

# Effect of Debt Default, Audit Quality and Acceptance of Audit Opinion Going Concern in Manufacturing Company in Indonesia Stock Exchange

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**Abstract** This study aimed to analyze the influence of Debt Default, audit quality and audit opinion on the acceptance of Going Concern Opinion either simultaneously or partially on Manufacturing companies listed in Indonesia Stock Exchange. The data used in this research is secondary data of 68 samples by purposive sampling technique. The method used to analyze the relationship between independent variables and the dependent variable is the logistic regression method. These findings indicate that simultaneous variables Debt Default, audit quality and audit opinion by the F test, jointly affect the acceptance of Going Concern Opinion with a significance of 0.000. While the partial results of the t test, the variable Debt Default, audit quality and audit opinions positive influence on the acceptance of Going Concern Opinion, with a significance level respectively 0.006, 0.022 and 0.004.

**Key words** Debt Default, quality audit, the audit opinion and acceptance of Going Concern Opinion

DOI: 10.6007/IJARAFMS/v5-i1/1461

URL: <http://dx.doi.org/10.6007/IJARAFMS/v5-i1/1461>

## 1. Introduction

The survival of a business is always associated with the ability of management to manage the company (Praptitorini and Januarti, 2007). Going concern is the ability of a business to maintain its viability. With the going concern then an entity is considered to be able to maintain its operations in the long run, and not be liquidated in the short term. The auditor is also responsible for assessing whether there are doubts about the survival of the company within a period of not more than one year from the date of the audit report. Some of the causes among others, the first issue that resulted in self fulfilling prophecy auditors reluctant to disclose a going concern which arises when the auditor concerned that the going concern opinion issued can accelerate failure problem. In other words, if the auditors give going concern opinion, the company will be faster bankrupt because many investors or creditors cancel an attractive investment funds (Venuti, 2007). PSA No. 30 discusses the "auditor's consideration of the ability of the entity to maintain its survival" So according to PSA No. 30, the auditor should provide a warning to the readers of the financial statements that there is a doubt about the ability of an entity to be able to survive at least in the foreseeable future. Mulyadi (2002: 12) that the audit report is the medium used by the auditor in public communication environment. In the auditor's report stating an opinion on the fairness of the audited financial statements. Audit opinion is that it can not be separated from the audit report. The auditor is responsible for the opinions given, whereas the content of the financial statements entirely the responsibility of the management.

Giving opinions (going concern) by the auditor is doubt impact the company to be able to perform its survival. This opinion is bad news for users of financial statements. The difficulty of predicting the survival of a company causes many auditors who have moral and ethical dilemmas in providing a going concern opinion (Praptiorini and Januarti, 2007).

Research on quality auditors are linked to the size of the firm and the firm's reputation. Research on the quality of audits performed by Setyarno, *et al.*, (2006) which memproksikan audit quality to the size of the firm. Research results indicate that audit quality is not significantly influence the acceptance of going concern opinion. Auditors who have specialized in a particular industry will surely have an understanding

and a better knowledge of the conditions of the industrial environment. The need for industry specialization encourage auditors to specialize and began classifying clients based industries. For industries that have special accounting technology, specialist auditors will provide quality assurance of higher than auditors who are not specialists.

### **1.1. Problem formulation**

As for the formulation of the problem in this study are as follows:

1. Does debt default effect on the reception going concern opinion on manufacturing companies in Indonesia Stock Exchange?
2. Is the effect on audit quality reception going concern opinion on manufacturing companies in Indonesia Stock Exchange?
3. Does the audit opinion affect the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange?
4. Does debt default, audit quality and audit opinion affect the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange?

### **1.2. Research objectives**

1. To analyze the effect of debt default on acceptance going concern opinion on manufacturing companies in Indonesia Stock Exchange.
2. To analyze the effect of audit quality on the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange
3. To analyze the effect of an audit opinion on the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange.
4. To analyze the effect of debt default, audit quality and audit opinion on the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange.

## **2. Literature review, conceptual framework and Hhypotheses development**

American Accounting Association Committee on Basic Auditing Concepts (1991: 2) has defined the audit as a systematic process that objectively Obtaining and evaluating evidence related to statements about economic actions or events to assess the level of concordance between the statement and the criteria that have been established and Communicate results to interested parties. According Mulyadi (2002: 9) audit as "A Systematic Process Of Objectively About The Statements About Economic Events, With The Aim To Establish The Level Of Concordance Between Reviews These Statements With The Criteria Established And Delivery Of Results To Stakeholders." Arens, *et al.*, (2004: 15) argues auditing are collecting and evaluating evidence on the information to determine and report the degree of suitability of the information with the criteria that have been established and carried out by someone who is competent and independent.

Based on some of the opinions above it can be concluded that auditing is a systematic process that is carried out by people who are competent to obtain and evaluate evidence objectively from an economic entity with the purpose to give an opinion on the fairness of the financial statements. According to the definition above, there are important elements that underlie the term auditing is a systematic process, collecting and evaluate evidence objectively, statements regarding events or economic activity, the degree of correspondence between statements with established criteria, submission of results to interested parties.

### **2.1.1. Audit opinion**

Auditor's opinion (audit opinion) is part of the audit report which is the main information of the audit report. Audit opinion given by the auditor through several stages of the audit so that the auditor can give a conclusion on that opinion must be given to the financial statements is audited. According to Generally Accepted Accounting Standards (IAI: 2001: 508.6) there are five types of accountants are opinion: an unqualified opinion (unqualified opinion), an unqualified opinion with explanations language added in raw

form audit report (an unqualified opinion with an explanatory language), reasonable opinion with the exception of (qualified opinion), opinion unnatural (adverse opinion), do not give an opinion statement (disclaimer opinion).

#### *2.1.2. Entities in the ability to survive (Going Concern)*

According to Belkaoui (2006: 271), going concern is the proposition that states that an entity will run continuously operating in the time period long enough to realize the project, responsibilities, and activities are endless. This argument illustrates that the entity is expected to operate within a period not limited or not geared toward liquidation. An ongoing and continuous operation is required to create a consequence that the financial statements are issued in a period have temporary nature, because it is still an ongoing series of financial statements.

According to Ancient (2006: 13) is one of the going concern assumption used in preparing the financial statements of an economic entity. This assumption requires that the entity's operational and financial economy has the ability to maintain continuance life or going concern. According to Harahap (2007: 68), going concern is the postulate that assumes that the company will continue to carry out its operations throughout the process of completion of the project, agreements and activities that are taking place. The company is considered not to be stopped, closed or liquidated in the future, the company is considered to be live and operate for an indefinite period of time.

An entity is considered to be a going concern if the company can continue its operations and meet its obligations. If the company can continue His attempt to fulfill its obligations by selling assets in large numbers, repair operation which forced from the outside, restructure debt, or other similar activities. Such a situation would give rise to considerable doubt on the company's going concern. Worth of a company that is considered viable or going concern would not be equal to the worth of a company or institution that will be liquidated. Usually the price or value of the assets of the company which has been declared dissolved or liquidated will be much cheaper than the price or value of the company's assets that are still running. (Harahap: 2007: 12).

#### *2.1.3. Auditor's responsibility*

Generally Accepted Accounting Standards (SPAP, 2001: 341.2) paragraph 04 states that the auditor is not responsible for predicting the conditions or events to come. The fact that the entity is likely to end up survival after receiving the report of the auditor who does not show great skepticism, within one year after the date of the financial statements, does not mean by itself indicate inadequate performance of the audit. Therefore, it does not include major doubts in the audit report should not be regarded as a guarantee of the entity's ability to maintain its viability.

PSA No. 30 discusses the "Auditor Considerations on Entity Capabilities continued survival". Paragraph 2 of the PSA states: "The auditor is responsible for evaluating whether there is substantial doubt on the entity's ability to maintain its viability in reasonable time period, not more than one year from the date of the financial statements being audited. Evaluation of the auditor based on knowledge of existing conditions and events that have occurred on or before the completion of field work ". So according to the PSA 30, the auditor should provide a warning to readers of the financial statements that there is a doubt about the ability of an entity to be able to survive at least in the foreseeable future.

#### *2.1.4. Consideration Impact Survival Information Entities against Auditors*

Generally Accepted Accounting Standards (SPAP, 2001: 341.10) mentions guidance to auditors on the impact of information on the entity's survival of the auditor's report

In summary guide to consider the statement of opinion or statement did not give an opinion in the auditor tackle doubt on the entity's ability to maintain its viability.

#### *2.1.5. Debt default (failure of the company to repay debt)*

Generally Accepted Accounting Standards (SPAP, 2001: 341), an indicator of going concern are widely used in the auditor providing audit opinion is failing to meet its debt obligations (default). Debt default is

defined as the failure of the debtor (the company) to pay principal or interest payable at maturity (Chen and Church, 1992). Since the auditor is more likely to be blamed for failing to issue a going concern opinion after the events which suggest that such opinions may not be appropriate, the costs of failure to issue a going concern opinion when a company is in default, once so high expected default status may increase the likelihood of auditors issuing going concern opinion.

Tamba (2009) who found a strong relationship default status of the going concern audit opinion. The findings stated that the difficulty in obeying the debt agreement, the facts were negligent payment or breach of the agreement, clarify the issue of going concern of a company. Tamba (2009) states that auditors are more likely Since pass for failing to issue a going concern opinion after the events also suggested that such opinion may have been appropriate, the costs of failure to issue a going concern opinion when a company is in default, high, hence the status The default can increase the auditor issued a report going concern.

#### 2.1.6. Quality Audit

Auditors who have a good reputation will tend to maintain the quality of the audit so that his reputation awake and not lose clients. DeAngelo (1981) concluded that the larger the firm can generate audit quality is better than a small accounting firm. In addition, large-scale KAP have a greater incentive to avoid damage to the reputation of criticism than KAP small scale. KAP large scale is more likely to reveal problems that exist because they are stronger to face the risk of litigation. This argument shows that large KAP have more incentive to detect and report client business continuity issues.

Tamba (2009) defines quality audit as the probability of errors and irregularities that can be detected and reported. The probability of detection is affected by the issues that refer to the audit conducted by the auditor to generate opinion. Issues related to the audit issue are the competence of auditors, the requirements relating to audit and reporting requirements. Research results indicate that a large KAP will attempt to present the audit quality is greater than the smaller KAP.

Economics of Large Scale, which will provide a strong incentive to comply with the rules of the SEC as a way of developing and marketing expertise of the KAP. Public accounting firms are classified into two public accounting firms affiliated with KAP Big Four and other public accounting firms. Tamba (2009) states that the company failed and did not explain the going concern audit opinion indicates that the auditor is more concerned with the commercial aspects, this is a bad impact on the image of the auditor and the loss of investor confidence in the company audited.

#### 2.1.7. Effect of Debt Default against Admission Going Concern Audit Opinion

Indicators going concern are widely used in reaching a decision auditors audit opinion is failing to meet its debt obligations, or default (Ramadhany, 2004). One feature that is contrary to the assumption of going concern is the inability of the company to meet obligations at maturity. Debt restructuring as a potential indicator in conjunction with the issuance of going concern opinion.

Failure to meet debt obligations or interest is an indicator of going concern is widely used by the auditor in assessing the viability of a company. Tamba (2009) states that the status of the debts of the company is the first factor to be examined by the auditor to measure the financial health of the company. When the amount of debt the company is very large, then the company's cash flow is certainly much is allocated to cover the debt, so that it will interfere with the continuity of the company's operations. If the debt is not able to be repaid, the lender will provide a default status.

The default status can increase the likelihood of the auditor issued a report going concern. As stated in the PSA 30 indicators going concern are widely used in reaching a decision auditors audit opinion is failing to meet its debt obligations (default). Tamba (2009) indicates that the default positive effect on the going-concern audit opinion. This suggests that the presence of debt default status, the more likely the company received a going concern audit opinion.

*H 1 = Debt Default has an influence on the going concern opinion*

#### *2.1.8. Influence the quality of audits of going-concern audit opinion*

Measurement of audit quality still is something that is not clear, but regular users of financial statements relate to the auditor's reputation. Auditors who have a good reputation will tend to maintain the quality of the audit so that his reputation awake and not lose clients. However, if the auditor's reputation can be used as a reliable proxy for audit quality is questionable due to the high failure audit revealed lately.

Auditor reputation is often used as a proxy for audit quality, however in many research competences and independence is still rarely used to see how big the actual audit quality (Rahmadany, 2004). Auditor reputation is based on the belief that service users auditors have the power monitoring in general can not be observed. Tamba (2009) states that the large-scale auditors have more incentive to avoid criticism on the auditor's reputation damage than small scale. Auditor large scale is also more likely to express -Problem existing problems because they are stronger to face the risk of litigation. The argument means that large-scale auditors have more incentive to detect and report problems going concern client

The audit results are shown by the reliable quality and transparency of financial information (Ramadhani: 2009). Often audit quality is proxied by the auditor reputation. Tamba (2009) stated that the KAP WHO claim to be great (as did the Big Four) will strive to keep the name, so this will have an impact on the services provided by the firm.

*H2 = Quality audits have an influence on the going concern opinion*

#### *2.1.9. Effect of audit opinion on the acceptance of going concern opinion*

Audit who receives a going concern audit opinion on the previous year will be considered to have a survival issue, so the greater the possibility for the auditor to issue a going concern audit opinion on the current year. Received an audit opinion on the company last year to one of the auditor's judgment in providing corporate audit opinion (Tamba: 2009)

Ramadhany (2004) provide evidence that after the auditor issued a going concern audit opinion, the company should demonstrate significant financial improvement to obtain a clean opinion in the next year, or the company in return receive a going concern audit opinion. Research Ramadhany (2004) strengthens the evidence regarding going concern audit opinion received prior to the current year audit opinion. If the previous year the company received a going concern audit opinion, the auditor will likely reissue going concern audit opinion in the next year.

*H3 = audit opinion has an influence on the going concern opinion*

### **3. Methodology of research**

#### **3.1. Location research**

In this study, the research object is the entire enterprise Manufacturing in Indonesia Stock Exchange in 2009-2012.

#### **3.2. Population and Sample**

Population to be studied in this research is the entire company manufacturing listed in Indonesia Stock Exchange during the period 2009-2012 totaling 131 companies.

The selection of samples was determined by using purposive sampling method in order to obtain a representative sample that is representative of the data to be examined in accordance with the criteria of the Company amounted to 17.

#### **3.3. Data Research**

Data used in this research is quantitative data. Source of the data used is secondary data is from the published annual financial statements contained in the period 2009-2012.

### 3.4. Operationalization of Variables

In this study consisted of Independent and Dependent Variables.

Table 1. Operationalization of variables

NO	VARIABLE	DEFINITION	INDICATOR	SCALE
1.	Debt Default (X1)	The company's failure to pay principal or interest payable on the maturity date. To indicate whether the company experienced a state of default or not before spending audit opinion.	Debt Default Coded 1, No Debt Default Coded 0	interval
2.	Quality Audit (X2)	Audit quality produced by the auditor affects investors in making decisions.	KAP Big Four coded 1, KAP non big four coded 0	interval
3.	Audit opinion (X3)	audit opinion received by the company in the previous year.	Opinion previous year going concern coded 1, not coded 0	Interval
4.	Admission Going Concern Audit Opinion (Y)	Going-concern opinion is one of the most important concepts that form the basis of financial reporting.	Going-concern audit opinion was given the code 1. non-going concern audit opinion in the given code 0	Interval

### 3.5. Data Analysis Methods

#### 3.5.1. Classical Assumption Test

Before performing hypothesis testing or regression testing the assumptions of classical first order regression model can produce unbiased estimator (valid). Test the assumptions used in this study is multicollinearity and autocorrelation test.

#### 3.5.2. Eligibility Test Regression Model

Regression models assessed the feasibility of using a homer and Lemeshow's goodness of fit test. If the statistical value homer and Lemeshow's goodness of fit test is greater than 0.05, the null hypothesis can not be rejected and means that the model is able to predict the value of observation or can be said to be accepted as a model fits the data observations (Ghozali, 2005: 55).

#### 3.5.3. Hypothesis Testing

Model analysis of the data used by multivariate analysis using logistic regression. According Ghozali (2005: 56) Logistic regression is a special form of regression analysis with the dependent variable and the independent variables are categories are categories, or are both continuous. Logistic regression was used to test whether the probability of the dependent variable can be predicted by the independent variables. This analysis technique does not require longer test for normality and other classical assumption (Ghozali: 2005). Regression models were used to test the hypotheses is as follows:

$$\ln [\text{odds } (S|X_1, X_2, X_3)] = b_0 + b_1 X_1 + b_2 X_2 + b_3 X_3 + e \quad (1)$$

Specification:

Ln: Opinion going concern (dummy variable, 1 if the going concern opinion, 0 if the non-going concern opinion).

X1: Debt default (dummy variable, 1 if a company is in default and 0 if not).

X2: The quality auditor proxied (dummy variables, one for auditors on a large scale, and 0 for auditors on a small scale).

X3: audit opinion received the previous year (category 1bila going concern audit opinion, and 0 if not).

e: Standard error.

1. t test (partial).
2. Test F (simultaneous).

#### 4. Results of research and discussion

##### 4.1. Research

##### 4.1.1. Testing Classical Assumption

##### 4.1.1.1. Test Multicollinearity

In this study traces multicollinearity can be seen from the correlation between the variables contained in the correlation matrix. Multicollinearity test results can be seen in Table 2 below:

Table 2. Multicollinearity Test Results

Correlation Matrix					
		Constant	X1	X2	X3
Step 1	Constant	1.000	-.660	-.761	-.665
	X1	-.660	1.000	.484	.407
	X2	-.761	.484	1.000	.488
	X3	-.665	.407	.488	1.000

Source: Data processing (2014)

Table 2 Based on the results of test calculations multicollinearity can be concluded that there is no symptom of multicollinearity between independent variables. Multicollinearity symptom occurs when the value of the correlation between the independent variables is greater than 0.9 correlation matrix above shows that the correlation between the independent variable is smaller than 0.9, namely -0.660, -0.761 and -0.665. Based on these results it can be concluded that the variable Debt default, audit quality, and audit opinion escape from the symptoms of multicollinearity.

##### 4.1.1.2. Autocorrelation Test

- Autocorrelation test that is the relationship between the error popping up on time series data (time series).

Table 3. Test Autocorrelation

Model Summary <sup>b</sup>			
Model	R	R Square	Durbin-Watson
1	.667 <sup>a</sup>	.445	1.468
a. Predictors: (Constant), Opinion Audit, Quality Audit, Debt Default			
b. Dependent Variable: Admission Going Concern Opinion			

Source: Data processing (2014)

Based on the output results in Table 3, SPSS 17.0 Durbin-Watson value of 1,468 is located between -2 to +2, so it can be concluded that there is no autocorrelation.

##### 4.1.1.3. Testing the Model Fit (Overall Model Fit test)

This test is used to look at the model has been hypothesized that have fit or not with the data. Testing is done by comparing values between -2 log likelihood at the beginning (bloc number = 0) with a value of -2 log likelihood at the end (bloc number = 1). -2 Log likelihood values at the beginning bloc number = 0 can be shown by Table 4.3 below:

Table 4. Value -2 log likelihood (LL initial -2)

Iteration History <sup>a,b,c</sup>			
Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	64.008	1.294
	2	63.379	1.523
	3	63.376	1.540
	4	63.376	1.540

a. Constant is included in the model.  
 b. Initial -2 Log Likelihood: 63,376  
 c. Estimation terminated at iteration number 4 because parameter estimates changed by less than ,001.

Source: Data processing (2014)

-2 Log likelihood value at the end of the blog number = 1 can be shown by the following table 5:

Table 5. Value -2 log likelihood (LL -2 end)

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	44.877 <sup>a</sup>	.238	.393
2	33.061 <sup>b</sup>	.360	.593
3	25.396 <sup>b</sup>	.428	.706

a. Estimation terminated at iteration number 6 because parameter estimates changed by less than, 001.  
 b. Estimation terminated at iteration number 7 because parameter estimates changed by less than, 001.

Source: Data processing (2014)

From table 4 and 5 can be seen that the -2 log likelihood early on bloc number = 0, ie the model including only constants that can be seen in step 4, to obtain a value of 63 376, then at the next table can be seen the value of -2 LL end with blogs number = 1 -2 log likelihood values in Table 4.4 is changing after the entry of the three independent variables at the end of the research model -2 LL final value fell to 25.396 or a decline of 37.980. This decrease significantly or may be compared with C2 table with df (df difference with constants only and df with three independent variables)  $DF1 = (nk) = 141$  and  $DF2 = 141-3 = 138$  so the difference  $df = 141-138 = 3$ . From table c2 with  $df = 3$  3182 figures obtained. Therefore 37 980 greater than the table it is said that the difference apart -2LogL decrease significantly. This means that the addition of independent variables Debt default, audit quality and audit opinion into the model improve the model fit.

A reduction in the value between -2 LL LL beginning with the final value of -2 indicates that the hypothesis that the model fit to the data (Ghozali, 2005: 103). -2 Log likelihood impairment shows that the model of this study declared fit, meaning that the addition of free variables namely debt default, audit quality and audit opinion research into the model would improve the model fit the research,

Value Cox and Snell's R Square of 0.428 and Nagelkerke's R2 of 0.706 which means that the variability of the dependent variable that can be explained by the variability of the independent variable of 70.6%.

#### 4.1.1.4. Feasibility test Regression Model

Feasibility testing performed logistic regression model using the goodness of fitness tests as measured by the value of chi-squre at the bottom of the Hosmer and Lemeshow test.



Table 6. Regression models Feasibility

Hosmer and Lemeshow Test			
Step	Chi-square	Df	Sig.
1	.000	0	.
2	.119	2	.942
3	.194	6	1.000

Feasibility regression model can be tested with the Hosmer and Lemeshow test that tests the empirical data fit with the model. If the value of Hosmer and Lemeshow test significantly, or less than 0.05 then the model is said to be fit. Conversely, if no significant or greater than 0.05, the same empirical data with the model or the model is said to fit. From table 6 above shows the significant value of 1.0 that is greater than 0.05. If the significance value greater than 0.05, it feasible to use regression models (Ghozali: 2005).

#### 4.2. Hypothesis Testing Results

In this test the regression model used is the logistic regression model, where the default Debt ( $X_1$ ), quality audits ( $X_2$ ), and audit opinion ( $X_3$ ) as the independent variable (independent) and Acceptance going concern opinion (Y) as the dependent variable (the dependent). The regression results are shown in Table 7 below:

Table 7. Significance Tests

Variables in the Equation									
		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
								Lower	Upper
Step 1 <sup>a</sup>	X3	3.403	1.087	9.800	1	.002	30.067	3.570	253.219
	Constant	.310	.397	.610	1	.435	1.364		
Step 2 <sup>b</sup>	X1	3.133	1.156	7.346	1	.007	22.936	2.381	220.978
	X3	3.313	1.150	8.297	1	.004	27.480	2.883	261.919
	Constant	-.722	.544	1.759	1	.185	.486		
Step 3 <sup>c</sup>	X1	3.976	1.437	7.657	1	.006	53.297	3.189	890.767
	X2	3.008	1.309	5.283	1	.022	20.251	1.558	263.305
	X3	4.155	1.429	8.452	1	.004	63.773	3.873	1050.213
	Constant	-2.248	1.057	4.524	1	.033	.106		
a. Variable(s) entered on step 1: X3.									
b. Variable(s) entered on step 2: X1.									
c. Variable(s) entered on step 3: X2.									

Source: Data processing (2014)

• **H a1 = Debt Default has an influence on the going concern opinion.**

From Table 7 it can be seen the model equations for the variable has a value Debt default significance level, which is 0,006 less than the significance level  $\alpha$  (0.05). If the value of the significant levels  $<\alpha = 0.05$ , the hypothesis states accept and reject  $H_0$ ,  $H_{a1}$  debt default in the sense of a positive effect on revenues going concern opinion on manufacturing companies in Indonesia Stock Exchange. The positive influence of debt default by the reception going concern opinion indicates that failure to meet debt obligations and interest is an indicator of going concern are widely used auditor in assessing the viability of a company.

The results are consistent with previous studies conducted by Tamba (2009) which resulted in that there is a significant and positive effect of debt default by the reception going concern opinion. The results of this study in accordance with the theory (Ramadhany, 2004) which states that the going concern indicator widely used in reaching a decision auditors audit opinion is failing to meet its debt obligations or default.

• **H a2 = Quality Audit has an influence on the acceptance of going concern opinion.**

From Table 7 it can be seen the model equations for audit quality variable values obtained a significance level of 0.022 is smaller than the value of  $\alpha$  significance level (0.05). If the value of the significant levels  $\alpha = 0.05$ , the hypothesis states accept and reject Ho2 Ha2 in terms of audit quality is positive and significant impact on the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange. The positive influence the quality of the audit with the reception going concern opinion occur because the auditor is more likely to provide large-scale going concern opinion on companies that are experiencing financial difficulties as compared to small-scale auditors. The results are consistent with previous studies conducted by Mutchler (1997) who found that the results of audit quality has positive influence on revenues going concern opinion.

• **H a3 = audit opinion has an influence on the acceptance of going concern opinion.**

From Table 7 it can be seen the model equations for the audit opinion was obtained value of 0.004 significance level is greater than the value of  $\alpha$  significance level (0.05). If the significance level value  $\alpha = 0.05$ , then the hypothesis accept and reject H03 HA3 in the sense of audit opinion positive and significant impact on the acceptance of going concern opinion on manufacturing companies in Indonesia Stock Exchange. The positive influence of the audit opinion with revenues going concern opinion occurs because the auditor to issue a going concern audit opinion will be.

The results of this study are consistent with previous studies conducted by Tamba (2009) concluded that the audit opinion and a significant positive effect on the acceptance of going concern opinion. This is in accordance with the opinion of Tamba (2009) received an audit opinion on the company last year to one of the auditor's judgment in providing audit opinion.

• **H a4 = Debt Default, audit quality and audit opinion, has any impact on revenues going concern opinion.**

Table 8. Results of simultaneous significance test

Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 0	Constant	1.540	.318	23.451	1	.000	4.667

Source: Data processing (2014)

Based on the above Table 8 F test results obtained for debt default, audit quality and audit opinion on the acceptance of going concern opinion. Positive effect with a significant level of 0000 ie  $\alpha = 0.05$  then there is a significant and positive influence. From the table above can also be interpreted that the higher the company's failure to pay the debt, the higher the quality of the audit used by a company and the more frequent the company received a going concern opinion the previous year, the revenues going concern opinion is also higher.

**5. Conclusions**

The conclusion that can be drawn:

1. Variable debt default a positive effect on revenues going concern opinion on manufacturing companies in Indonesia Stock Exchange. This means that failure to meet debt obligations and interest is an indicator of going concern is widely used auditor in assessing the viability of a company.

2. Variable quality audits positive and significant impact on the acceptance of going concern opinion on companies listed in Indonesia Stock Exchange. This means that auditors are more likely to provide large-scale going concern opinion on companies that are experiencing financial difficulties as compared to small-scale auditors.

3. Variable audit opinion positive and significant impact on the acceptance of going concern opinion on companies listed in Indonesia Stock Exchange.

4. Variable Debt default, audit quality and audit opinion is positive and significant impact on the acceptance of going concern opinion on manufacturing companies listed in Indonesia Stock Exchange.

## 6. Suggestions

In future studies, there are several things to note, among the following:

1. For companies, especially companies listed in Indonesia Stock Exchange, in order to increase the confidence of shareholders of the company.

2. For further research of independent variables to be used must be developed. This development is necessary to want a lot of other variables that play a role in influencing the acceptance of going concern opinion, for example, the variable rotation of auditors, other financial ratios, strategic action companies so that research results are better able to predict the issuance of going concern opinion with more precise and more accurate.

3. Extend the range of research so as to see the trend of publishing trend going concern audit opinion by the auditor in the long term remains to distinguish between the monetary crisis periods with normal economic period.

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