Jurnal Riset Akuntansi Soedirman (JRAS)
Vol. 3 No. 2 Tahun 2024, Hal 58 – 74
ISSN 2830-571X

ANALYSIS THE EFFECT OF AUDIT LAG, FINANCIAL DISTRESS, AND DEBT DEFAULT ON GOING CONCERN OPINION (STUDY IN MANUFACTURING COMPANIES LISTED IN IDX DURING THE PERIODS OF 2020-2022)

Muhammad Fikri Hidayat[1*], Rini Widianingsih[2]

[1]Accounting Department, Jenderal Soedirman University, Indonesia
*Corresponding author : rini.widianingsih@unsoed.ac.id

Abstract

This study aims to analyze the effect of audit lag, financial distress, and debt default on the going concern opinion acceptance among manufacturing companies that listed on Indonesia Stock Exchange (IDX). Using secondary data obtained from IDX or company website, with the population of 60 companies and the research period from 2020-2022. Total data to be analyze are 180. Audit lag measured by calculating the interval between the closing date of the company financial statement with the publication of an independent auditor's report, financial distress is measured by using Altman Z-Score and debt default measured by dummy 0 and 1. The data is processed using logistic regression analysis. The analysis consists of descriptive statistics, overall model fit test, goodness of fit test, coefficient of determination test, classification test, and wald test. The result found that financial distress has significantly negative impact on the going concern opinion acceptance, while audit lag and debt default have no effect on going concern opinion acceptance.

Keywords: Audit Lag, Financial Distress, Debt Default, Going Concern Opinion
JEL Code: M40, M41

Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh audit lag, financial distress, dan debt default terhadap penerimaan opini going concern pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia (BEI). Menggunakan data sekunder yang diperoleh dari BEI atau website perusahaan, dengan jumlah populasi sebanyak 60 perusahaan dan periode penelitian dari tahun 2020-2022. Total data yang akan dianalisis sebanyak 180 data. Audit lag diukur dengan menghitung interval antara tanggal tutup buku perusahaan dengan publikasi laporan auditor independen, financial distress diukur dengan menggunakan Altman Z-Score dan debt default diukur dengan dummy 0 dan 1. Data diolah dengan menggunakan analisis regresi logistik. Analisis terdiri dari statistik deskriptif, uji kesesuaian model secara keseluruhan, uji kesesuaian model, uji koefisien determinasi, uji klasifikasi, dan uji wald. Hasil penelitian menemukan bahwa financial distress berpengaruh negatif signifikan terhadap penerimaan opini going concern, sedangkan audit lag dan debt default tidak berpengaruh terhadap penerimaan opini going concern.

Kata Kunci: Audit Lag, Financial Distress, Debt Default, Opini Going Concern
JEL Code: M40, M41

INTRODUCTION

Businesses play a crucial role to the global economy, creating value for stakeholders such as shareholders, employees, and society at large. They operate across various industries, engaging in activities like production, marketing, and exchange of goods and services with the primary goal of generating profit and ensuring long-term sustainability. Financial reports are crucial in reflecting a company's performance and financial health, providing transparency and accountability. However, the increasingly complex business environment can lead to significant financial challenges, resulting in conditions known as financial distress, which auditors must carefully examine to ensure accuracy and reliability in financial reporting.

Financial report audits are essential for securing the accuracy and reliability of monetary data presented by a company. This audit process involves an independent examination of an entity's financial records to ensure they provide an accurate and honest picture of its financial position and operational performance. Through financial statement audits, stakeholders such as investors, creditors, and governments can gain confidence in the stability and transparency of businesses. However, financial distress conditions present significant challenges for both companies and auditors. Financial distress encompasses situations like the inability to meet financial obligations, significant declines in net profit, or the risk of bankruptcy, all of which can increase uncertainty about a company's ability to continue operations.

The COVID-19 pandemic, officially impacting Indonesia from March 2020, had profound effects on multiple industries, particularly the manufacturing sector. The pandemic caused significant economic instability and growth declines, exacerbated by government-imposed restrictions like Large-Scale Social Restrictions (PSBB) and Regulation on Restrictions on Community Activities (PPKM). These measures hindered companies' operational and financial reporting processes, leading to delays in annual financial statement submissions. As a result, many businesses faced substantial financial challenges, increasing the risk of audit delays and going concern issues. Auditors needed to thoroughly assess the pandemic's impact on business continuity and the overall economic environment.

The Indonesian Stock Exchange (IDX) witnessed several companies being delisted due to financial difficulties, particularly within the manufacturing sector. Notable cases include PT Sekawan Intipratama Tbk, PT Sigmagold Inti Perkasa Tbk, and PT Borneo Lumbung Energi & Metal Tbk, among others. These companies faced significant challenges in maintaining operations and ensuring financial reporting accuracy, leading to their removal from the stock market. Research indicates that factors such as financial distress, audit lag, and debt default significantly influence going concern opinions. The frequent delisting highlights the importance of continuous monitoring and robust financial practices to maintain investor confidence and business sustainability.

This study aims to analyze the impact of financial distress, audit lag, and debt default on going concern opinions, addressing inconsistencies found in previous research. The focus is on manufacturing companies listed on the Indonesia Stock Exchange during the period from 2020 to 2022. The manufacturing sector was selected for its significant investor interest and substantial contribution to Indonesia's GDP. As a major contributor and backbone of the national economy, the recovery of Indonesia's economy from the pandemic-induced decline has been significantly bolstered by the manufacturing sector. Understanding the factors influencing going concern opinions in this context is crucial for developing strategies to enhance financial stability and ensure long-term business continuity.

LITERATUR REVIEW

Agency Theory

Agency theory explains the relationship between principals (owners) and agents (managers), focusing on the conflicts that arise due to differing interests. These conflicts, known as agency problems, can lead to financial reports that do not accurately reflect the company's true condition, causing information asymmetry (Jensen and Meckling, 1976). To address these issues, management conveys financial statements to the owners after evaluating the company’s performance (Fajarwati and Ramadhanti, 2021). The theory emphasizes the importance of delegating management responsibilities to professional agents knowledgeable about day-to-day operations, and the role of external auditors in ensuring accountability and acting as independent arbiters (Marinda et al., 2023).

Conflicts between principals and agents can involve risks such as communication differences that may favor one party (Evani et al., 2022). Financial distress can exacerbate these conflicts, leading managers to take significant risks for short-term gains, which may not align with the owners' long-term goals. Audit delays and manipulation of financial information can occur, creating uncertainty that negatively impacts principals. In cases of debt defaults, agency conflicts may drive agents to neglect repayment obligations, harming debt lenders or principals. To mitigate these issues, an independent auditor assesses the fairness of financial statements and the viability of the business, providing assurance to principals that their interests are protected, thereby enhancing their confidence in the agent's decision-making and overall company performance (Setiadamayanthi and Wirakusuma, 2016).

Financial Distress

Financial distress arises when an organization encounters substantial financial difficulties, which may occur if the company cannot adapt to changes or lacks a competitive advantage, leading to an inability to compete with rivals. This scenario can result in financial distress, a precursor to bankruptcy. According to Platt & Platt (2002), financial distress is characterized by a company's inability or lack of funds to meet maturing obligations. Whitaker (1999) states that a company is in financial distress if it experiences negative net earnings for multiple consecutive years. Fachrudin (2008) categorizes financial distress into several types: economic failure, business failure, technical insolvency, insolvency in bankruptcy, and legal bankruptcy.

Economic failure arises when a company's income is insufficient to meet all expenses, including the cost of capital. Business failure occurs when an entity cannot generate enough income to meet its costs, leading to bankruptcy and suspension of operations. Technical insolvency refers to a firm's inability to fulfill present financial obligations within the specified timeframe, which could lead to future repayment difficulties. Insolvency in bankruptcy happens when a business's liabilities surpass the market valuation of its equity, often resulting in asset liquidation. Legal bankruptcy is when a business submits an official plea in compliance with applicable legislation, indicating financial trouble. Various definitions and classifications of financial distress highlight the challenges organizations face and the importance of recognizing early signs to mitigate adverse outcomes.

Audit Lag

Audit lag, or audit delay, is the time taken to complete the audit of financial accounts, measured from the book's closing date to the issuance of the independent auditor's report (Dura and Nuryatno, 2015; Nahdiya et al., 2022). According to Indonesia Financial Services Authority (OJK) Regulation Number 14/POJK.04/2022, companies listed on the Indonesia Stock Exchange must submit their annual reports within 90 days after the financial year's end, with violations resulting in sanctions. Audit lag occurs when this submission exceeds the deadline, potentially impacting the going concern audit opinion. Laila (2021) suggests that audit lag positively affects the going concern opinion, indicating potential financial health issues, while Santoso and Triani (2018) argue that audit lag negatively impacts it, reflecting concerns about the company's ability to continue operating.

Debt Default

Debt default occurs when a company fails to repay its debts by the specified maturity date (Izazi and Arfianti, 2019). Auditors assess financial health by examining the company’s debt status, as a default significantly increases the likelihood of bankruptcy. When debt exceeds current assets, it indicates poor financial health and that operating cash flow is being diverted to debt repayment, potentially leading to business failure (Sakti, 2022). Debt default is a critical factor in determining the going concern opinion, as auditors evaluate a company's ability to meet its debt obligations. Yulyvia and Nurbaiti (2021) note that default can increase the likelihood of a going concern opinion, whereas Suryani (2020) suggests a positive impact, while Ulva and Suryani (2020) argue that debt default negatively affects the going concern opinion.

Audit Opinion

An audit opinion is a formal report by a certified auditor that confirms whether the audit was conducted in accordance with accounting standards and assesses the accuracy and fairness of the financial statements (Tobing, 2004). The audit process involves several stages: planning and approach declaration, testing controls and transactions, applying analytical procedures and detailed balance testing, and finally completing and organizing the audit reports (Arens et al., 2008).

Audit opinions are categorized into several types according to Professional Accountant Standards (PSA 29). An unqualified opinion indicates that the financial statements are free from material misstatements and comply with accounting principles. A modified unqualified opinion includes an explanatory paragraph due to specific circumstances, such as deviations from accounting standards or uncertainties affecting future events. A qualified opinion is issued when financial statements are generally fair but include specific deviations or omissions, such as insufficient evidence or deviations from accepted accounting standards (SA 508)

Going Concern

The going concern principle posits that a business is expected to continue its operations long enough to meet its obligations and carry out its projects without any interruption (Belkaoui, 2012). This principle assumes that the entity will not be liquidated or cease operations in the foreseeable future. Consequently, financial statements are considered temporary snapshots within an ongoing series of reports, reflecting the entity's continued operational status.

Going Concern Opinion

The going concern assumption is based in the expectation that an organization will continue operating for the foreseeable future unless management indicates plans for liquidation or has no realistic alternatives to dissolution (Tuanakotta, 2014: 221). According to PSA No.30 Section 341 (2011), auditors issue a going concern opinion to evaluate whether a company can sustain its operations. This assessment involves determining if there is significant uncertainty about the organization's ability to continue operations for at least one year following the publication of the audited financial statements.

Hypothesis Development

According to agency theory, management strives to compile financial reports promptly to avoid audit delays, as these delays can influence the company's approval of a going concern audit opinion. As the audit duration extends, the likelihood of auditors uncovering issues related to the company's continuity increases. Prior research has yielded mixed results regarding the effect of audit lag on going concern audit opinions. Studies by Haalisa and Inayati (2021) and Minerva et al. (2020) found a significant impact of audit lag on going concern opinions, while Clara & Purwasih (2023) and Syofyan & Vianti (2021) reported no substantial effect. Audit delays may occur due to more thorough testing by auditors and negotiations with management. Auditors might delay their opinions, anticipating that management will address identified issues, thus avoiding the need for a going concern opinion (Minerva et al., 2020).

H_1: Audit lag has a positive effect on going concern audit opinion.

Financial distress can lead a company to receive a going concern opinion due to an unstable environment and insufficient cash flow to meet its obligations, potentially resulting in liquidation (Damanhuri & Putra, 2020). According to moral hazard theory, information asymmetry between management and company owners makes management more likely to manipulate financial reports to appear favorable to the public, resulting in inaccurate financial statements. Financial distress is a cumulative condition over a specific period (Putri & Helmayunita, 2021).

Auditors have the right to issue an opinion on the company's viability if the cash flow is insufficient to meet all maturing obligations and cover the costs of operating activities. As financial distress increases, the likelihood of an independent auditor issuing a going concern opinion in the company's annual financial report also rises. This condition aligns with research by Handoko & Kusuma (2020) and Widoretno (2019), which states that financial distress can positively impact the auditor's opinion on the continuation of business activities.

H_2: Financial distress has a positive effect on going concern audit opinion.

According to Tihar et al. (2021), debt default occurs when a company is unable to pay the principal or interest on its financial obligations by the agreed-upon maturity date. The business's debt status is one of the main variables that auditors consider in assessing financial health. When a business struggles to fulfill its obligations to creditors, the auditor will assign a default status (Yulyvia and Nurbaiti, 2021). This default status could raise the likelihood of the auditor giving a going concern opinion. Debt default can be assessed using the liquidity ratio formula.

When evaluating a company's debt default, it is assumed that if the company cannot meet its short-term obligations, it will struggle to fulfill its long-term obligations (Dewi et al., 2019). Previous research by Putri and Helmayunita (2021) showed that a debt default status increases the chances of an entity receiving a going concern audit opinion. Similar studies by Huda et al. (2020) concluded that debt default significantly impacts the acceptance of going concern audit opinions. From the above definition, debt default can be assumed to be a condition where the company lacks the ability to pay its interest and principal debts at the specified time

H_3: Debt default has a positive effect on going concern audit opinion.

RESEARCH METHOD

Population and Sample

The population used in this study are Manufacturing Companies listed on the Indonesia Stock Exchange (IDX) in 2020-2022. The data collection method is carried out by collecting, recording, and reviewing secondary data in the form of audited financial reports from manufacturing companies listed on the Indonesia Stock Exchange (IDX). The secondary data taken consists of annual reports, independent auditor reports and company financial reports that match the sample selection criteria.

Sampling Method

Table 1. Purposive Sampling Result

Criteria	Total
Manufacturing sector companies listed on the IDX for the period 2020-2022.	241
Manufacturing sector companies that not publish complete financial statements that have been audited by independent auditors for the period 2020-2022.	(62)
Manufacturing sector companies that not publish financial reports using the rupiah currency.	(28)
The company that delisted from the IDX during the period 2020-2022.	(41)
The company that not experienced negative net income during years of the observation period.	(48)
Total of companies sample that used	**60**
Research year	**3**
Total observation data	**180**

Data Analysis Technique

This research uses logistic regression analysis. The use of this regression aims to test the extent to which the probability of the occurrence of the dependent variable can be predicted by the independent variable. Logistic regression analysis does not require a normal distribution of the independent variables (Ghozali, 2018: 325). Therefore, logistic

regression analysis does not require normality test, heteroscedasticity test and classical assumption test for independent variables.
The regression model that will be used in this study is as follows:

$$GC=\alpha+\beta_1 (LAG)+\beta_2 (FD)+\beta_3 (DD)+\varepsilon$$

Description

GC	: Going concern opinion
α	: Constant
β_1 β_2 β_3	: Regression Coefficient
LAG	: Audit Lag
FD	: Financial Distress
DD	: Debt Default
ε	: Error Coefficient

RESULT AND DISCUSSION

Descriptive Statistics

Table 2. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Audit Lag	180	2	4	3.41	.587
Financial Distress	180	-11.76	9.27	1.14	2.566
Debt Default	180	0	1	.33	.471
Going Concern Opinion	180	0	1	.32	.469

Table 2 presents the descriptive statistics for the variables, utilizing 180 samples for the test. The analysis results are summarized as follows:

1. The average audit duration falls between 61 to 90 days, indicating a significant time taken for the audit process post book closure.
2. Assessed by the Altman Z-score, the average firm is near or below the financial distress threshold, with notable variation in financial health among companies.
3. About one-third of the companies fail to meet debt obligations, showing significant differences in firms' ability to manage debt.
4. Around one-third of the companies received a going concern opinion, indicating substantial auditor doubts about their near-term operational viability, with considerable variation among firms.

Overall Model Fit Test

Table 3. Overall Model Fit Test Results 1

Iteration History[a,b,c]

Iteration		-2 Log likelihood	Coefficients Constant
Step 0	1	226.314	-.711
	2	226.272	-.743
	3	226.272	-.744

a. Constant is included in the model.
b. Initial -2 Log Likelihood: 226.272
c. Estimation terminated at iteration number 3 because parameter estimates changed by less than .001.

Table 4. Overall Model Fit Test Results 2

Iteration History[a,b,c,d]

Iteration		-2 Log likelihood	Coefficients			
			Constant	LAGln	FD	DD
Step 1	1	188.470	-1.444	.306	-.304	.112
	2	184.463	-1.656	.395	-.458	-.022
	3	184.263	-1.644	.410	-.507	-.088
	4	184.262	-1.640	.411	-.511	-.094
	5	184.262	-1.639	.411	-.511	-.094

a. Method: Enter
b. Constant is included in the model.
c. Initial -2 Log Likelihood: 226.272
d. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Based on Table 3 and 4, the test compares the -2 Log Likelihood (-2LL) value at the beginning (block number = 0) with the -2 Log Likelihood (-2LL) value at the end (block number = 1). The initial -2LL value is 226.272. After including the three independent variables, the final -2LL value decreases to 184.262. With this decrease in value, it shows that the overall logistic regression model used is a good model or the hypothesized model fits the data (Ghozali, 2018).

Goodness of Fit Test

Table 5. Hosmer and Lemeshow Test Result

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	9.552	8	.298

According to Table 5, the results from the Hosmer and Lemeshow test reveal a chi-squared value of 9.552, with 8 degrees of freedom (df) and a p-value of 0.298. Given that the p-value exceeds 0.05 (0.232 > 0.05), it indicates no significant discrepancy between the predicted model and the actual data. Consequently, the logistic regression model is deemed appropriate for the data. This implies that the model is reliable for predicting or explaining the relationship between the independent and dependent variables in this study.

Coefficient of Determination Test

Table 6. Coefficient of Determination Test

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	184.262[a]	.208	.291

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Table 6 presents a Nagelkerke R square value of 0.291, suggesting that the logistic regression model in this study Indicates that the independent variables in the model explain about 29.1% of the variation in the dependent variable. These values indicate that although the model has an adequate fit, there is still significant variation in the data that is not explained by this model.

Classification Matrix Test

Table 7. Classification Matrix Test

Classification Table[a]

Observed			Predicted: GC not going concern	Predicted: GC going concern	Predicted: Percentage Correct
Step 1	GC	not going concern	116	6	95.1
		going concern	35	23	39.7
	Overall Percentage				77.2

a. The cut value is .500

Table 7 illustrates the logistic regression model's performance in predicting "going concern" and "not going concern" statuses. Among the 122 actual "not going concern" cases, the model accurately predicted 116, resulting in a 95.1% accuracy rate. However, it incorrectly classified 6 cases as "going concern." For the "going concern" category, the model correctly predicted 23 out of 58 actual cases, achieving an accuracy rate of 39.7%, while misclassifying 35 cases as "not going concern." Overall, the model's accuracy rate stands at 77.2%.

Hypothesis Test Results

Table 8. Hypothesis Test Results
Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	LAG	.411	.331	1.539	1	.215	1.508
	FD	-.511	.128	15.941	1	.000	.600
	DD	-.094	.457	.042	1	.837	.910
	Constant	-1.639	1.180	1.930	1	.165	.194

Based on Table 8, the logistic regression equation testing results yield the following regression model:

$$GC=\alpha+-1.639+0.411(LAG)-0.511(FD)-0.094(DD)+\varepsilon$$

Based on the logistic regression model formed, the results can be interpreted as follows:

1. The constant of -1.639 indicates that when all independent variables are considered constant at zero, the log-odds of receiving a going concern opinion is -1.639, which corresponds to an odd of 0.194.
2. The coefficient for LAG is 0.411 with a significance level of 0.215, which is greater than α = 0.05. This indicates that audit lag does not have a statistically significant effect on the likelihood of receiving a going concern opinion, so the first hypothesis (H1) in this study is rejected.
3. The coefficient for FD is -0.511 with a significance level of less than 0.001, which is smaller than α = 0.05. This suggests that financial distress has a statistically significant negative effect on the likelihood of receiving a going concern opinion. Therefore, the second hypothesis (H2) in this study is rejected.
4. The coefficient for DD is -0.094 with a significance level of 0.837, which is greater than α = 0.05. This indicates that debt default does not have a statistically significant effect on the likelihood of receiving a going concern opinion, so the third hypothesis (H3) in this study is rejected.

Discussion of Hypothesis Test Results

Effect of Audit Lag on Going Concern Acceptance

The first hypothesis tested in this research is "Audit lag has a significant effect on going concern opinion." According to the regression results, the regression coefficient for the Audit Lag variable is 0.411 with a significance value of 0.215. This indicates that although Audit Lag positively affects the Going Concern opinion, the effect is not statistically significant ($p > 0.05$). This suggests that the delay in completing the audit does not significantly influence the auditor's opinion on the company's going concern status. This may be because other factors, such as the company's detailed financial and operating conditions, play a more dominant role in the auditor's decision than the audit duration.

From a practical standpoint, these results imply that although longer audit durations may indicate complexity or issues within the financial statements, auditors likely

Jurnal Riset Akuntansi Soedirman (JRAS)
Vol. 3 No. 2 Tahun 2024, Hal 58 – 74
ISSN 2830-571X

prioritize other qualitative and quantitative information that more directly pertains to the company's viability. Therefore, a company with an extended audit lag should not automatically be considered at higher risk of receiving a going concern opinion unless accompanied by genuine financial distress indicators.

The results of this research correlate with the conclusions reached by Santoso & Triani (2018), Minerva et al. (2020), and Clara & Purwasih (2023), which all found that audit lag does not affect the going concern opinion.

Effect of Financial Distress on Going Concern Acceptance

The test of the second hypothesis reveals that Financial Distress significantly affects the Going Concern opinion. The regression coefficient for the Financial Distress variable is -0.516, with a significance value of less than 0.001. This indicates that a one-unit increase in Financial Distress decreases the probability of a company receiving a Going Concern opinion by 0.516, and this effect is statistically significant ($p < 0.05$). This finding underscores the critical role of a company's financial condition in shaping the auditor's going concern opinion.

Financial distress typically encompasses indicators such as negative cash flow, high debt levels, and failure to meet financial obligations. When a company experiences financial distress, it raises significant doubts about its ability to continue as a going concern. The data reveals a significant negative relationship between financial distress and the likelihood of receiving a Going Concern opinion. This finding suggests that companies with lower levels of financial distress (higher Z-scores) are less likely to receive a Going Concern opinion from auditors. This aligns with the understanding that companies in worse financial health are more likely to receive warnings from auditors regarding their ability to continue as a going concern. According to agency theory, management may present a more favorable financial picture to avoid negative repercussions, while auditors, acting as intermediaries, must critically assess this information to ensure it reflects the true financial condition.

The results of this research correlate with the conclusions of Divira & Darya (2021), Rahman (2020), Widoretno (2019), and Putri & Helmayunita (2021), who also observed that financial distress has a notable adverse impact on the going concern opinion.

Effect of Debt Default on Going Concern Acceptance

The third hypothesis examines the effect of debt default on the going concern opinion. The regression results reveal a coefficient value of -0.094 for Debt Default with a significance value of 0.837, indicating that Debt Default does not have a significant effect on the Going Concern opinion ($p > 0.05$). Although Debt Default has a negative effect, it is not statistically significant, implying that Debt Default does not directly influence the auditor's assessment of the company's viability.

Debt default is typically an indicator of serious financial problems. However, while Debt Default is a critical indicator of financial problems, on its own it does not significantly affect the auditor to issue a Going Concern Opinion, companies that experiencing debt defaults often take proactive steps to mitigate the impact. For example, companies may negotiate with creditors to restructure their debt by extending payment terms or reducing interest rates, which can mitigate short-term financial pressures and improve liquidity. Additionally, companies might secure new lines of credit or equity financing to ensure they have the necessary funds to continue operations and meet their obligations. Companies should still manage their debt obligations thoroughly, but other aspects of their financial health and the transparency of their communications with auditors may be more influential in determining auditor opinions.

The results of this research correlate with the research conducted by Minerva et al. (2020) and Handoko & Kusuma (2020), which concluded that debt default does not impact the going concern opinion.

CONCLUSIONS AND SUGGESTIONS

Based on the analysis and discussion of research variables, it can be concluded that financial distress has a significant negative effect on going concern audit opinion. Meanwhile, audit lag and debt default do not have a significant effect on going concern audit opinion.

Future researchers should examine the financial reports thoughtfully. Using the most recent and accurate data will improve the reliability of the research. Additionally, cross-referencing with other financial reports can help validate the data. Future research should include additional variables such as corporate governance practices, market conditions, and macroeconomic indicators to improve the explanatory power of the model. For future research that will using audit lag, financial distress, and debt default variable, should employ more comprehensive and detailed measures for these variables. In this study to measure financial distress using the Altman Z-Score bankruptcy model, further research can use other bankruptcy models such as the Springate Model, Zmijeski Model, Ohlson Model or Grover Model.

REFERENCE

Almilia, L. S., & Kristijadi. (2003). Analisis rasio keuangan untuk memprediksi financial distress perusahaan manufaktur yang terdaftar di BEJ. *Jurnal Akuntansi dan Auditing*, 17(2), 183-206.

Arens, A. A., Elder, R. J., & Beasley, M. S. (2008). Auditing and assurance services: An integrated approach (12th ed.). New Jersey: Pearson Education International, Inc.

Averio, T. (2020). The analysis of influencing factors on the going concern audit opinion – a study in manufacturing firms in Indonesia. Asian Journal of Accounting Research, 6(2), 152–164. Doi: 10.1108/ajar-09-2020-0078

Baldwin, C. Y., & Scott, P. M. (1983). The resolution of claims in financial distress: The case of Massey Ferguson. Journal of Finance, 38(2), 505-537.

Brigham, E. F., & Gapenski, L. C. (1991). Financial management: Theory and practice (8th ed.). 1034–1067. The Dryden Press.

Clara, S., & Purwasih, D. (2022). Pengaruh audit lag, ukuran kap dan opini audit tahun sebelumnya terhadap penerimaan opini audit going concern. *Jurnal Revenue*, 3(2), 406–413. Doi: 10.46306/rev.v3i2.157

Chrisantha, F., & Suhartono, S. (2022). Financial distress sebagai determinan, pemediasi dan pemoderasi dari praktik manajemen laba. *Jurnal Bina Akuntansi*.

Dewi, D. M., & Wahdi, A. (2020). *Bisnis dan Perencanaan Bisnis Baru*. Deepublish. 1-2

Dura, J., & Nuryatno, M. (2015). Pengaruh debt default, kualitas audit, opini audit tahun sebelumnya, dan audit lag terhadap opini audit going concern pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia (BEI). *Jurnal Magister Akuntansi Trisakti*, 2(2), 145. Doi: 10.25105/jmat.v2i2.4959

Felicia, W., & Pesudo, D. A. A. (2019). Mengapa perusahaan terlambat menerbitkan laporan keuangan? *Perspektif Akuntansi*, 2(1), 71–88. Doi: 10.24246/persi.v2i1.

Effendi, B. (2019). Kualitas audit, kondisi keuangan, ukuran perusahaan dan penerimaan opini audit going concern. Owner: *Riset dan Jurnal Akuntansi*, 3(1), 9. Doi: 10.33395/owner.v3i1.80

Elloumi, F., & Gueyie, J. P. (2001). Financial distress and corporate governance: An empirical analysis. Corporate Governance: An International Review, 9(1), 15-23.

Evani, E., Susilowati, D., & Kusumastuti, W. (2022). The influence of company performance on audit delay with public accounting firm quality as the moderating variable. Soedirman Accounting, Auditing and Public Sector Journal (SAAP), 1(2), 47-63. Doi: 10.32424/1.saap.2022.1.2.8049

Fachrudin, K. A. (2008). Kesulitan keuangan perusahaan dan personal. Medan: USU Press.

Fajarwati, P. A. N., & Ramadhanti, W. (2021). Pengaruh informasi akuntansi (ROA, leverage, sales growth, capital intensity dan company size) dan company age terhadap tax avoidance. *Jurnal Investasi*, 7(1), 1-15.

Ghozali, I. (2018). Aplikasi analisis multivariate dengan program IBM SPSS 25 (9th ed.). Semarang: *Badan Penerbit Universitas Diponegoro*.

Ginting, S., & Tarihoran, A. (2017). Faktor-faktor yang mempengaruhi pernyataan going concern. Jurnal Wira Ekonomi Mikroskil, 7(1), 9–20. Doi: 10.55601/jwem.v7i1.439

Haalisa, S. N., & Inayati, N. I. (2021). Pengaruh ukuran perusahaan, audit tenure, kualitas audit, dan audit report lag terhadap opini audit going concern. Review of Applied Accounting Research (RAAR), 1(1), 29. Doi: 10.30595/raar.v1i1.11721

Handoko, B. L., & Kusuma, M. (2020). Pengaruh financial distress, debt default, audit tenure terhadap opini audit going concern. *Jurnal Akuntansi*, 8(1), 10–19. Doi: 10.26460/ja.v8i1.989

Haseeb, M., Zandi, G., Hartani, N. H., & Pahi, M. H. (n.d.). Environmental analysis of the effect of population growth rate on supply chain performance and economic growth of Indonesia. Accessed from https://www.researchgate.net/publication/340598135

Huda, I., Subaki, A., & Rito, R. (2021). Analisis pengaruh opini audit tahun sebelumnya, debt default, dan opinion shopping terhadap penerimaan opini audit going concern pada perusahaan manufaktur tahun 2015-2019. Fair Value: *Jurnal Ilmiah Akuntansi Dan Keuangan*, 3(2), 285–296. Doi: 10.32670/fairvalue.v3i2.201

Istamar, I., & Utomo, R. B. (2023). *Determinasi audit delay pada perusahaan manufaktur di Indonesia periode pandemi* Covid-19. Doi: 10.5281/zenodo.8310493

Izazi, D., & Arfianti, R. I. (2019). Pengaruh debt default, financial distress, opinion shopping dan audit tenure terhadap penerimaan opini audit going concern. *Jurnal Akuntansi*. Doi: 10.46806/ja.v8i1.573

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. Journal of Financial Economics, 3(4), 305-360.

Kusumawardhani, I. (2018). Pengaruh kondisi keuangan, financial distress, profitabilitas dan ukuran perusahaan terhadap opini audit going concern. *Buletin Ekonomi*, 16(1), 121-136.

Laila, N. U. (2021). *Pengaruh financial distress, pertumbuhan perusahaan, audit lag, dan ukuran kantor akuntan publik terhadap opini audit going concern (studi pada perusahaan jasa non keuangan yang terdaftar di Bursa Efek Indonesia tahun* 2017-2019).

Marginingsih, R. (2022). Financial distress analysis using the Altman Z-Score method for retail companies during the COVID-19 pandemic. Enrichment: Journal of Management, 12(2), 1796-1803.

Marinda, A., Widianingsih, R., Ramadhanti, W., Purwati, A., & Wulandari, R. (2023). Pengaruh good corporate governance terhadap audit delay dengan profitabilitas sebagai variabel moderasi selama pandemi Covid-19. *Jurnal Riset Akuntansi Soedirman* (JRAS), 2(1), 73-86. Doi: 10.32424/1.jras.2023.2.1.9471

Martha, L., & Gina. (2021). Pengaruh profitabilitas dan umur perusahaan terhadap ketepatan waktu penyampaian laporan keuangan. *Jurnal Kajian Manajemen Bisnis*, 10(2). https://ejournal.unp.ac.id/index.php/jkmb/article/view/112491

Minerva, L., Sumeisey, V. S., Stefani, S., Wijaya, S., & Lim, C. A. (2020). Pengaruh kualitas audit, debt ratio, ukuran perusahaan dan audit lag terhadap opini audit going concern. Owner, 4(1), 254. Doi: 10.33395/owner.v4i1.180

Melati, D., & Sihono, A. (2024). Elements influencing going concern audit opinion on manufacturing corporations in indonesia. *Majalah Ilmiah Bijak*, 21(1), 156–172. Doi: 10.31334/bijak.v21i1.3680

Nahdiya, L., Suyono, E., & Wulandari, R. A. S. (2022). The effect of firm size, profitability and solvability toward audit delay with industry specialist auditor as moderating variable. Proceeding of International Conference on Sustainable Competitive Advantage (ICSCA).

Nur, D. P. E. (2007). Analisis pengaruh praktek tata kelola perusahaan (corporate governance) terhadap kesulitan keuangan perusahaan (financial distress): Suatu kajian empiris. *Jurnal Akuntansi dan Bisnis*, 9(1), 88–108. Doi: 10.34208/jba.v9i1.604

Nuraini, S. N., Maghfiroh, S., Suparlinah, I., & Widianingsih, R. (2022). Pengaruh good corporate governance dan intellectual capital terhadap financial distress. Proceeding of International Students Conference on Accounting and Business, 1(1).

Otoritas Jasa Keuangan. (2016). *Peraturan Otoritas Jasa Keuangan Nomor 14/POJK.04/2022 tentang laporan tahunan emiten atau perusahaan publik*.

Platt, H. D., & Platt, M. B. (2002). Predicting corporate financial distress: Reflection on choice-based sample bias. Journal of Economics and Finance, 26(2), 184-197.

Putri, R.P.E & Helmayunita, Nayang. (2021). Pengaruh Debt Default, Financial Distress, dan Ukuran Perusahaan terhadap Penerimaan Opini Audit Modifikasi Going Concern. *Jurnal Eksplorasi Akuntansi*. 3(1). 50-66.

Putri, V. S., & Yuyetta, E. N. A. (2021). Analisis faktor-faktor yang mempengaruhi penerimaan opini audit going concern (studi kasus pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia tahun 2014-2018). Diponegoro Journal of Accounting, 10(1).

Rahardi, F., Afrizal, & Diah, E. P. A. (2021). Factors affecting audit delay with KAP reputation as moderating variable (study on LQ 45 companies listed on the Indonesia Stock Exchange in 2015 - 2019). *Jurnal Akuntansi dan Keuangan Universitas Jambi*, 6(1), 45–58.

Ramadhan et al. (2022). Determinan Opini Audit Going Concern pada Perusahaan Sub Sektor Hotel dan Pariwisata. *Akuntabilitas*, 15(1), 45–58. Doi: 10.15408/akt.v15i1.23844

Ritonga, H. H., Erlina, & Absah, Y. (2023). The effect of debt default, audit lag, profitability, and financial distress on going concern audit opinion with firm size as a moderating variable in mining companies listed on the indonesia stock exchange 2016-2020. International Journal of Research and Review, 10(2), 461–473. Doi: 10.52403/ijrr.20230255

Rudianto. (2013). *Akuntansi manajemen: Informasi untuk pengambilan keputusan strategis*. Jakarta: Erlangga.

Sakti, T. P. E. (2022). Pengaruh debt default, kualitas audit, prior opinion, pertumbuhan perusahaan terhadap opini audit going concern. Inovasi: Jurnal Ekonomi, Keuangan dan Manajemen, 18(2), 385–392. Doi: 10.30872/jinv.v18i2.10622

Santoso, B. F., & Triani, N. N. A. (2019). Pengaruh ukuran perusahaan, audit lag, dan financial distress terhadap opini audit going concern. Akunesa, 6(3).

Sari, P. C. (2020). Pengaruh audit lag, profitabilitas dan likuiditas terhadap opini audit going concern pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia. *Jurnal Riset Akuntansi Warmadewa*, 1(1), 1–7.

Setiadamayanthi, N. L. A., & Wirakusuma, M. G. (2016). Pengaruh auditor switching dan financial distress pada opini audit going concern. *E-Jurnal Akuntansi Universitas Udayana*, 15(3), 1654–1681.

Simamora, R. A., & Hendarjatno, H. (2019). The effects of audit client tenure, audit lag, opinion shopping, liquidity ratio, and leverage to the going concern audit opinion. Asian Journal of Accounting Research, 4(1), 145–156. Doi: 10.1108/ajar-05-2019-0038.

Sitanggang, M. S. H., & Ginting, A. V. B. (2022). Pengaruh pandemi covid-19 terhadap kinerja karyawan pada PT superintending company of Indonesia (PERSERO) Medan. *JEBIT MANDIRI - Jurnal Ekonomi Bisnis Dan Teknologi*, 2(1), 20–33. Retrieved from https://ejournal.politeknikmbp.ac.id/index.php/jebit/article/view/101

Syofyan, E., & Vianti, K. O. (2021). Going concern audit opinion: The role of audit delay, opinion shopping, financial distress, leverage and size of company. *Jurnal*

Akuntansi, 11(3). Retrieved from https://ejournal.unib.ac.id/JurnalAkuntansi/article/view/17839/8743

Sugiyono. (2019). *Metode penelitian kuantitatif, kualitatif dan R&D*. Bandung: Alfabeta.

Suryani, S. (2020). Pengaruh profitabilitas, ukuran perusahaan, debt default dan audit tenure terhadap opini audit going concern. *Jurnal Ilmiah Akuntansi Kesatuan*, 8(3), 245–252. Doi: 10.37641/jiakes.v8i3.346

Tobing, R., & Nirwana. (2004). *Kamus istilah akuntansi*. Jakarta: Atalya Rileni Sucedo.

Ulva, A., & Suryani, E. (2020). Pengaruh audit tenure, debt default, dan opini audit tahun sebelumnya terhadap penerimaan opini audit going concern (studi pada sektor pertambangan yang terdaftar di Bursa Efek Indonesia periode 2014-2018). eProceedings of Management.

Wardhani, R. (2006). *Mekanisme corporate governance dalam perusahaan yang mengalami permasalahan keuangan. Simposium Nasional Akuntansi IX*.

Whitaker, R. B. (1999). Early stage of financial distress. Journal of Economics and Finance, 23(2), 122-133.

Wicaksana, W. (2020). Pentingnya kepuasan pelanggan pada suatu bisnis. *Jurnal Manajemen Pemasaran Indonesia*, 1(1). Doi: 10.38035/JMPIS

Widiarta, J. R., & Dermawan, E. S. (2023). The effect of profitability, firm size, and capital structure on firm value in manufacturing companies. International Journal of Application on Economics and Business, 1(4), 2315-2325.

Widoretno, A. A. (2019). Factors that influence the acceptance of going concern audit opinion on manufacture companies. Journal of Economics, Business, and Government Challenges, 2(1), 49–57. Doi: 10.33005/ebgc.v2i1.64

Wijaya, T., & Yanti, L. D. (2021). Pengaruh Financial Distress, Ukuran Perusahaan, Profitabilitas, dan Leverage Terhadap Pemberian Opini Audit Going Concern (Pada Perusahaan Manufaktur Subsektor Industri Dasar dan Kimia yang Terdaftar di Bursa Efek Indonesia (BEI) Tahun 2015-2018). ECo-Fin, 3(2), 257–275. Doi: 10.32877/ef.v3i2.406

Wruck, K. H. (1990). Financial distress, reorganization, and organizational efficiency. Journal of Financial Economics, 27(2), 149-176.

Qintharah, Y. N. (2020). Pengaruh financial distress dan ukuran perusahaan terhadap penerimaan opini audit going concern. Prosiding Konferensi Nasional Ekonomi Manajemen dan Akuntansi (KNEMA), 1177.

Yulyvia, Y., & Nurbaiti, A. (2021). Pengaruh debt default, disclosure dan opini audit tahun sebelumnya terhadap penerimaan opini audit going concern (studi pada perusahaan manufaktur subsektor tekstil dan garmen yang terdaftar di Bursa Efek Indonesia periode 2015-2019). eProceeding of Management, 8(5), 4898–4905