

The Effect of Auditor Reputation, Prior Audit Opinion, Company Growth, Leverage and Liquidity on the Going Concern Audit Opinion Acceptance with Audit Switching as Moderating Variable

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Abstract:- For investors as investment actors, needed to have ability to understand the company's financial condition especially in terms of business continuity, made auditors to have a big obligation to argue going concern audit which is conformable to the actual condition. This research aims to evaluate the Effect of Auditor Reputation, Prior Audit Opinion, Company Growth, Leverage and Liquidity on the Going Concern Audit Opinion Acceptance and Audit Switching as Moderating Variable. The sample determination needed a purposive sampling technique of 44 property and real estate companies listed in the Indonesia Stock Exchange from 2017 – 2019. Data analysis method used logistic regression. This research results showed that (1) Auditor Reputation, Leverage have negative results on the Going Concern Audit Opinion Acceptance, whereas (2) Prior Audit Opinion, Company Growth and Liquidity have positive results on the Going Concern Audit Opinion Acceptance. (3) Moderating variable testing with moderated regression analysis (MRA) test proved that Audit Switching does not produce a moderating variable.

Keywords:- Going Concern Opinion, Auditor Reputation, Prior Audit Opinion, Company Growth, Leverage, Liquidity, Audit Switching.

I. INTRODUCTION

The development of business world currently increased very rapidly, therefore the competition between business actors increase too. The role of financial statements is very essential in providing information regarding to financial position, financial performance, useful entity for the user of financial statements in the making of economic decisions (PSAK No.1, 2009). Financial statements become an important fundamental for an investor as communication media to provide information of the company financial.

Going concern audit opinion can become a very important fundamental for the user of financial statements to decide to invest. For investors that will invest, needed to understand the company financial condition especially

regarding the sustainability of the company's life, which made auditor to have big responsibility to argue going concern consistent with actual company conditions.

An auditor has to argue precisely with the audited company condition. In giving the going concern audit opinion there are several factors, namely seen from the company financial condition and non-financial ratio. Santosa et al., (2007) stated that in arguing the going concern audit for the current period, auditor needed to think of the going concern audit opinion obtained by the company in the previous year. Company financial condition is a main important factor in affecting the going concern audit opinion acceptance. Because the financial condition described the extent to which the company's capability level in managing their businesses, so that users of financial statements can determine the right decision for investors in investing.

In Indonesia there are still a lot of fraud cases found in the annual report which concerns the integrity of the company financial statements. Several related cases happened in well-known companies that the audit results of the financial statements stated that there was a decrease of 22% from the previous year, which happened at PT Agung Podomoro Land has decreased performance due to reclamation, this property company experienced a decrease in profit of 21,89 percent namely become 631,85 Billion rupiah from 808,95 Billion rupiah in 2015.

Second case, namely at Waskita Karya in 2009 the company's net profit is 400 Billion in 2004-2008. Profits that should have been recognized in the following year, is recognized as last year profit. This is smelled when doing a company balance check for the interest of initial shares issuance. The examination revealed the irregularities occurred at Waskita Karya company.

The other cases related to the going concern audit opinion. One of them is Jiwasraya Assurance, case of failure to pay customer policy payments which led to corruption, considered to have dragged many parties including public accountants, where they never issued going concern audit opinion. The audited financial statements announced by

Jiwasraya have been found as a fraud therefore the company looked healthy.

Monica & Rasmini (2016) informed that going concern audit opinion obtained by a company in the audit report showed negative signal for the continuity of the company, which is very useful for the investor in the investment decision making, whereas the non-going concern opinion symbolized positive signal which indicates that a company is in a good financial condition. For the company the release of going concern audit opinion is not a recommended thing, because it described incapability and uncertainty of the continuity of the business and can have an impact on the fall in share prices, investor trust problem to invest, creditors, customers and employees on the company management, and the company will have a difficulty in raising the loan capital. However, the phenomenon often happens until today proved that many of the go public companies where they supposed to accept going concern audit opinion, but accept the fair audit opinion without exception (non-going concern). There are even a lot of the auditors failed to argue according to the real condition of the company to the auditee, is a condition of unhealthy company, but it got a qualified opinion.

II. LITERATURE REVIEW

Agency Theory

Agency theory informed that the shareholders who are the principal and management are agents. Management is the party worked for the interests of shareholders. Therefore, management is required to be responsible for its business to the shareholders. In relation to the acceptance of going concern audit opinion, the agent management morally obliged on the continuity of the company they lead. Principal gives the authority to agent to be responsible of the company operational, therefore the company information is more known by agents compared to principal.

Going Concern Audit Opinion

Going concern audit opinion is an opinion triggered by auditor to assess the capability of a company to maintain the existence of its business. Going concern is one of very important concepts in the basis of a financial reporting.

One of the company criteria that obtained the going concern audit opinion related to the company's revenue that has fallen consistently, re-organization, ability in paying interests, and going concern audit opinion obtained from the company in previous period. And the company that experienced liquidation process namely has the capital, revenue, cash flow, and retained earnings all of which are negative, and the company experienced losses for 2 to 3 consecutive years (Mutchler, 1985).

Auditor Reputation

Auditor reputation is where the auditor has responsibility in maintaining the public trust and maintain the good name of PAF where the auditor worked namely the auditor is required to provide an audit opinion according to the company's real condition. Auditor reputation is a

public's trust and also as achievement for auditors in their role of conducting audits and maintaining the good name of PAF because of the opinion issued by the auditor on the financial statements can have an impact on the decision-making procedures for the users of financial statements.

Prior Audit Opinion

The issuance of going concern audit opinion in the previous year used as a basis for consideration which is important for the auditor who conduct audits, if an auditor gives going concern audit opinion on a company in the previous period, then there is a great potential for the auditor to re-issue the going concern audit opinion in the current period. If the company showed increase in the financial significantly, the probability of the company to receive going concern opinion will have a little potential, which means that the increase in the company financial will become the measurement and has an important role.

Company Growth

Company growth is the capability of company to maintain the continuity of the business, because a good growth gives signal for the development of the company, where in the eyes of investors as a good aspect to make an investment with the hope of getting a return on the investment made. The higher the company growth ratio, the lower the auditor's chance to publish the going concern audit opinion.

Leverage (DTA)

Leverage assessed loan rate as the origin of the overall company financing. When debt owned by company is lower then the company's risk in facing failure to pay its obligations will also become lower. If the leverage ratio is greater it means that the company's achievement becomes more negative and will affect the continuity of the company in the next period, because most of the company's funds obtained will be used for the purpose of financing company loans, therefore the loans which was originally used for operational activities will decrease caused the company to has a high chance to receive going concern audit opinion.

Liquidity

Liquidity described the fulfillment of company obligations to fulfill its short-term needs. Liquidity is viewed as the ability of company in fulfilling the short-term needs using the current assets owned by the company, which includes all current assets and current liabilities. An increase in current assets indicates the entity's ability to pay current liabilities.

Framework of Thinking

Auditor reputation is one of the measuring instruments of the audit quality of a PAF maintained trust in the eyes of the public. The auditors who joined the Big Four PAF allow to provide a reliable audit quality, also in revealing the going concern audit opinion.

Prior audit opinion can be used as evaluation measurement which is very useful for the auditor to issue the same opinion in the current year. If a company showed a

consistently negative financial condition it is possible that the auditor will state a going concern audit opinion, which means that the financial condition of a company become an important benchmark for the auditor to present opinion to describe whether the company can continue its business in the future.

The company growth is very expected for the interested groups, either internal or external groups, with a good growth indicates a positive signal for the potential investors to make an investment in the company, with hope to gain a positive rate of return from the investment made. The company growth can be measured by the company consistency in maintaining its economic condition using the sales growth ratio.

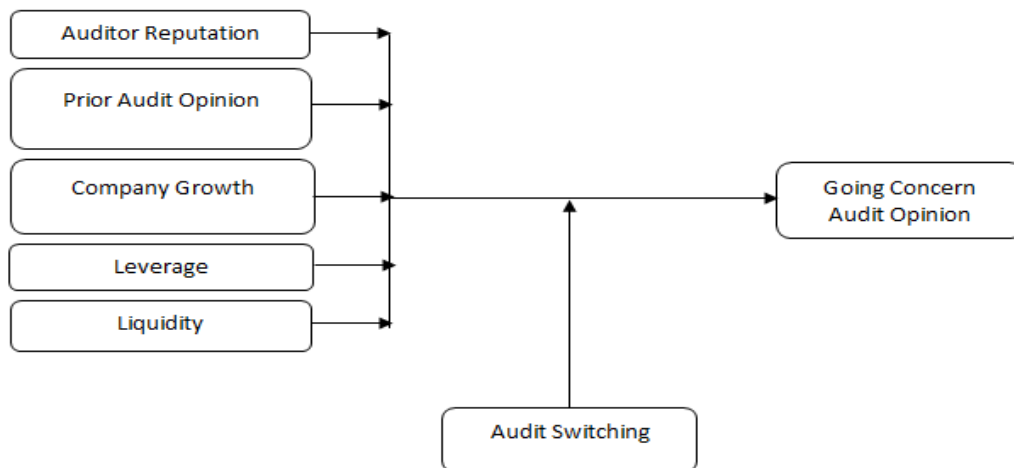
Leverage is the other ways to refer to the total capital owned by the company from the company loans on the creditors, the financial condition of the company is affected by the leverage ratio. If the leverage ratio is higher then showed the more negative company ability and will affect the sustainability of the company efforts in the next period. because most of the company capitals received are intended for the sake of debt financing, therefore the capitals

allocated for company operational activities will decrease, therefore there will be a great chance that the company will receive going concern audit opinion.

Liquidity described the fulfillment of company obligations to fulfill its short-term needs. Liquidity is viewed as the ability of company in fulfilling the short-term needs using the current assets owned by the company. Mutsanna & Sukirno (2020) stated that liquidity is a ratio to measure the relationship between cash and current assets and liabilities of the company, therefore a good liquidity level is important for the company.

Audit switching is a moderating variable. Which means that moderation variable has a strong dependency effect in the relationship of dependent and independent variables. Auditor switching is change of auditors that occurs as a result of government regulations and also can happen due to the lack of satisfaction obtained by the company management on the audit opinion stated by the auditor.

As for the framework of thinking, can be described as follows:



Gambar 1 Framework of Thinking

Hypothesis

Based on previous description, the hypothesis can be formulated as follows:

1. Auditor reputation has a positive effect on the going concern audit opinion
2. Prior audit opinion has a positive effect on the going concern audit opinion
3. Company growth has a positive effect on the going concern audit opinion
4. Leverage has a positive effect on the going concern audit opinion
5. Liquidity has a positive effect on the going concern audit opinion
6. Audit Switching can moderate between Audit Reputation, Prior Audit Opinion, Company Growth, Leverage and Liquidity on the going concern audit opinion

III. RESEARCH METHOD

Research Type

This research is an associative research aimed to determine the relationship between two or more variables. Based on the data type used, this research is categorized as quantitative research. The research used secondary data from Indonesia Stock Exchange.

Variable Operational Definition

Going Concern Audit Opinion

Going concern audit opinion is an opinion stated by auditor to assess whether there is doubt regarding to the capability of an entity to maintain its business continuity (SPAP, 2011). The measurement of going concern audit opinion is stated in code of 1, whereas the non-going concern audit opinion is stated in code of 0.

Auditor Reputation

Auditor reputation is measured by using dummy variable, where the PAF prioritized in checking the company financial statements is assessed based on the trusted PAF reputation. If the PAF is affiliated with the Big Four PAF the code 1 is given, whereas for the PAF that is not affiliated with Big Four PAF the code 0 is given (Hidayanti & Sukirman, 2014).

Prior Audit Opinion

Prior audit opinion includes dummy variable, the measurement used code of 1 on the company which obtained going concern audit opinion (GCAO) in the previous year and code 0 if the company does not received non going concern audit opinion (NGCAO) in the previous year (Hidayanti & Sukirman, 2014).

Company Growth

Company growth is measured by using the company sales growth ratio (Anita, 2017).

$$PP = \frac{PBt - PBt-1}{PBt-1}$$

Leverage

Leverage is measured by debt to total assets. This ratio is used to estimate how big the company's assets spent on debt from the creditors and private funds from the shareholders.

$$\text{Debt to total assets} = \frac{\text{Total Liabilities}}{\text{Total Assets}}$$

Liquidity

Liquidity measured the extent of the company in paying off its obligations which will mature in less than a year.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Audit Switching

Auditor switching in this research is a moderation variable, where described a dummy variable that will be measured with code 1 if the company conducted a change in auditor when accepting the going concern audit opinion and code 0 if the company did not conduct a change in auditor when accepting the going concern audit opinion.

Population, Sample, and Analysis Method

This research population used property and real estate company listed in the Indonesia Stock Exchange in 2017-2019 period. The sample selection is conducted through purposive sampling technique, with the total of 44 sample companies with the total periods of research sample of 3 years observation are 132. The analysis method used is Statistical Product and Service Solution 25 (SPSS 25) for windows. The tool used is logistic regression.

The logistic regression model used to test the hypothesis, is formulated as follows :

$$\text{Ln } \underline{G} = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 \epsilon$$

1-G

Information :

- Ln (\underline{G})** = **Going Concern Opinion**
- I-G**
- α** = **Constant**
- B** = **Regression coefficient of X1, X2, X3, X4, X5**
- X1** = **Auditor reputation**
- X2** = **Prior opinion**
- X3** = **Company growth**
- X4** = **Leverage**
- X5** = **Liquidity**
- ϵ** = **Error**

IV. RESULTS AND DISCUSSION

Logistic Regression Analysis

The hypothesis testing in this research used logistic regression, where the dependent variable is categorized as dummy variable, whereas the independent variables which are the combination between metric and non-metric (nominal). The logistic regression analysis is used to test how strong is the influence of the relationship between the independent variable on the dependent variable, partially or simultaneously. The testing is on the significance level of 5% (a = 0,05). The stages of logistic regression test are as follows:

1) Testing the feasibility of the regression model

The feasibility of the regression model in this research used Hosmer and Lemeshow's Goodness of fit test. The data processed results of this research are:

Table 1. Hosmer and Lemeshow Test			
Step	Chi-square	Df	Sig.
1	4,359	8	,823

Source: Data Processing of SPSS 2021

Based on table 1, the chi-square score is 4,359 with significance score of 0,823. The results showed that data processing is greater than 0,05 which means that this research model can be accepted or fit (feasible) because it is in sync with the research data.

2) Testing the overall regression model

This test is used to measure whether the hypothesized model is feasible on the research data. The processed data results are as follows:

Table 2. The Initial Stage of Overall Model-2LogL Test Results			
Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	111,058	-1,424
	2	108,806	-1,744
	3	108,781	-1,782
	4	108,781	-1,783

- a. Constant is included in the model.
- b. Initial -2 Log Likelihood: 108,781

c. Estimation terminated at iteration number 4 because parameter estimates changed by less than ,001.

Iteration		-2 Log likelihood	Coefficients					
			Constant	RA	OATS	PP	DTA	CR
Step 1	1	55,677	-1,567	-,169	3,337	,384	-,724	,037
	2	36,609	-1,881	-,470	4,904	1,128	-2,233	,085
	3	29,386	-1,697	-1,001	6,194	2,343	-4,542	,124
	4	26,740	-1,543	-1,642	7,465	3,536	-6,751	,162
	5	26,126	-1,497	-2,340	8,399	4,248	-8,192	,187
	6	26,048	-1,489	-2,978	8,727	4,479	-8,667	,196
	7	26,044	-1,492	-3,230	8,782	4,525	-8,729	,197
	8	26,044	-1,492	-3,247	8,786	4,530	-8,733	,197
	9	26,044	-1,492	-3,247	8,786	4,530	-8,733	,197

a. Method: Enter

b. Constant is included in the model.

c. Initial -2 Log Likelihood: 108,781

d. Estimation terminated at iteration number 9 because parameter estimates changed by less than ,001.

Based on the test results, the initial stage testing showed the -2LogL block number score = 0 is 108,781 whereas table 4.10 which is the final stage testing showed the -2LogL block number score = 1 is 26,044 and experienced a decrease of 82,737. These results showed that the regression model is good or the hypothesized model is feasible with the research data taking into account, if there is a decrease in the -2LogL block number score = 1, it is assumed that the hypothesized model is feasible (fit) with the data.

square score on multiple regression. This testing results are as follows:

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	26,044 ^a	,466	,830

Source: Data Processing of SPSS, 2021

3) Determination Coefficient (Nagelkerke R Square)

The determination coefficient is to measure how much the independent variable is related to the dependent variable. The nagelkerke R square score, is interpreted by the R

Based on table 4, the determination coefficient testing, the nagelke R Square score is 0,830, which concluded that the dependent variable in this research explained 83% by the independent variable of this research therefore the rest 17% are explained by other dependent variable.

4) Partial significance test (Wald Test)

		B	S.E.	Wald	Df	Sig.	Exp(B)	95% C.I. for EXP(B)	
								Lower	Upper
Step 1 ^a	RA	-3,247	4,330	,562	1	,453	,039	,000	188,568
	OATS	8,786	2,275	14,919	1	,000	6542,377	75,772	564887,255
	PP	4,530	1,933	5,493	1	,019	92,728	2,100	4095,487
	DTA	-8,733	3,897	5,021	1	,025	,000	,000	,335
	CR	,197	,076	6,732	1	,009	1,218	1,049	1,414
	Constant	-1,492	,952	2,455	1	,117	,225		

a. Variable(s) entered on step 1: RA, OATS, PP, DTA, CR.

Source: Data Processing of SPSS, 2021

The data processed results on table 5, the descriptions are as follows:

- The data processed results proved that, X₁ variable has a significance score of 0,453 and B score of (-3,247), because the significance score is 0,453 > 0,05 it can be

stated that X₁ has a negative and insignificant effect on the Y variable or reject H₁.

- The data processed results proved that, X₂ variable has a significance score of 0,000 and B score of 8,786, because the significance score is 0,000 < 0,05 it can be stated that

X₂ has a positive and significant effect on the Y variable or reject H₀.

- The data processed results proved that, X₃ variable has a significance score of 0,019 and B score of 4,530, because the significance score is 0,019 < 0,05 it can be stated that X₃ has a positive and significant effect on the Y variable or reject H₀.
- The data processed results proved that, X₄ variable has a significance score of 0,025 and B score of (-8,733), because the significance score is 0,025 > 0,05 it can be stated that X₄ has a negative and insignificant effect on the Y variable or reject H₄.
- The data processed results proved that, X₅ variable has a significance score of 0,009 and B score of 0,197, because the significance score is 0,009 < 0,05 it can be stated that X₅ has a positive and significant effect on the Y variable or reject H₀.

5) Simultaneous Test (Omnibus Test of Model Coefficient)

This test simultaneously used to determine the effect of all independent variables simultaneously on the dependent variable. The simultaneous testing results of this research are as follows:

		Chi-square	Df	Sig.
Step 1	Step	82,737	5	,000
	Block	82,737	5	,000
	Model	82,737	5	,000

Source: Data Processing of SPSS, 2021

Based on table 6, chi-square score, is 82,737 and the significance score is 0,000. It can be concluded that the independent variable significant simultaneously better in terms of data matching compared to the simple model.

6) Moderating variable testing

In the testing of moderating variable used Moderated Regression Analysis (MRA) or interaction test, where in the regression equation there is an interaction or multiplication between two or more independent variables. Interaction test (MRA) is used to test the moderating variable in moderating the relationship between independent variable on the dependent variable by seeing the interaction of independent variable with the moderating variable (Kaamilah et al., 2020).

		B	S.E.	Wald	Df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1 ^a	RA*AS	-18,955	40192,970	,000	1	1,000	,000	,000	.
	OATS *AS	4,727	1,158	16,662	1	,000	112,955	11,673	1092,992
	PP *AS	-3,767	3,969	,901	1	,343	,023	,000	55,248
	DTA *AS	1,619	3,623	,200	1	,655	5,048	,004	6119,870
	CR *AS	,045	,103	,191	1	,662	1,046	,855	1,280
	Constant	-2,598	,368	49,898	1	,000	,074		

Variable(s) entered on step 1: RA*AS, OATS *AS, PP *AS, DTA *AS, CR*AS.

Based on Table 7 the regression equation of moderating variable (audit switching) is obtained:

$$[Y]= \alpha +\beta 1 [Z-X1]+ \beta 2[Z -X2]+ \beta 3 [Z -X3]+ \beta 4[Z -X4]+ \beta 5 [Z -X5]$$

The results of the moderation variable testing above can be concluded that the audit switching variable is not a moderation variable which means that, it cannot strengthen or weakened the interaction between independent variable and going concern audit opinion variable, because the significance is higher than 0,05 therefore, H₆ hypothesis is rejected.

Discussion

Audit Reputation has an Effect on the Going Concern Audit Opinion

Regression coefficient score showed a negative number indicated that Auditor Reputation has a negative effect on the going concern audit opinion. Auditor reputation is where the auditor has a responsibility in maintaining the public’s trust and maintaining the good name of the PAF where the auditor works namely the auditor is required to provide an audit opinion according to the company’s real condition. Auditor reputation is a public’s trust and also as achievement for auditors in their

role of conducting audits and maintaining the good name of PAF because of the opinion issued by the auditor on the financial statements can have an impact on the decision-making procedures for the interested parties. This research results are in line with (Miraningtyas & Yudowati, 2019) and (Hidayanti & Sukirman, 2014) research, which results that liquidity has a negative effect on the going concern audit opinion, Auditor reputation does not have an effect on the giving of going concern audit opinion and disclosure has a positive effect on the giving of going concern audit opinion.

Prior Audit Opinion has an Effect on the Going Concern Audit Opinion

Regression coefficient score showed a positive number stated that the issuance of going concern audit opinion in the previous year used as a basis for consideration which is important for the auditor who conduct audits, if an auditor gives going concern audit opinion on a company in the previous period, then there is a great potential for the auditor to re-issue the going concern audit opinion in the current

period. If the company showed increase in the financial significantly, the probability of the company to receive going concern opinion will have a little potential, which means that the increase in the company financial will become the measurement and has an important role. Therefore H_2 is accepted have a positive and significant effect on the going concern audit opinion (Nadhilah, 2020). This research results supported the research of Subarkah & Ma'ruf (2020), Nadhilah (2020) and Santosa & Wedari (2007), which results that Audit quality, Financial condition and Prior audit opinion do not have a significant effect on the going concern audit opinion.

Company Growth has an Effect on the Going Concern Audit Opinion

Regression coefficient score showed a positive number stated that the growth/an increase of assets indicated the ability and indicated that a company is in a good going concern. Therefore H_3 is accepted have a positive and significant effect on the going concern audit opinion. The company growth is very expected for the interested groups, either internal or external groups, with a good growth indicates a positive signal for the potential investors to make an investment in the company, with hope to gain a positive rate of return from the investment made. The company growth can be measured by the company consistency in maintaining its economic condition using the sales growth ratio. This research results supported the research of Kartika (2012) and rejected the research conducted by Kusumaningrum (2019), Sunarwijaya & Edy (2019), Santosa & Wedari (2007) and Anita (2017), which results that Audit quality, Financial condition and Opinion Shopping do not have a significant effect on the going concern audit opinion. Prior Audit Opinion and Company Growth have a significant effect on the going concern audit opinion.

Leverage has an Effect on the Going Concern Audit Opinion

Regression coefficient score showed a negative number stated that leverage referred to the total capital owned by the company from the company loans on the creditors, the financial condition of the company is affected by the leverage ratio. If the leverage ratio is higher then showed the more negative company ability and will affect the sustainability of the company efforts in the next period. because most of the company capitals received are intended for the sake of debt financing, therefore the capitals allocated for company operational activities will decrease, therefore there will be a great chance that the company will receive going concern audit opinion. This research results accepted the research of Nadhilah (2020) and Kusumaningrum (2019) and rejected the research of Anita (2017), which results leverage has a negative effect on the going concern audit opinion. Company Growth has a negative effect on the going concern audit opinion.

Liquidity has an Effect on the Going Concern Audit Opinion

Regression coefficient score showed a positive number. Liquidity described the fulfillment of company obligations to fulfill its short-term needs. Liquidity is viewed as the ability of company in fulfilling the short-term needs using the current assets owned by the company. The liquidity ratio is measured through current ratio which covers all current assets and liabilities. Generally, a high current ratio indicates the entity's ability to settle the liability smoothly. Liquidity measured the extent of the company in paying off its obligations which will mature in less than a year (Mutsanna & Sukirno, 2020). This research results is supported by Kusumaningrum (2019) and rejected the research of Mutsanna & Sukirno (2020) and (Anita, 2017), which results the company size and leverage have a negative effect on the going concern audit opinion, liquidity ratio has a positive effect on the going concern audit opinion.

The Effect of Audit Switching as Moderating Variable on the Going Concern Audit Opinion Acceptance.

- Based on the data processed results it can be seen that the significance score level of Audit Reputation (1,000), Company Growth (0,731), Leverage (0,548) and Liquidity (0,778) > 0,05 and Prior Audit Opinion variables have significance scores <0,05. Based on this conclusion therefore H_6 is rejected which means that audit switching variable is not a moderating variable on the going concern opinion acceptance on property and real estate companies.
- The data processed results obtained the auditor reputation transformed by the going concern audit opinion variable, is not as a moderating variable on the interaction between auditor reputation variable, because the significance level is higher namely 1,000 > 0,05.
- The data processed results for the prior audit opinion transformed by the going concern audit opinion variable, is a moderating variable on the interaction between prior audit opinion, because the significance level is lower namely 0,000 > 0,05, therefore audit switching can strengthen the prior audit opinion.
- The data processed results for the company growth variable transformed by the going concern audit opinion variable, is not as a moderating variable on the interaction with company growth variable, because the significance level is higher namely 0,343 > 0,05.
- The data processed results for the leverage variable transformed by the going concern audit opinion variable, is not as a moderating variable on the interaction with leverage variable, because the significance level is higher namely 0,655 > 0,05.
- The data processed results for the liquidity variable transformed by the going concern audit opinion variable, is not as a moderating variable on the interaction with liquidity variable, because the significance level is higher namely 0,662 > 0,05. Auditor switching is a change of auditors that occurs as a result of government regulations and also can happen due to the lack of satisfaction obtained by the company management on the audit opinion stated by the auditor.

V. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Based on the testing results using the logistic regression on the research variables, several conclusions are obtained that can be taken, as follows: Audit Reputation and Leverage have a negative effect on the Going Concern Audit Opinion, whereas Prior Audit Opinion, Company Growth, Liquidity have a positive effect on the Going Concern Audit Opinion, and audit switching variable is not as a moderation variable which means that it cannot strengthen or weakened the relationship between independent and dependent variables, namely Going Concern Audit Opinion. Where audit switching is unable to moderate between auditor reputation, company growth, leverage, liquidity with the going concern audit opinion. Whereas Audit switching able to moderate between prior audit opinion and going concern audit opinion.

Recommendations

Based on the research results conducted and researcher limitations, therefore researcher gives recommendations as follows: 1) It is expected to expanding the research by adding other variables related to the going concern audit opinion acceptance outside this research, and adding the observation period longer to get better results. 2) For future researchers, because in the dependent variable frequency test results which is going concern audit opinion the percentage is very low only 12.1%, it is better for the future researchers to focus only on the companies that only receive going concern audit opinion, then to determine the variable that affecting the going concern audit opinion acceptance. 3) For the investor, the going concern audit opinion disclosure can be used as an important basis in terms of investing capitals to a company by observing the audit opinion variable on the previous year, company growth and liquidity, because those variables in this research have a positive effect on the going concern audit opinion acceptance.

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