ABSTRACT

Going concern audit opinion is an audit opinion issued by the auditor because there is great doubt about the ability of the entity to maintain its survival in a reasonable period of time, not more than one year from the date of the financial statements being audited. According to this explanation, the going concern audit opinion will only be issued if the auditor doubts the ability of an entity or company to be able to maintain its survival.

This study aims to determine the effect of financial distress, disclosure, institutional ownership factors on the acceptance of going-concern audit opinion. The influence of financial distress, disclosure, and institutional ownership simultaneously on the acceptance of going-concern audit opinion. And to determine the effect of financial distress, disclosure, and institutional ownership partially on the acceptance of going-concern audit opinion.

The financial distress variable in this study is proxied using the Altman Z-Score method. Variable disclosure in this study is proxied by using the disclosure formula to find out how much the level of disclosure of a company. Then, institutional ownership variables in this study are proxied by using the ratio of intellectual ownership.

The population in this study were infrastructure, utilities, and communication companies registered on the Indonesia Stock Exchange in 2014-2017. The sample selection technique used was purposive sampling and obtained 144 samples during the 2014-2017 period. The analysis technique used is logistic regression analysis and data processing using SPSS 20.

Based on the results of testing, financial distress, disclosure, and institutional ownership simultaneously have a significant effect on the acceptance of going-concern audit opinion. Partially it can be concluded that financial distress, disclosure, and institutional ownership variables negatively affect the acceptance of going-concern audit opinion.

Keywords : Financial Distress, Disclosure, Institutional Ownership, Going Concern.