

FACTORS AFFECTING THE GIVING OF AUDIT OPINION WITH DOUBT OF GOING CONCERN AND ITS IMPLICATIONS ON THE PREDICTION OF COMPANY BANKRUPTCY

Ayu Yuliana Lestari¹, Enggar Diah Puspa Arum² and Wiralestari³

¹ Faculty of Economics and Business, Jambi University, Jambi, Indonesia

^{2,3} Lecturer of Faculty of Economics and Business, Jambi University, Jambi, Indonesia

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Abstract: This study aims to empirically examine the factors that can influence the acceptance of audit opinions with going concern doubts and the implications of that audit opinions with going concern doubts on the prediction of company bankruptcy. In analyzing the effect of audit opinion with going concern doubt on the bankruptcy prediction, we will use the control variables Suspension, Debt Default and Audit Opinion with Going Concern doubt in the previous year to neutralize the effect. This research is quantitative research using secondary data that can be accessed from the website/personal page of manufacturing companies listed on the IDX, the IDX website (www.idx.co.id) and www.sahamoke.com. This study uses Proportionate Stratified A Random Sampling in determining the research sample. The total companies that were sampled were 127 companies with 5 years of observation in 2016 - 2020 so that the total observations of this study were 635 data. The data analysis method used in this research is inferential statistical analysis method using logistic regression equation. Data analysis begins by processing data with Microsoft Excel, then testing using logistic regression by using SPSS Statistics 25.0 software. The results of this study indicate that: 1) Suspension has no significant effect on the audit opinion with doubt of going concern; 2) Debt Default has a significant effect on the audit opinion with doubt of going concern; 3) Audit Tenure has no significant effect on the audit opinion with doubt of going concern; 4) Audit opinion with doubt of going concern in the previous year has a significant effect on the audit opinion variable with doubt of going concern; 5) The audit opinion with doubt of going concern has a significant effect on the Bankruptcy Prediction.

Keywords: Suspension, Debt Default, Audit Tenure, Audit Opinion with Doubt of Going Concern, Bankruptcy Prediction.

1. INTRODUCTION

The increasingly fierce business competition forces many business sectors to face various kinds of difficult challenges in carrying out business activities and maintaining the company's business continuity (going concern). For investors and other users of financial statements, of course, the going concern of the entity will be an important focus in investment decisions, in which investors invest or place their capital to fund the company's operational activities.

This study departs from an example of a manufacturing company whose business continuity is in doubt until it is suspended by the IDX due to unpreparedness of funds for the high cost of capital from debt that must be borne, namely PT FKS Food Sejahtera Tbk. (AISA), a company that produces food based in Jakarta. The deteriorating financial condition of AISA was marked by the suspension (suspension of stock trading) for 2 years due to delays in payment of Bonds and Sukuk coupons due to the unavailability of funds. Trading of AISA shares was suspended by the Indonesia Stock Exchange (IDX) as of July 5, 2018. PT FKS Food Sejahtera Tbk. (AISA) also received a going concern audit opinion by an external auditor for the 2018 and 2019 financial statements.

Throughout 2015 to 2019, there were companies that were delisted by the IDX for reasons of business continuity or going concern, including PT. Davomas Abadi Tbk (DAVO) (forced delisting), PT. Unitex Tbk (UNTX)

(voluntary delisting, one of the reasons for delisting was due to operational losses), PT. Sekawan Intipratama Tbk (SIAP) (forced delisting), PT Truba Alam Manunggal Engineering Tbk (TRUB) (forced delisting) and PT. Dwi Aneka Jaya Kemasindo Tbk (DAJK) which was carried out by the IDX for forced delisting on the grounds of bankruptcy (www.idx.co.id).

Doubts over the going concern of the above manufacturing companies that were suspended by the BEI, warned of potential delisting, or officially delisted from the stock exchange is the phenomenon behind this research. The going concern of the entity is an important spotlight for investors and other users of financial statements. An audit opinion with going concern doubts listed in the independent auditor's report can be a warning or signal to users of financial statements, especially investors (Putra, 2020).

2. LITERATURE REVIEW

2.1 Agency Theory

Agency theory is a concept regarding the relationship between the principal or contract provider and the agent or contract recipient, where the principal contracts the agent to work for the interests and goals of the principal so that the agent is authorized by the principal in making decisions to achieve these goals (Supriyono, 2018: 63). However, the conditions that occur in the field are different from what is expected, information asymmetry is certainly unavoidable because in practice managers (agents) who directly manage the company certainly have more information about the condition of the company when compared to shareholders as company owners (principals), so that this can trigger the bias of a financial report if it is used by management in order to maximize profits from the management itself (Mahawyahrti & Budiasih, 2016). For this reason, an independent auditor is needed as a third party to assess and evaluate management as an agent in terms of financial accountability to shareholders as principals and to provide an opinion on the fairness of the presentation of financial statements by management. The independent auditor is a third party who is believed to be able to bridge the interests of the principal with the agent in managing the company's finances (Ikrar, 2020).

2.2 Moral Hazard

Moral hazard is the action of agents in maximizing their utility at the expense of others, with the condition that they do not fully bear all the consequences of the action (Kotowitz, 1987). Thus, in the delegation of decision-making by the principal to the agent, the manager as the agent does not always act according to the wishes of the shareholders as the principal, this is partly due to the existence of moral hazard. Moral hazard is an action taken by managers or agents who are not fully known to shareholders as principals. Understanding moral hazard can be interpreted from the difference in four conditions, namely monitoring disability (hidden actions), undesirable behavior production, undesirable outcome (impact) production, morals disability (Mitnick, 1996)

2.3 Audit Opinion

The purpose of auditing the financial statements of a company is to increase the level of confidence of users of financial reports on the information contained in the targeted financial statements, this objective is in SA Section 200 paragraph 3. According to Darsono and Ashari (2005: 34), opinions that can be expressed by independent auditors consist of five types of opinions, including the following:

- (1) Unqualified Opinion
- (2) Modified Unqualified Opinion
- (3) Qualified Opinion
- (4) Adverse Opinion
- (5) Disclaimer of Opinion

2.4 Audit Opinion about Going Concern (based on SA Section 570)

In general, existing evaluating standards require auditors to survey the going concern status of review clients (Koh & Tan, 1999). Auditing standards regulate the auditor's responsibilities in the audit of financial statements relating to the use of the going concern assumption by management in the preparation of financial statements. The

auditor's responsibility is to obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements, and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern. If the auditor concludes that the use of operating assumptions is appropriate in the circumstances, but there is a material uncertainty, the auditor shall determine whether the financial statements:

- a) Have described the major events or conditions that could cast significant doubt on the entity's ability to continue as a going concern and management's plans to deal with such events or conditions; and
- b) Disclosing clearly that there is a material uncertainty related to events or conditions that could cast significant doubt on the entity's ability to continue as a going concern

2.5 Bankruptcy Prediction

Prediction of business bankruptcy is useful to provide guidance for interested parties to determine whether the company's performance will experience financial difficulties or not in the future (Darsono and Ashari, 2005: 105). Bankruptcy prediction using Altman Z-Score analysis is an equation that is able to predict the level of bankruptcy or the level of soundness of a company's financial performance. Mathematically the equation of the Altman Z score bankruptcy prediction model is formulated as follows:

$$Z = 1.2 Z_1 + 1.4 Z_2 + 3.3 Z_3 + 0.6 Z_4 + 1 Z_5$$

Information:

Z_1 = working capital to total assets

Z_2 = retained earnings to total assets

Z_3 = earnings before interest and taxes to total assets

Z_4 = market value of equity to book value of debt

Z_5 = sales to total assets

Darsono and Ashari (2005:106) explain that the results of calculating the Z-Score value can be explained by the following table:

Table 1 Z-Score Value Interpretation

Z-SCORE	INTERPRETATION
$Z > 2.99$	The company does not experience financial condition problems
$2.69 \leq Z < 2.99$	The company has some financial problems (though not serious)
$1.88 \leq Z < 2.69$	The company will experience financial problems if they do not make significant improvements in management and financial structure.
$Z < 1.88$	.The company is in serious financial trouble.

2.6 HYPOTHESES DEVELOPMENT

2.6.1 Effect of Suspension on Audit Opinions with Doubts of Going Concern

The IDX may impose sanctions in the form of suspension to delisting of a company if the company experiences conditions, or events, which significantly negatively affect the business continuity of the listed company. This is expected to be useful to minimize investor risk and to protect investors (Al'adawiah, Julianto, & Sari, 2020). The suspension sanction by the IDX is in line with the audit opinion by an independent auditor who also expressed doubts about the company's business continuity in the future. Like the research conducted in the case of PT. FKS Food Sejahtera Tbk. (AISA), Bara Jaya International (ATPK), Sekawan Inti Pratama (SIAP), and Skybee (SKYB) who were suspended by the IDX and at the same time received audit opinions with going concern doubts by external auditors due to business doubts in the future (Safitri, Nurdin, & Bayuni, 2018).

H1: Suspension has an effect on audit opinion with doubts of going concern.

2.6.2 The Effect of Debt Default on Audit Opinions with Doubts of Going Concern

Failure to pay debt obligations is a going concern indicator that is widely used by auditors to assess the viability of a company (Achyarsyah, 2016). This is also stated in PSA 30 of 2011, SA 570 paragraph A2 of the 2013 IAPI, PSAK 1 revision 14 paragraph 25 which states that debt default can be considered by the auditor as one of the indicators in giving a going concern audit opinion decision.

H2: Debt Default has an effect on audit opinion with doubts of going concern.

2.6.3 The Effect of Audit Tenure on Audit Opinions with Doubts of Going Concern

The long audit relationship between the auditor and his client can result in two contradictory possibilities, namely first, the longer an auditor audits a company, the less independent the auditor is because he already has a strong emotional attachment to the auditee, so it is less likely to give a going concern opinion (Dewi Y. S., 2020). The same thing was also found in research conducted by Tandepadang, Majidah, & Siska Priyandani Yudowati (2017), Oktaviani and Challen (2020), and Saputra & Kustina (2018) which showed that audit tenure had a significant negative effect on the acceptance of going concern audit opinions. Therefore, one form of independence from external parties in auditing is to comply with policies related to assignment restrictions and the cooling-off period (POJK, NOMOR 1 /POJK.03/2019).

H3: *Audit Tenure* has an effect on audit opinion with doubts of going concern.

2.6.4 Effect of Audit Opinion with Doubts of Going Concern in Previous Years on Audit Opinion with Doubts of Going Concern

Based on the many studies that have been carried out previously, such as research by Mutsanna and Sukirno (2020) and Suksesi & Lastanti (2016), it shows that going concern audit opinions in the previous year have significantly affected the provision of audit opinions with going concern emphasis in the current year, because auditors tend to take the previous year's audit opinion into consideration in providing the current year's audit opinion where the company's condition does not show significant improvement from the previous year.

H4: Previous year's audit opinion with going concern doubt affects audit opinion with doubts of going concern.

2.6.5 The Effect of Audit Opinion with Going Concern Doubts on Bankruptcy Predictions

Dahni (2019) who conducted an analysis of the prediction of the bankruptcy of Pt. Tiga Pilar Sejahtera (AISA) shows that AISA is predicted to go bankrupt if it uses the Altman Z-Score bankruptcy prediction model, where AISA also gets a going concern emphasis on audit opinion because there are doubts about running its business in the future. Dahni's research (2019) is also supported by research conducted by Ardiyanti, Putra, & Santosa (2021), Dewi & Latrini (2018), and Lizaldy & Yulinda (2017) which found that there was a positive influence between audit opinion and doubts about going concern. going concern with Altman Z-Score as a bankruptcy prediction model. In analyzing the effect of the audit opinion with skepticism going concern on the prediction of bankruptcy, this study will use the control variables Suspension, Debt Default and the audit opinion with skepticism going concern the previous year to neutralize the effect.

H5: Audit Opinion with Doubtful Going Concern has an effect on Bankruptcy Prediction.

3. RESEARCH METHOD

3.1 Types of Research and Data Sources

This research is quantitative research using secondary data in the form of annual reports of manufacturing companies listed on the IDX during 2016 - 2020 sourced from the websites/personal pages of manufacturing

companies listed on the IDX, the IDX website (www.idx.co.id) and www.sahamoke.com.

3.2 Population and Sample

The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange for the 2016-2020 period.

The sample in this study are manufacturing companies listed on the Indonesia Stock Exchange which have reported annual reports for the 2016-2020 period.

3.3 Sampling Method

The sampling technique used in this research is Proportionate Stratified Random Sampling. Proportionate Stratified Random Sampling is done by dividing the population into strata proportionally and done randomly (Sugiyono, 2015: 120). The Slovin formula is used in determining the number of samples in this study with the following equation: (Raihan, 2017)

$$n = \frac{N}{1 + N e^2} = \frac{186}{1 + 186 \cdot 0,05^2} = 129,96 \text{ rounded to } 127 \text{ companies.}$$

dimana:

n = number of samples

N = number of population

e = error level

The population contained in this study amounted to 186 companies and the significance level set was 0.05, so the sample size in this study were 127 companies.

3.4 OPERATIONAL VARIABLE

Table 2 Variable Operational Definition

Variable	Variable Definition	Measurement Indicator	Scale
Audit Opinion with Doubt of Going Concern	An audit opinion with doubt of going concern is an opinion given by a public accountant or independent auditor when the auditor believes that there is great doubt about the entity's ability to maintain its viability in the future.	Dummy variable, where: ➤ 1 if company receive audit opinion with doubt of going concern, ➤ 0 if company did not receive audit opinion with doubt of going concern	Nominal
Bankruptcy Prediction	An equation that is able to predict the level of bankruptcy or the level of soundness of a company's financial performance.	Dummy variable, where: ➤ 1 if $Z < 1.8$ which indicates that the company will be predicted to go bankrupt, and ➤ 0 if $Z \geq 1.8$	Nominal
Suspensi	Suspension is the temporary cessation of stock trading activities from the Indonesia Stock Exchange	Dummy variable, where: ➤ 1 if the company receives a suspension in the year the financial statements are audited, ➤ 0 if the company does not accept the suspension	Nominal
Debt Default	Debt Default Failure or failure	Dummy variable, where:	Nominal

	of the company or debtor in paying off the principal or interest when it is due is defined as a Debt Default.	➤ 1 if there is an auditor's statement of failure to pay debts, and ➤ 0 if there is no auditor's statement about the company's failure to pay debts.	
<i>Audit Tenure</i>	Audit tenure is the termtime of engagement for audit implementation by external auditors with the same entity	Dummy variable, where: ➤ 1 if the audit tenure is more than or equal to 2 years, while ➤ 0 if less than 2 years	Nominal
Audit Opinion with Doubt of Going Concern in the previous year	Audit opinion with doubts of going concern in the previous year is defined as an audit opinion with going concern doubts received by the company in the previous year.	Dummy variable, where: ➤ 1 if the company received audit opinion with doubt of going concern in the previous year, while ➤ 0 if the company did not receive a udit opinion with doubt of going concern in the previous year	Nominal

3.5 Data Analysis Method

Hypothesis testing was carried out using logistic regression test using the Statistical Package for Social Sciences (SPSS) software version 25. Logistic regression analysis included assessment of the entire model, assessing the feasibility of the model, coefficient of determination and wald test (partial).

The regression equation in this study

$$\text{OAGC} = \beta_0 + \beta \text{SUS} + \beta \text{DD} + \beta \text{AT} + \beta \text{OATS} + \varepsilon \dots\dots\dots (1)$$

$$\text{PK} = \beta_0 + \beta \text{OAGC} + \varepsilon (2) \dots\dots\dots (2)$$

Keterangan:

OAGC: Audit Opinion with Doubt of Going Concern

β_0 : Constant of Regression Equation

β : Coefficient of Independent Variable of the Regression Equation

SUS : Suspensi

DD : *Debt Default*

AT : Audit Tenure

OATS : Audit Opinion with Doubt about Going Concern in Previous Year

PK : Prediction of Altman's first Bankruptcy

ε : Standar Error

4. RESULT AND DISCUSSION

4.1 Descriptive Statistics

Descriptive statistics are used to analyze and present quantitative data with the aim of knowing the description of the companies that are used as research samples.

Table 3 Descriptive Statistics

Variable	N	Minimum	Maximum	Sum	Mean	Std. Deviation	Variance
Suspensi	635	0	1	23	.04	.187	.035
Debt Default	635	0	1	61	.10	.295	.087
Audit Tenure	635	0	1	295	.46	.499	.249
Audit Opinion with Doubt of	635	0	1	49	.08	.267	.071

Going Concern in the previous year							
Audit Opinion With Doubt Of Going Concern	635	0	1	61	.10	.295	.087
Bankruptcy Prediction	635	0	1	192	.30	.460	.211
Valid N (listwise)	635						

Data source processed by SPSS, 2022

4.2 Regression Model Feasibility Results

Table 4 Regression Model Feasibility Results for Equation 1

Hosmer and Lemeshow Test			
Step	Chi-square	df	Sig.
1	.111	1	.739

Data source processed by SPSS, 2022

Table 5. Regression Model Feasibility for Equation 2

Hosmer and Lemeshow Test			
Step	Chi-square	df	Sig.
1	1.144	1	.285

Data source processed by SPSS, 2022

The test results based on Tables 4 and 5 respectively show the Hosmer & Lameshow value for the research model in equations 1 and 2 where both models have Sig values. above 0.05, i.e. 0.739 and 0.285, then the model fits the observation data, so this logistic regression model is feasible to be used for the next stage.

4.3 Overall Model Fit Results

The test is done by comparing the value between -2 Log Likelihood (-2LL) at the beginning (Block Number = 0) with a value of -2 Log Likelihood (-2LL) at the end (Block Number = 1).

Table 6 Value of -2 LL at the Beginning – Equation 1

Iteration History ^{a,b,c}			
Iteration		-2 Log likelihood	Coefficients Constant
Step 0	1	427.338	-1.616
	2	402.604	-2.120
	3	401.760	-2.236
	4	401.759	-2.242
	5	401.759	-2.242
a Constant is included in the model.			
b Initial -2 Log Likelihood: 401,759			
c Estimation terminated at iteration number 5 because parameter estimates changed by less than ,001.			

Data source processed by SPSS, 2022

Table 7 Value of -2 LL at the End – Equation 1

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	115.324 ^a	.363	.774
a Estimation terminated at iteration number 8 because parameter estimates changed by less than ,001.			

Data source processed by SPSS, 2022

Table 6 and Table 7 show the value of -2 Log Likelihood for equation 1, in the table it can be seen that the value of -2 Log Likelihood has decreased from step 0 (401.759) to step 1 (115.324), it means that the logistic regression model formed fits the data. For equation 2, the value of -2 Log Likelihood can be seen in Tables 8 and 9 below:

Table 8 Value of -2 LL at the Beginning - Equation 2

Iteration History ^{a,b,c}			
Iteration		-2 Log likelihood	Coefficients Constant
Step 0	1	778.602	-.791
	2	778.323	-.836
	3	778.323	-.836
a Constant is included in the model.			
b Initial -2 Log Likelihood: 778,323			
c Estimation terminated at iteration number 3 because parameter estimates changed by less than ,001.			

Data source processed by SPSS, 2022

Table 9 -2 LL at the Beginning - Equation 2

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	630.199 ^a	.208	.295
a Estimation terminated at iteration number 6 because parameter estimates changed by less than ,001.			

Data source processed by SPSS, 2022

From the table above, it can be seen that for equation 2 the value of -2 Log Likelihood has decreased from step 0 (778.323) to step 1 (630.299), it means that this logistic regression model is a good regression model because the regression model fits the data.

4.4 Determination Coefficient Results

The ability of the logistic regression model to match or adjust the data can use Nagelkerke's R2 statistics.

Table 10. Results of the Coefficient of Determination - Equation 1

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	115.324 ^a	.363	.774
a Estimation terminated at iteration number 8 because parameter estimates changed by less than ,001.			

Data source processed by SPSS, 2022

For equation 1 from Table 4.10, it can be seen that the Nagelker R² value is 0.774, which means the magnitude of the influence of the independent variable's suspension, debt default, audit tenure and audit opinion with doubts of going concern in the previous year (X₁₁, X₂₁, X₃₁, X₄₁) on the dependent variable audit opinion with going concern doubt (Y₁) is 77.4%, while the remaining 22.6% is explained by other variables outside the research model.

Table 11. Results of the Coefficient of Determination - Equation 2

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	630.199 ^a	.208	.295

a Estimation terminated at iteration number 6 because parameter estimates changed by less than ,001.

Data source processed by SPSS, 2022

For equation 2, it can be seen from Table 11, the value of Nagelker R² is 0.295, which means that the magnitude of the influence or implications of the Audit Opinion variable with Going Concern Doubts (X₁₂) on the Bankruptcy Prediction variable (Y₂) is 29.5%, while the remaining 70.5% is explained by other variables outside Research Model.

4.5 Model Regresi Logistik

Table 12 Logistics Regression Model Test Results for Equation 1

		Variables in the Equation					
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Suspensi	2.449	1.045	5.495	1	.019	11.575
	Debt Default	4.856	.622	60.966	1	.0058 x 10 ⁻⁸	128.548
	Audit Tenure	.771	.550	1.961	1	.160	2.161
	Audit Opinion with Doubt of Going Concern in the previous year	4.970	.705	49.646	1	.018 x 10 ⁻¹⁰	144.001
	Constant	-5.187	.571	82.357	1	.001 x 10 ⁻¹²	.006

a. Variable(s) entered on step 1: Suspensi, Debt Default, Audit Tenure, Audit Opinion with Doubt of Going Concern in the previous year.

Data source processed by SPSS, 2022

Table 13. Logistics Regression Model Test Results for Equation 2

		Variables in the Equation					
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Audit Opinion with Doubt of Going Concern	1.781	.639	7.774	1	.005	5.937
	Suspensi (Control Vab. 1)	.724	.581	1.552	1	.213	2.062
	Debt Default (Control Vab. 2)	1.972	.516	14.605	1	.000133	7.185
	Audit Opinion with Doubt of Going Concern in the previous year (Control Vab. 3)	1.935	.712	7.379	1	.007	6.923
	Constant	-1.286	.104	154.059	1	.02488 x 10 ⁻²⁹	.276

a. Variable(s) entered on step 1: Audit Opinion with Doubt of Going Concern, Suspensi (Control Vab. 1). Debt Default (Control Vab. 2), Audit Opinion with Doubt of Going Concern in the previous year Control Vab. 3).

Data source processed by SPSS, 2022

From Table 4.12 and Table 4.13 above, it produces the following model:

$$\text{OAGC} = -5,187 + 2,449 \text{ SUS} + 4,856 \text{ DD} + 0,771 \text{ AT} + 4,970 \text{ OATS} \dots \text{Equation (1)}$$

$$\text{PK} = -1,179 + 3,836 \text{ OAGC} \dots \text{Equation (2)}$$

4.6 Hypothesis Test Results

4.6.1 Partial Significance Test of the Model (Wald's Test)

The partial effect significance test can be tested with the Wald test in logistic regression testing. Based on Table 4.11 and Table 4.12, the results of the hypothesis using logistic regression are as follows:

1. Hypothesis Test 1

Based on Table 4.12 above, the significant value for the Suspension variable (X1) is 0.019, which is greater than the research alpha of 0.05. This means that partially Suspension significantly affects the acceptance of Audit Opinions with Doubts about Going Concern in manufacturing companies listed on the BEI.

2. Hypothesis Test 2

Based on Table 4.12 above, the significant value for the Debt Default variable (X2) is .0058 x 10⁻⁸, smaller than the research alpha of 0.05. This means that partially Debt Default affects significantly the acceptance of Audit Opinions with Doubts about Going Concern in the company.

3. Hypothesis Test 3

Based on Table 4.12 above, the significant value for the Audit Tenure variable (X3) is 0.340, greater than the research alpha of 0.05. This means that partially audit tenure does not significantly affect the acceptance of audit opinion with doubts about going concern in the company.

4. Hypothesis Test 4

Based on Table 4.12 above, the significant value for the Audit Opinion variable with Doubts about Going Concern in the Previous Year (X4) is 0.018 x 10⁻¹⁰, smaller than the research alpha of 0.05. This means that partially audit opinion with doubts about going concern in the previous year significantly affects the acceptance of audit opinion with doubts about going concern in the company.

5. Hypothesis Test 5

Based on Table 4.13 above, the significant value for the Audit Opinion variable with Doubt of Going Concern is 0.0005, smaller than the research alpha of 0.05. This means that partially audit opinion with doubts about going concern significantly affects the prediction of bankruptcy in the company. The significant value for the suspension variable as the control variable for this hypothesis is 0.213, greater than the research alpha of 0.05. This means that suspension as a control variable does not significantly affect the prediction of bankruptcy in the company. The significant value of the debt default control variable and audit opinion with going concern doubts in the previous year was 0.000133 and 0.007, respectively, both of which were smaller than the research alpha of 0.05. This means that debt default and audit opinion with going concern doubts in the previous year, respectively, as control variables, have a significant influence on the prediction of bankruptcy in manufacturing companies listed on the BEI.

4.7 Discussion

4.7.1 Effect of Suspension on Audit Opinion with Doubts of Going Concern

Based on statistical testing, it shows that the suspension variable has a significant effect on giving going concern audit opinions. The results of this study are in line with research conducted by Safitri, Nurdin, & Bayuni (2018) which states that it is very likely that the company under study is predicted to go bankrupt because the company is suspended and some of these companies also receive going concern audit opinions on doubts about their business continuity. The results of this study are also supported by Al'adawiah, Julianto, & Sari, 2020 which states that the suspension sanction given by the IDX to companies can be useful to minimize investor risk and to protect investors.

4.7.2 Effect of Debt Default on Audit Opinion with Doubts of Going Concern

Based on statistical testing, it shows that the debt default variable has a significant effect on the going concern audit opinion. The results of this study are in line with research conducted by Putra, Astuty, and Sari (2021), Indriani & Wahasumiah (2018) and Kesumojati, Widyastuti, & Darmansyah (2017). The results of this study are also supported by the statement in PSA 30 of 2011, SA 570 paragraph A2 of the 2013 IAPI and PSAK 1 revision 14 paragraph 25 which states that debt default can be considered by the auditor as one of the indicators in giving a going concern audit opinion decision.

The debt default status of the company can increase the possibility of granting an audit opinion with skepticism about going concern because the company will tend to experience financial difficulties with its debt default status. This is supported by research conducted by Hakim, Wiralestari, & Yetti (2021) which states that companies will be more at risk of experiencing financial distress because they bear additional financial burdens from debt in the form of interest expenses. Companies tend to have large financial risks when using large debt as a capital structure.

4.7.3 Effect of Tenure Audit on Audit Opinion with Doubts of Going Concern

Based on the statistical test of hypothesis 3, it shows that the audit tenure variable has no significant effect on the going concern audit opinion. The results of this study found that the length of the audit relationship between the external auditor and the company being audited did not affect the provision of an audit opinion with going concern doubts given by the external auditor. This is in line with research conducted by Kurnia & Mella (2018), Al'adawiah, Julianto, & Sari (2020) and Yaqin & Sari (2015) finding that audit tenure has no effect on audit opinion with going concern doubts.

The absence of the influence of audit tenure on audit opinions with doubts about the going concern of manufacturing companies listed on the Indonesia Stock Exchange in 2016-2020 could be because the manufacturing companies have complied with policies related to assignment restrictions and the cooling-off period based on POJK, NUMBER 1/POJK. 03/2019. Financial Services Authority Regulation Number 13 /Pojk.03/2017 states that parties carrying out financial services activities are required to limit the use of audit services from the same Public Accountant (AP) for an audit period of 3 (three) consecutive financial years and within Minister of Finance Regulation Number: 7/PMK.01/2008 concerning public accounting services states that the provision of general audit services on financial statements by a public accountant is a maximum of three consecutive financial years.

4.7.4 Effect of Audit Opinion with Doubts of Going Concern in Previous Years on Audit Opinions with Doubts of Going Concern

In this study, the audit opinion variable with going concern doubts in the previous year had a significant effect on the provision of audit opinions with going concern doubts. This is in line with research conducted by Mutchler (1985), Mutsanna and Sukirno (2020), Suksesi & Lastanti (2016), Kurnia & Mella (2018), Indriani, Pratama, Wahasumiah (2019), Astari & Latrini (2017), and Harris & Merianto (2015).

The coefficient value of the audit opinion with the previous year's going concern doubt in the logistic regression equation shows a positive value which indicates that the audit opinion with the previous year's going concern doubt has a positive relationship with the variable of acceptance of the audit opinion with going concern doubt. This means that the results of this study explain that the audit opinion With doubts about going concern received in the previous year, it will be a consideration for the auditor to reissue an audit opinion with doubts about going

concern in the following year because the company's financial condition tends not to show signs of improvement or there is no management plan that can be realized to improve the company.

4.7.5 Effect of Audit Opinion with Doubts of Going Concern on the Prediction of Company Bankruptcy

In this study, the audit opinion variable with going concern doubts in the previous year was declared to have a significant effect on bankruptcy prediction, using the suspension variable, debt default, and audit opinion with going concern doubts the previous year as a control variable. The value of the audit opinion coefficient with going concern doubts in the logistic regression equation shows a positive value which indicates that the audit opinion with going concern doubts has a positive relationship with the bankruptcy prediction variable. The results of this study are supported by research conducted by Dahni (2019), Ardiyanti, Putra, & Santosa (2021), Dewi & Latrini (2018), and Lizaldy & Yulinda (2017) which found that there was a positive influence between Altman Z-Score as bankruptcy prediction model with going concern audit opinion. The results of this study are also supported by research conducted by Supriati, Arum, & Zulma (2021), which found that an unqualified audit opinion with an explanatory paragraph is bad news for investors. Investors want to find out the explanatory language contained in the audit opinion, because they want to avoid paragraphs that explain major doubts about the going concern of the entity (going concern audit opinion). Bad news that indicates there is great doubt about the going concern of the entity can have a bad influence on the company so that the company can be predicted to go bankrupt if the company cannot show indications of adequate recovery for the business continuity failure. An effective going-concern prediction model is also an important and persuasive analytical tool that an auditor would be able use while discussing problems with clients and suggesting changes in the financial statements (Koh and Brown, 1991).

Debt default and audit opinion with skepticism going concern the previous year respectively as control variables partially also significantly influence the prediction of bankruptcy in manufacturing companies listed on the Stock Exchange, but the control variable Suspension partially does not significantly affect the prediction of bankruptcy in companies manufacture. This result is supported by the explanation of Quiry, Dallochio, Fur, & Salvi (2005:928), namely that a company that takes a lot of debt will increase the risk of bankruptcy. Then research conducted by Hati and Rosini (2017) explains that a modified report regarding going concern can accelerate the company's bankruptcy.

5. CONCLUSION AND SUGGESTION

5.1 CONCLUSION

Based on the results of this study, the following conclusions were obtained:

1. Suspension variable has a significant effect on the audit opinion variable with going concern doubts. Suspension, which is a temporary suspension of stock trading given by the IDX to companies, can be useful to minimize investor risk and to protect investors in investing. With the suspension status of the company, market participants are given time to consider carefully based on the information available in every investment decision making in the company.
2. The Debt Default variable has a significant effect on the audit opinion variable with going concern doubts. The failure of a company to fulfill its debt obligations and interest is an indicator of giving an audit opinion with going concern doubts by the auditor in assessing the viability of a company's business.
3. The audit tenure variable has no significant effect on the audit opinion variable with going concern doubts. This means that the independence of the external auditor is not disturbed by the length of the engagement that occurs in the 2016-2020 research period between the auditor and his client. This can be due to the tenure audit in the 2016-2020 research period has been carried out in accordance with the auditing time limitation policy, namely no which exceeds three consecutive years for external auditors.
4. The audit opinion variable with going concern doubts in the previous year has a significant effect on the audit opinion variable with going concern doubts. These findings indicate that the auditor is very concerned about the

going concern opinion received by the company in the previous year to provide an audit opinion for the current year or the following year.

5. The audit opinion variable with going concern doubt has a significant effect on the Bankruptcy Prediction variable. The audit opinion with going concern doubts is in line with the accuracy of the Altman Z-Score calculation as a model or equation in predicting the bankruptcy of a company. In other words, companies that receive audit opinions with going concern doubts will be predicted to experience bankruptcy using the Altman Z-Score bankruptcy prediction model.

5.2 SUGGESTION

Operational advice for business purposes is as follows:

1. Companies that get audit opinions with going concern doubts can immediately improve financial performance by implementing optimal strategies, for example by doing product differentiation, pricing strategies or choosing the right capital or funding structure.
2. Investors can consider the opinion given by the auditor and can take into account the bankruptcy prediction from Altman Z-Score before investing. The five ratios from the calculation of the Altman Z-Score bankruptcy prediction can be used as references or additional considerations in investment decisions. Investors can also look for and consider other important information about the company, such as information on suspensions and debt defaults.

The suggestions for academics are as follows:

1. It is advisable for further researchers to use other independent variables that can influence audit opinion with going concern doubts that do not exist in this study.
2. The period of observation can be extended for at least 6 years so that the auditor can see the trend of receiving audit opinions with going concern doubts by the auditors in a longer period of time.
3. Subsequent research can conduct research with different objects such as research on mining or financial sector companies to obtain consistency of research results.

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