207	-.003	-1.517	7.266	4.605
11		17.342	-11.150	-8.333	.193	.207	-.003	-1.517	7.266	4.605
12		17.342	-11.150	-9.333	.193	.207	-.003	-1.517	7.266	4.605
13		17.342	-11.150	-10.333	.193	.207	-.003	-1.517	7.266	4.605
14		17.342	-11.150	-11.333	.193	.207	-.003	-1.517	7.266	4.605
15		17.342	-11.150	-12.333	.193	.207	-.003	-1.517	7.266	4.605

iteration	-2 Log likelihood	Constant	AUD	TATO	SIZE	GROW	DER	DAR	OGCBF
16	17.342	-11.150	-13.333	.193	.207	-.003	-1.517	7.266	4.605
17	17.342	-11.150	-14.333	.193	.207	-.003	-1.517	7.266	4.605
18	17.342	-11.150	-15.333	.193	.207	-.003	-1.517	7.266	4.605
19	17.342	-11.150	-16.333	.193	.207	-.003	-1.517	7.266	4.605
20	17.342	-11.150	-17.333	.193	.207	-.003	-1.517	7.266	4.605

Source: Data processed with SPSS, 2023

Tables 3 and 4 show that the initial -2LL (*Block 0*) is 46.668, while the final -2LL value (*Block 1*) is 17.342. Based on the results of the table above, there is a decrease in the likelihood value, which means that the hypothesized regression model fits the data.

4.2.2 Model Fit Test (*Hosmer and Lemeshow's Goodness of Fit Test*)

Table 5. Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	5.730	8	.677

Source: Data processed with SPSS, 2023

Table 5 states that the *statistical* value of *Hosmer and Lemeshow's Goodness Of Fit Test* is 5.730 with a significance probability of $0.677 > 0.05$. From the results of the table above, it is stated that the model fits the observation data.

4.2.3 Coefficient of determination (*Nagelkerke R Square*)

Table 6. Model Summary

Step	-2Log Likelihood	Cox & Snell R Square	Nagelkerke R Square
1	17.342a	.274	.654

Source: Data processed with SPSS, 2023

Based on the test table above, the *Nagelkerke R Square* number is 0.654 which shows the impact of the *independent* variable on the *dependent* variable of 65.4%, and the remaining 34.6% is explained by other variables outside the study.

4.2.4 Classification Matrix

A tool used to confirm the strength of regression-derived forecasts by forecasting the likelihood of an audit opinion on business development.

Table 7. Classification Matrix

Observed			Predicted		
			OGC		Percentage correct
			No OGC	OGC	
Step 1	OGC	No OGC	71	1	98.6
		OGC	2	4	66.7
	Overall Percentage				96.2

Source: Data processed with SPSS, 2023

Based on table 7, shows that 71 companies are predicted not to obtain an audit opinion on business development for a total of 78 companies, so the certainty of classification is 98.6%. Companies that obtain an audit opinion regarding survival 4 companies obtained an audit opinion regarding business survival from a total of 6 companies, therefore the explanatory precision is 66.7 percent and the overall result is 96.2 percent, the high percentage of accuracy describes something good because it can explain the opinion obtained by the company.

4.2.5 Multicollinearity Test

Regression will be said to be good if it does not have strong ties to the independent variables. Testing in logistic regression uses *tolerance* numbers and values VIF. table 8 shows the test results with the conclusion that there are no symptoms of multicollinearity because the tolerance number > from 0.1 and VIF <10.

Table 8. Correlation matrix

Mode	Unstandardized	Coefficient	Standardized	t	Sig.	Collinearity	Statistics
1	B	Std Error	Coefficient			Tolerance	VIF
			Beta				
1 (Constant)	-.092	.145		-.635	.528		
AUD	-.022	.049	-.039	-.439	.662	.854	1.171
TATO	.018	.004	.412	4.297	<.001	.984	1.016
SIZE	.003	.005	.054	.628	.532	.939	1.065
GROW	-1.985E-5	.000	-.011	-.132	.895	.985	1.015
DER	-.005	.014	-.046	-.413	.681	.550	1.819
DAR	0.63	.156	.045	.404	.687	.562	1.781
OGCBF	.550	.081	.590	6.824	<.001	.919	1.088

Source: Data processed with SPSS, 2023

4.2.6 Simultaneous F Test

Table 9. Simultaneous F test

	Chi-Square	df	Sig.
Step 1	24.964	7	<.001
Block	24.964	7	<.001
Model	24.964	7	<.001

Table 9, shows a *Chi-square* number of 24.964 and *degree of freedom* 7 with a sig. 0,001. These results show that there is an effect of audit quality, total asset turnover, company size, company growth, DER, DAR, and previous audit opinion on audit opinion regarding business continuity.

4.2.7 Logistics formed and hypothesis testing

Hypothesis testing is carried out through the parameter estimates in the *variables in the Equation* in Table 10. This is worked out by comparing significant figures with an error rate of 5 percent, then it will be said that the independent effects *dependent*.

Table 10. Variables In The Equation

		B	S.E	Wald	df	Sig.	Exp(B)	95%C.I. for EXP(B)	
								Lower	Upper
Step 1a	AUD	-17.333	7066.614	.000	1	.998	.000	.000	
	TATO	.193	.437	.195	1	.659	1.213	.515	2.857
	SIZE	.207	.217	.909	1	.340	1.230	.803	1.884
	GROW	-.003	.040	.007	1	.935	.997	.922	1.077
	DER	-1.517	3.457	.192	1	.661	.219	.000	192.274
	DAR	7.266	11.791	.380	1	.538	1431.302	.000	1.557E+13
	OGCBF	4.605	1.592	8.370	1	.004	100.026	4.417	2265.029
	Constant	-11.150	7.537	2.189	1	.139	.000		

Source: Data processed with SPSS, 2023

Table 10 shows that audit quality obtained a regression coefficient number of -17.333 and had no effect on *going concern* because $0.998 > 0.05$, therefore H1 was rejected. Total *asset turnover* obtained a regression coefficient number of 0.193 and had no impact on the *going concern* audit opinion, this was due to $0.659 > 0.05$, so H2 was rejected.

Furthermore, company size has a regression coefficient of 0.207 and has no effect because $0.340 > 0.05$, so H3 is rejected. Company growth obtained a regression coefficient of -0.003 and was not significant because $0.935 > 0.05$, so H4 was rejected. Furthermore, DER has a regression coefficient number of -1.517 and has no effect because $0.661 > 0.05$, so H5 is rejected.

The DAR variable obtained a regression coefficient of 7.266 and had no effect because $0.538 > 0.05$, so H6 was rejected. Finally, there is the previous period's audit opinion which obtained a regression coefficient of 4.605 and had an effect because $0.004 < 0.05$, so H7 is accepted.

4.3 Discussion

4.3.1 The effect of audit quality on going concern audit opinion

The results obtained show that the quality of the audit appointed by the big four KAP does not affect going concern audit opinion. The research supports the results of Widhiastuti & Kumalasari (2022); Mutsanna & Sukirno (2020); Kurnia & Mella (2018) and Praptitorini & Januarti (2014) which explain that audit quality has no impact on going concern audit opinion.

Auditors obtaining opinions are based on the results of their audits objectively due to high obligations and related to the interests of many people. These results are in line with Agency Theory which states that financial statements are a link used by the owner in monitoring the state of the company, because the principal does not have a direct role in driving the business, an auditor is needed to provide an assessment of the fairness of the financial statements and provide an opinion on the continuity of the company.

4.3.2 The effect of total asset turnover ongoing concern audit opinion

Research shows that total asset turnover has no effect on audit opinion regarding business development, this supports the results of Widhiastuti & Kumalasari (2022)

and Muttaqin & Sudarno (2012) which show that total asset turnover has no effect on audit opinion regarding going concern. These results support Widhiastuti & Kumalasari, 2022 who state that total asset turnover has a negative impact on going concern audit opinion. High or low total asset turnover does not affect the company in obtaining a going concern audit opinion and this is supported by Signaling Theory, that companies that have high total asset turnover provide good signals to investors because the company can generate high profits.

4.3.3 The effect of company size on going concern audit opinion

Company size has no impact on going concern audit opinion, thus supporting the research of Mutsanna & Sukirno (2020) and Kurnia & Mella (2018) which state that company size has no impact on going concern audit opinion. A large business does not guarantee not to get a going concern audit opinion because of large assets but poor management, unlike small companies that can control their small assets and are good enough to maintain their business. This supports Agency Theory, that large companies have more agents than small companies. So that large companies can provide more extensive information as a way to minimize agency costs.

4.3.4 The effect of company growth ongoing concern audit opinion

Company growth has no effect in this study, so it is in line with the following Widhiastuti & Kumalasari (2022) and Kurnia & Mella (2018) that growth opportunity has an impact on audit opinion on business survival. Sales growth does not guarantee better company performance because it is accompanied by an increase in costs borne by the company, so it has no effect on company performance. This research is in line with theory and signal theory which states that companies can limit information asymmetry by proving performance in accordance with the wishes of the owner.

4.3.5 The effect of DER ongoing concern audit opinion

DER has no impact on the opinion regarding business continuity. So, it is in line with Widhiastuti & Kumalasari's research (2022) which says that the turnover of total assets has no effect on going concern audit opinion. An increase or decrease in the DER value does not provide an opportunity for the company to obtain a going concern audit opinion due to an increase in the DER value accompanied by a high amount of supervision and the role of investors in the utilization of funds which causes the company not to obtain a going concern audit opinion and is in line with signal theory by arguing that the company can pay its long and short-term debt attached to the financial statement is a signal conveyed by the company.

4.3.6 The effect of DAR ongoing concern audit opinion

DAR has no impact on going concern audit opinion and this supports the results of Widhiastuti & Kumalasari (2022) who say DAR has no impact on going concern audit opinion. Increasing and decreasing the value of DAR does not provide an opportunity for the company to get a going concern audit opinion, possibly because it

is balanced by good asset management which causes the company's performance to improve so that it does not get a going concern audit opinion and this supports signal theory and agency theory which state that companies can minimize information asymmetry by explaining the company's condition completely in the financial statements.

4.3.7 The effect of the previous year's audit opinion on going concern audit opinion

The research shows that the previous period's opinion has an impact on the audit opinion on business continuity. The results of this study are supported by Indriani & Wahasumiah (2018); Widhiastuti & Kumalasari (2022); Mutsanna & Sukirno (2020); Kurnia & Mella (2018) and Praptitorini & Januarti (2014) who say that the previous year's audit opinion affects going concern audit opinion. The results of this study are in line with Signaling Theory and Agency Theory which state that financial statements are a link used by owners to oversee the company and the provision of going concern audit opinion on the previous period company contained in the financial statements is a strong signal given by the auditor regarding the condition of the company.

4.4 Implications

This study found that the previous year's audit opinion had a positive effect on going concern audit opinion, which means that when the company received a going concern audit opinion in the previous year, it is likely that the company will also get a going concern auditor opinion in the following year. Based on Agency Theory, financial reports are a medium that is utilized by the owner to monitor the condition of the company. However, because the principal is not directly involved in running his business, an auditor is needed to assess the fairness of the financial statements and provide an opinion on the ongoing concern audit opinion the survival of the company. Economic conditions during COVID-19 allow companies to experience downturns and have an impact on the survival of the company. This situation makes auditors more careful in issuing concerned opinions so as not to harm either party. Based on the results of this study, auditors can consider the previous year's audit opinion in determining going concern audit opinion.

Based on the results of this study, it is hoped that it can help investors when deciding on choosing a company to invest in because the condition of the company can be seen through the contents of the company's financial statements. When the company gets a going concern audit opinion, the company's financial condition may be unstable so the auditor provides a going concern audit opinion. The company must pay attention to the previous year's audit opinion and take the necessary corrective actions to improve the company's financial condition. The company can increase its profitability to show that the company's performance is in good condition. The company should also pay attention to the auditor's reputation and choose a reputable auditor to increase the possibility of getting a good going concern audit opinion. By paying attention to these factors, the company can increase the possibility of getting a good going concern audit opinion and improve the company's financial condition.

5. CONCLUSION

Based on the test results, it is known that the previous year's audit opinion influences the audit opinion on business continuity. The study also shows that audit quality, total asset turnover, company size, growth opportunity, DER, and DAR have no impact on audit opinion on ongoing concerns. The results show that auditors can pay attention to the previous year's audit opinion in determining a going concern audit opinion.

Research on the food and beverage subsector with an observation period of only 3 years may not explain the general situation. So further research should take a longer period. Due to the research sample only in food and beverage subsector manufacturing companies, the results of this study cannot be used in general to assess all manufacturing companies on the IDX.

The results showed a coefficient of determination of 65.4%, which means that the dependent variable is influenced by the independent variable 65.4%, and the remaining 34.6% is influenced by other variables outside this study. There are still many variables that can be used in considering what factors can affect going concern audit opinion on a company, therefore for further research, it is expected to add moderating variables or mediating variables that can strengthen or weaken the dependent variable.

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