

**FACTORS AFFECTING GOING CONCERN AUDIT OPINION IN HOSPITALITY COMPANIES
IN INDONESIA**

Wiwiek Winarta¹, Cris Kuntadi²

¹Perbanas Institute, Jakarta, Indonesia

²Universitas Bhayangkara, Jakarta, Indonesia

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ABSTRACT

This study aims to determine the factors influencing going concern audit opinion on the emphasis of the matter paragraph. The factors studied were 7 (seven) variables: size, growth, liquidity, solvability, asset turnover, working capital turnover, and company profitability. This study uses a quantitative research method using secondary data from hospitality companies in the consumer cyclical sector listed on the Indonesia Stock Exchange. The population of this research data uses 29 companies during the Covid-19 pandemic in 2020-2021. The purposive sampling technique resulted in 23 companies as samples. The number of observations was 46 companies for 2 (two) years. The data analysis method uses logistic regression. The data analysis result shows that only 1 (one) variable, namely the working capital turnover, significantly has a negative effect on the probability of getting going concern audit opinion on the emphasis of the matter paragraph. This study implies that working capital turnover is an early warning signal from the auditor in assessing the company's sustainability during the COVID-19 pandemic.

ABSTRAK

Penelitian ini bertujuan untuk mengetahui faktor-faktor yang memengaruhi opini audit going concern pada paragraf emphasis of matter. Faktor-faktor yang diteliti sebanyak 7 (tujuh) variabel, yaitu: ukuran, pertumbuhan, likuiditas, solvabilitas, perputaran aset, perputaran modal kerja, dan profitabilitas perusahaan. Metode penelitian dilakukan secara kuantitatif menggunakan data sekunder perusahaan perhotelan di sektor consumer cyclical yang terdaftar di Bursa Efek Indonesia. Populasi data penelitian ini sebanyak 29 perusahaan pada masa pandemi Covid-19 tahun 2020-2021. Teknik purposive sampling menghasilkan 23 perusahaan sebagai sampel dan jumlah amatan sebanyak 46 perusahaan selama 2 (dua) tahun. Metode analisis data menggunakan regresi logistik. Hasil analisis data menunjukkan bahwa hanya terdapat 1 (satu) variabel, yaitu perputaran modal kerja yang secara signifikan berpengaruh negatif terhadap peluang mendapatkan opini audit going concern pada paragraf emphasis of matter. Implikasi dari penelitian ini adalah perputaran modal kerja merupakan sinyal peringatan dini dari auditor dalam menilai keberlanjutan perusahaan pada masa pandemi COVID-19.

INTRODUCTION

Company management must prepare financial statements based on the going concern principle. In an audit of financial statements, the auditor will assess whether there is material uncertainty about the company’s ability to continue its business continuity. If material uncertainty is confirmed, the auditor will consider the adequacy of disclosure regarding business continuity in the company’s annual financial statements. If the company disclosure is inadequate, the auditor will issue a going concern audit opinion in the auditor report. If the company disclosures are adequate and there is material uncertainty, the auditor will use the emphasis of matter paragraph in the auditor report. In its guidance for auditors, the Institute of Chartered Accountants in England and Wales (ICAEW) describes the thought process of using the emphasis of matter paragraph (ICAEW, 2020) as shown in Figure 1.

The auditor will assess the company’s financial statements to determine whether the representation of the company’s financial statements is accurate and fair (following generally accepted accounting principles). The audit will also assess whether the company can continue its business operations. Going concern audit opinion is the focus of attention for company stakeholders, namely investors, potential investors, creditors, business partners, and other related parties. Kuntadi (2020) states that the auditor’s opinion results from the independent auditor’s conclusion that the company’s financial statements follow auditing standards. From the auditor examination results, an opinion statement appears, which, if sorted from best to worst, are: unqualified, qualified, disclaimer, and adverse opinion (Kuntadi, 2019; Kuntadi, 2021).

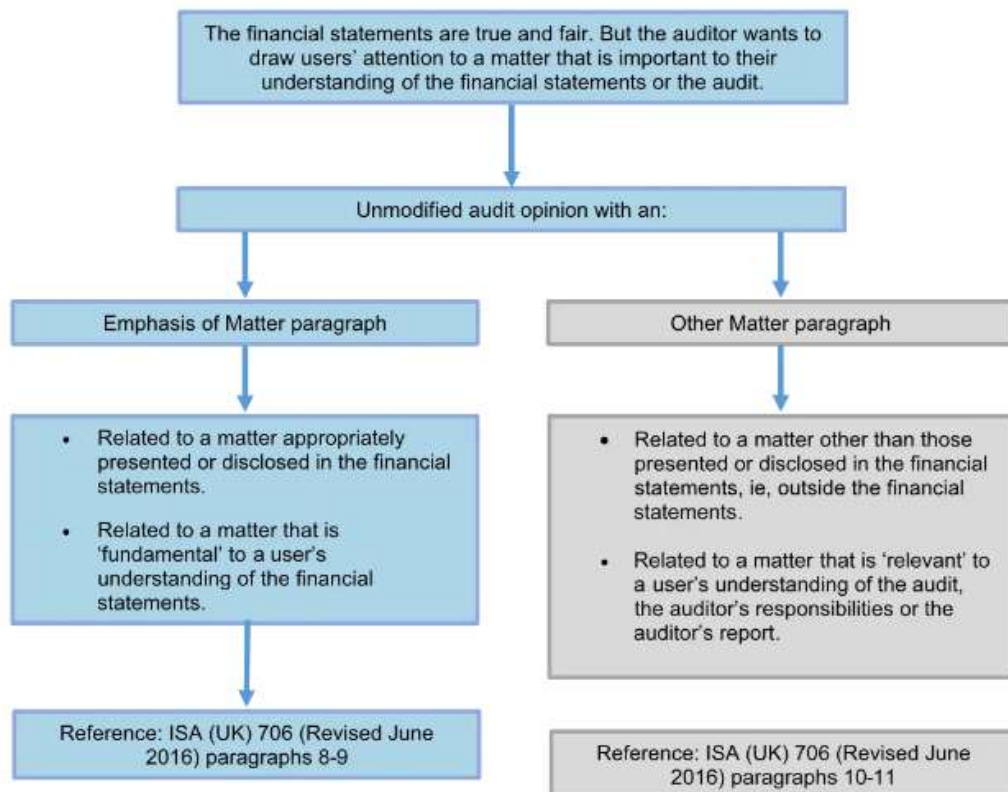


Figure 1. Framework of Using the Emphasis of Matter Paragraph

The phenomenon of audit opinion of going concern has increased, especially since the global financial crisis began in 2007. The financial crisis that triggers financial distress causes the company's financial statements not to meet the requirements for business sustainability, where this becomes the realm of professional judgment of the auditor in his audit opinion. Research by Rickling et al. (2020) in the USA found that auditors behaved more conservatively during the financial crisis period by issuing a going concern opinion for the following two years afterward.

The Covid-19 pandemic, which began in 2020, encourages auditors to use emphasis of matter paragraph when the auditor thinks it is necessary to draw the attention of users of financial statements to a matter presented or disclosed in the financial statements which in the auditor judgment, is so essential that it is fundamental to the understanding of users of financial statements on financial statements (IAPI, 2021). A publication report from the Association of Chartered Certified Accountants (ACCA) reinforced this phenomenon, showing that the uncertainty caused by the Covid-19 pandemic has led many auditors to use an emphasis of matter paragraph or other matter paragraph highlighting this uncertainty (ACCA, 2020). Research by Fauzi (2021) in Pekanbaru, Indonesia, found an increase in going concern audit opinion during the Covid-19 pandemic due to the financial impact factor caused by the Covid-19 pandemic and the auditor compliance factor with IAPI standards.

Based on the Financial Times report, 46 companies with assets of at least US\$ 1 billion or around Rp 14 trillion (assuming an exchange rate of Rp 14,000) filed for bankruptcy until August 17, 2020. In addition, 157 companies with liabilities of US\$ 50 million filed for bankruptcy in 2020. The companies include 24 retailers, such as JCPenney, Brooks Brothers, and Neiman Marcus (Afriyadi, 2020). Research by Yunita et al. (2021) shows that the Covid-19 pandemic has a negative effect on the company business, especially in the consumer goods industry sector because the potential for company bankruptcy reaches 49,67%.

The author is interested in researching companies in the consumer cyclical sector, specifically in the hospitality industry, because hotel occupancy rates have decreased significantly with the restrictions on human mobility during the Covid-19 pandemic. The Central Statistics Agency (BPS) noted that the Room Occupancy Rate of many hotels was only 12,67% in April 2020, when compared to the same period the previous year, it decreased by 41,23% (Intan & Zuraya, 2020).

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Agency Theory

According to Colbert dan Jahera (2005), agency theory attempts to explain the loss of value or wealth when one party acts as an agent for another. In this case, the shareholders (principal) hired management (agent) to operate the company for the shareholder's benefit. This agency relationship between shareholders and management is the reason for internal and external audits. Agency theory suggests that individuals tend to make decisions that will benefit them personally. This theory is consistent with the basic economic theory, which states that individuals seek to maximize their self-interest. Shareholders hire management with the expectation that management will maximize shareholders' wealth.

Conflicts of interest arose when shareholders hired management to represent the interests of the company owners. Management wants to make decisions that will benefit them. Any decision made by management that leads to a loss of shareholders' wealth is an agency cost. Any activity undertaken by shareholders to protect against sub-optimal decisions is also an agency cost. Shareholders face a trade-off of costs, namely the loss of wealth from management actions and the cost of monitoring management activities. Typically, an audit conducted this monitoring. The function of an audit is to provide feedback to shareholders regarding management behaviour. Currently, in large companies, management cannot inform shareholders about the company's day-to-day activities. Consequently, the cost of audit services is an agency cost.

Going Concern Audit Opinion

In auditing the financial statements, the auditor will assess the fairness of the presentation of the financial statements, whether it contains misstatements or not. In addition, the auditor will assess the company's ability to maintain its survival. This opinion is called a going concern audit opinion. The auditor issues this opinion based on evaluation and judgment regarding the auditor's doubts about the company's ability to maintain its survival (IAI, 2017). This type of audit report, namely an audit report with modifications regarding the company going concern, indicates that, according to the auditor's judgment, there is a risk that the entity will not be able to maintain its business. When viewed from the auditor's perspective, the judgment has passed several analyses, including judgments related to operating results, economic conditions that affect the company, the entity's ability to pay debts, and liquidity in the future period.

An assumption in reporting financial statements is the survival of the company as long as no evidence of information shows contrary information, namely information that is considered contrary to the assumption of the survival of the business unit, related to the inability of the business unit to meet its obligations when due without selling most of the assets to outside parties through ordinary business, debt restructuring, externally imposed operational improvements, and other similar activities (IAI, 2017).

Emphasis of Matter Paragraph

As stated by IAPI (2021) through Auditing Standard 706 (Revised), the auditor's objective, after formulating an opinion on the financial statements, is to draw the attention of users of the financial statements when in the auditor's judgment, it is necessary to do so, through clear additional communication in the auditor report, to: (1) a matter, although appropriately presented or disclosed in the financial statements, that is of such importance that it is fundamental to the financial statement users to understand the financial statements; or (2) other matters considered relevant to the financial statement user to understand the audit, the auditor's responsibilities, or the auditor report. The emphasis of matter paragraph is a paragraph included in the auditor report that refers to a matter that has been appropriately presented or disclosed in the financial statements which are, in the auditor's judgment, of such importance that it is fundamental to the financial statement users to understand the financial statements.

When the auditor considers it necessary to draw the attention of financial statement users to a matter presented or disclosed in the financial statements which are, in the auditor's judgment, of such importance that it is fundamental to financial statement users to understand the financial statements, the auditor should include an emphasis of matter paragraph in the auditor report. Including an emphasis of matter paragraph in the auditor report does not affect the auditor's opinion.

Hypothesis Development

The Effect of Company Size on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

Research by Saputra and Praptoyo in Andini et al. (2021) shows that total assets can reflect company size. Companies with significant assets indicate that the company has reached the maturity stage because, at this stage, the company already has positive cash flow and reasonable expectations for a long enough period. Large companies have better management in managing the company and can present quality financial reports compared to small companies. The implication is that large companies hope to solve their financial problems and survive in their business sustainability. If the company size increases, it is less likely the company will get a going concern audit opinion.

Meanwhile, research by Rakatenda and Putra in Winarta and Kuntadi (2022) states that various proxies can reflect company size, including total assets, sales, and market value. The total asset proxy

explains company size because total assets show how much wealth the company must carry out its operational activities. The researcher chooses total assets because their value is relatively more stable than other proxies. Research by Andini et al. (2021), Al Fath and Sugito (2020), and Rakatenda and Putra (2016) show that company size affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₁: Company size negatively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Growth on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

Research by Saputra and Praptoyo in Andini et al. (2021) shows that company growth indicates the company can maintain its business sustainability. Sales growth can measure company growth. Sales growth reflects the company’s ability to survive in competition. An increase in sales growth compared to sales expenses impacts increasing company profits. The regularly increasing profit determines the company to maintain its business sustainability. The lower the sales growth ratio, the more likely the company will get a going concern audit opinion.

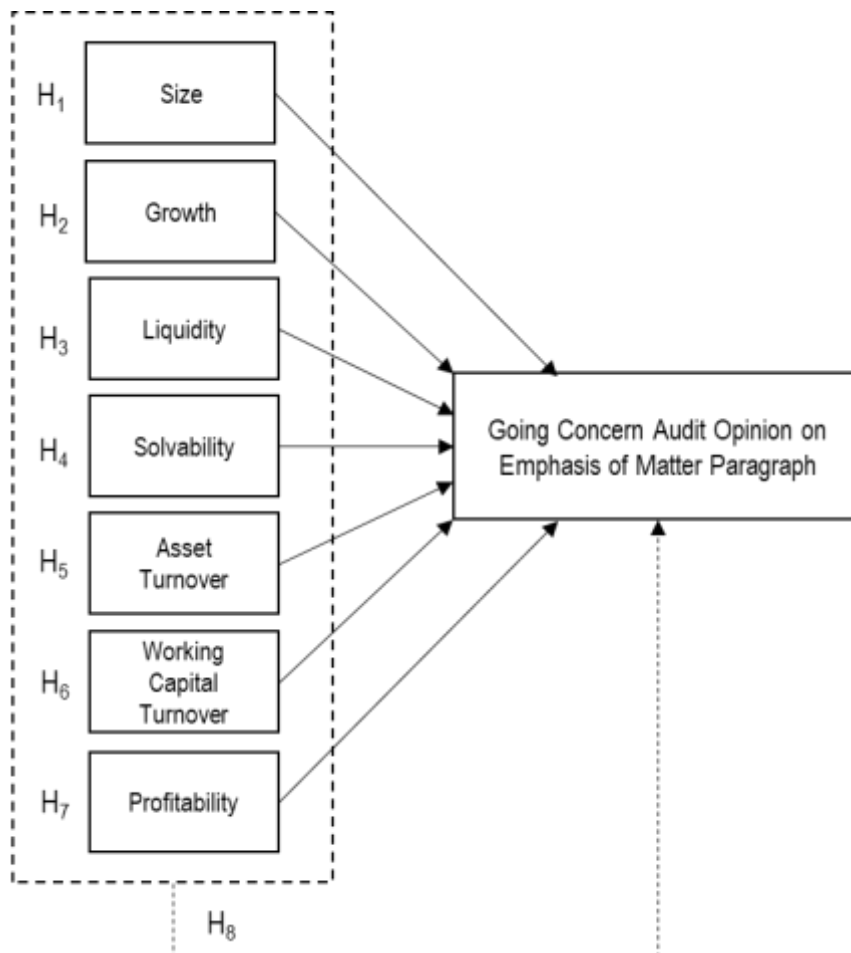


Figure 2. Conceptual Framework

Meanwhile, research by Gusti and Yudowati in Winarta and Kuntadi (2022) states company growth in various proxies, including sales growth, net profit, and total assets. The researcher uses a sales growth proxy to express company growth because sales growth indicates market acceptance of the products or services produced by the company. Research by Al Fath and Sugito (2020) shows that company growth affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₂: Company growth negatively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Liquidity on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

Research by Setiawan and Suryono in Andini et al. (2021) shows that liquidity can reflect the company's ability to pay short-term obligations as they fall due. The liquidity ratio is measured by comparing current assets with current liabilities. The smaller ratio shows that the company is less or illiquid, so it may experience difficulties settling its obligations to its creditors. The implication is that the company will more likely get a going concern audit opinion.

Meanwhile, research by Purba and Nazir in Winarta dan Kuntadi (2022) states that company liquidity shows its ability to promptly meet its financial obligations. The company is said to be able to fulfill its financial obligations promptly or on time if it has a liquid means of payment, namely if its current assets are more significant than its current debt. Research by Andini et al. (2021) shows that company liquidity affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₃: Company liquidity negatively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Solvability on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

The researcher uses the solvability ratio to determine the company's capacity to meet short-term and long-term obligations. The solvability ratio is generally measured by comparing total liabilities with total assets. The amount of debt that exceeds total assets can cause the company to experience capital deficiency or negative equity balance. A significant ratio indicates that the company's performance can worsen and create uncertainty about the company's survival (Rakatenda & Putra, 2016).

Meanwhile, research by Masyitoh and Adhariani in Rakatenda and Putra (2016) shows that company solvability affects the probability of getting a going concern audit opinion. Research by Purba and Nazir (2019) states that company solvability affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₄: Company solvability positively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Asset Turnover on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

Asset turnover is part of the activity ratio that measures the company's effectiveness and efficiency in utilizing its assets to generate net sales. The company must balance sales and various elements of its assets. High asset turnover gives an idea that the company is serious about making sales or its main activities well or can sell all its assets. It indicates that the turnover ratio is fast, and the company's financial condition is good. The higher the asset turnover, the less chance the company will get a going concern audit opinion (Widhiastuti & Kumalasari, 2022). Meanwhile, research by Damanhuri and Putra (2020) shows that company asset turnover affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₅: Company asset turnover negatively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Working Capital Turnover on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

Research by Sundjaja and Barlian in Azlina (2009) shows that working capital is a current asset that represents part of the investment that rotates from one form to another in carrying out a business or working capital is cash, banks, securities that are easy to cash (for example demand deposits, checks, deposits), accounts receivable, and inventory whose turnover rate does not exceed one year or the company standard operating period. If the company continues to operate (going concern), working capital will continuously rotate because it is used to finance daily operations.

Meanwhile, research by Damanhuri and Putra (2020) states that company working capital turnover, as part of the Altman bankruptcy prediction model variable, affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₆: Company working capital turnover negatively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Profitability on the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph

Research by Aprinia in Gusti and Yudowati (2018) states that financial conditions can be measured using profitability ratios. The profitability ratio is a ratio to measure how much the company's ability to generate profits and can be referred to as an indicator of the company's success in generating profits, so the higher the profitability, the higher the company's ability to generate profits. Meanwhile, research by Syafri in Azlina (2009) states that a company's profitability is the company's ability to earn profits through all existing capabilities and sources, such as sales activities, cash, capital, number of employees, number of branches, and so on.

Meanwhile, research by Gusti and Yudowati (2018), Andini et al. (2021), and Widhiastuti and Kumalasari (2022) show that company profitability affects the probability of getting a going concern audit opinion. The hypothesis proposed is as follows:

H₇: Company profitability negatively affects the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The Effect of Company Size, Growth, Liquidity, Solvability, Asset Turnover, Working Capital Turnover, and Profitability Simultaneously on the Probability of Getting a Going Concern Audit Opinion on Emphasis of Matter Paragraph

The hypothesis proposed is as follows.

H₈: Simultaneously, company size, growth, liquidity, solvability, asset turnover, working capital turnover, and profitability affect the probability of getting a going concern audit opinion in the emphasis of matter paragraph.

RESEARCH METHOD

The researcher conducted this research at hospitality companies in the consumer cyclical sector listed on the Indonesia Stock Exchange from 2020 to 2021. The research object is the annual audited financial statements of hospitality companies in the consumer cyclical sector listed on the Indonesia Stock Exchange from 2020 to 2021. The unit of analysis in this study is 29 hospitality companies in the consumer cyclical sector listed on the Indonesia Stock Exchange based on the 2021 Indonesia Stock Exchange data classification, which has annual audited financial reports from 2020 to 2021.

Variable Definitions and Measurements

This study has variable definitions and measurements as in Table 1. The population of this study is 29 hospitality companies in the consumer cyclical sector listed on the Indonesia Stock Exchange from 2020 to 2021. The sampling method used in this study is the purposive sampling technique, which is a sampling technique with specific considerations.

The consideration or determination of the criteria is as follows: (1) companies are from the hospitality industry in the consumer cyclical sector listed on the Indonesia Stock Exchange from 2020 to 2021; (2) companies did not experience delisting or suspension from 2020 to 2021; (3) companies published annual audited financial statements consecutively from 2020 to 2021; (4) companies received a going concern audit opinion on the emphasis of matter paragraph or did not receive a going concern audit opinion on the emphasis of matter paragraph from 2020 to 2021. The sample selection process based on the criteria is presented in Table 2.

Table 1. Variable Definitions and Measurements

No	Variable	Measurement	Scale
1	Size (UK)	natural logarithm of total assets	Nominal
2	Growth (PE)	$\frac{\text{net sales this year} - \text{net sales last year}}{\text{net sales last year}}$	Ratio
3	Liquidity (LI)	$\frac{\text{current asset}}{\text{current liabilities}}$	Ratio
4	Solvability (SO)	$\frac{\text{total liabilities}}{\text{total asset}}$	Ratio
5	Asset Turnover (AS)	$\frac{\text{total sales}}{\text{total asset}}$	Ratio
6	Working Capital Turnover (MK)	$\frac{\text{current asset} - \text{current liabilities}}{\text{total asset}}$	Ratio
7	Profitability (PR)	$\frac{\text{net profit after tax}}{\text{total asset}}$	Ratio
8	Going Concern Audit Opinion on Emphasis of Matter Paragraph (GCEM)	This variable is measured with dichotomous variables, namely: a.category 1 = companies that get a going concern audit opinion on the emphasis of matter paragraph; and b.category 0 = companies that do not get a going concern audit opinion on the emphasis of matter paragraph	Nominal

Table 2. Sample Selection

No	Criteria	Unit
1	Companies in the hospitality industry in the consumer cyclical sector listed on the Indonesia Stock Exchange from 2020 to 2021	29
2	Companies which are delisted or suspended from 2020 to 2021	(1)
3	Companies with incomplete annual audited financial statements from 2020 to 2021	(5)
	The final sample size of companies	23
	The number of research observations for 2 (two) years	46

Model Specification

This study uses a logistic regression model using EViews version 12 software. The researcher uses this model because the dependent variable is dichotomous (companies that get a going concern audit opinion on emphasis of matter paragraph = 1 and companies that do not get a going concern audit opinion on emphasis of matter paragraph = 0). This model no longer requires a normality test and classical assumption test on the independent variable (Ghozali, 2016) and ignores heteroscedasticity, meaning that the dependent variable does not require homoscedasticity for each independent variable.

The logistic regression model specification in this study is as follows.

$$GCEM = \alpha + \beta_1UK + \beta_2PE + \beta_3LI + \beta_4SO + \beta_5AS + \beta_6MK + \beta_7PR + \varepsilon \tag{1}$$

The explanation of the symbols in the formula is (1) GCEM: $\ln\left(\frac{p}{1-p}\right)$ where p is the Probability of Getting a Going Concern Audit Opinion on the Emphasis of Matter Paragraph; α is Constant; β_1 is Regression Coefficient of Company Size; UK: Company Size; β_2 : Regression Coefficient of Company Growth; PE: Company Growth; β_3 is Regression Coefficient of Company Liquidity; LI is Company Liquidity; β_4 is Regression Coefficient of Company Solvability; SO is Company Solvability; β_5 is Regression Coefficient of Company Asset Turnover; AS is Company Asset Turnover; β_6 is Regression Coefficient of Company Working Capital Turnover; MK is Company Working Capital Turnover; β_7 is Regression Coefficient of Company Profitability; PR is Company Profitability; ε is Standard Error.

RESULT AND DISCUSSIONS

The results in Table 3 show the sample characteristics used in this study, including mean, median, maximum value, minimum value, and standard deviation for each variable. The composition of the going concern opinion variable on the emphasis of matter paragraph is relatively balanced, with 23 samples (50%) that obtained a going concern opinion on the emphasis of matter paragraph and 23 samples (50%) that did not obtain a going concern opinion on the emphasis of matter paragraph.

Table 3. Multicollinearity Result

	UK	PE	LI	SO	AS	MK	PR
UK	1,000	0,006	-0.002	-0.043	-0.272	-0.127	0,175
PE	0,006	1,000	-0,096	-0,173	0,286	-0,030	0,205
LI	-0,002	-0,096	1,000	-0,311	-0,234	0,291	0,177
SO	-0,043	-0,173	-0,311	1,000	0,190	-0,348	-0,577
AS	-0,272	0,286	-0,234	0,190	1,000	0,022	0,095
MK	-0,127	-0,030	0,291	-0,348	0,022	1,000	0,454
PR	0,175	0,205	0,177	-0,577	0,095	0,454	1,000

If there is perfect multicollinearity between the independent variables, the regression coefficients of the independent variables cannot be determined, and the standard error value becomes infinite.

Suppose the multicollinearity between the independent variables could be better but high. In that case, the regression coefficient can be determined but has a high standard error value, which means the value cannot be estimated correctly. The multicollinearity results in Table 4 show no high correlation value between the independent variables. The correlation value does not exceed 0,90 (Ghozali, 2016), so the researcher concludes that there is no multicollinearity between the independent variables. However, there are quite high correlation values between the following independent variables as follows: (1) PR and MK (0,454), PR and SO (0,577); (2) MK and SO (0,348), MK and LI (0,291); (3) AS and LI (0,234), AS and PE (0,286), AS and UK (0,272); (4) SO and LI (0,311).

Consequently, it implies high values of regression coefficients and standard errors on independent variables SO, AS, MK, and PR, as shown in Table 7. Another implication is that the regression equation model becomes overfitting, a condition where the number of parameters entered the model is too large compared to the data used to build the model. The results in Table 5 show that the value of Hosmer and Lemeshow's Goodness of Fit Test is 9,903 with a significance level of 0,272 which is greater than the value of α (0.05), meaning that the research model can predict the observation value, or the model is acceptable because it fits the observation data.

The results in Table 5 show that the prediction accuracy reaches 80,43%, meaning the research model produced is quite good. The results in Table 7 show that the McFadden R-Squared value is 0,509, meaning that the independent variables in the model can explain changes in the probability of getting a going concern audit opinion on the emphasis of matter paragraph by 50,94% and other variables outside the model explain the remaining 49,06%.

Table 4. Hosmer and Lemeshow's Goodness of Fit Test Result

	Quantile of Risk		Dep=0		Dep=1		Total	H-L
	Low	High	Actual	Expect	Actual	Expect	Obs	Value
1	0,001	0,009	4	3,981	0	0,019	4	0,019
2	0,011	0,066	4	4,836	1	0,164	5	4,389
3	0,073	0,123	3	3,631	1	0,369	4	1,190
4	0,123	0,257	5	4,017	0	0,983	5	1,224
5	0,260	0,523	3	2,970	2	2,030	5	0,001
6	0,546	0,694	3	1,558	1	2,442	4	2,185
7	0,719	0,777	1	1,269	4	3,731	5	0,076
8	0,854	0,902	0	0,490	4	3,510	4	0,558
9	0,912	0,985	0	0,238	5	4,762	5	0,250
10	0,996	1,000	0	0,011	5	4,989	5	0,011
		Total	23	23	23	23	46	9.903
H-L Statistic			9,903		Prob. Chi-Sq(8)		0,272	
Andrews Statistic			31,000		Prob. Chi-Sq(10)		0,001	

Table 5. Expectation-Prediction Evaluation Test Result

	Estimated Equation			Constant Probability		
	Dep=0	Dep=1	Total	Dep=0	Dep=1	Total
P(Dep=1)≤C	18	4	22	23	23	46
P(Dep=1)>C	5	19	24	0	0	0
Total	23	23	46	23	23	46
Correct	18	19	37	23	0	23
% Correct	78,26	82,61	80,43	100	0	50
% Incorrect	21,74	17,39	19,57	0	100	50
Total Gain*	-21,74	82,61	30,43			
Percent Gain**	NA	82,61	60,87			

	Estimated Equation			Constant Probability		
	Dep=0	Dep=1	Total	Dep=0	Dep=1	Total
E(# of Dep=0)	18,05	4,95	23	11,5	11,5	23
E(# of Dep=1)	4,95	18,05	23	11,5	11,5	23
Total	23	23	46	23	23	46
Correct	18,05	18,05	36,09	11,5	11,5	23
% Correct	78,47	78,47	78,47	50	50	50
% Incorrect	21,53	21,53	21,53	50	50	50
Total Gain*	28,47	28,47	28,47			
Percent Gain**	56,93	56,93	56,93			

*Change in "% Correct" from default (constant probability) specification
**Percent of incorrect (default) prediction corrected by equation

The results in Table 6 show that the LR-Statistic value is 32,485, which is greater than the chi-square table value (degree of freedom = 7, $\alpha = 0.05$) of 14,067, so the decision is to reject H_0 and accept H_8 , meaning that simultaneously all independent variables affect the dependent variable. Based on the results in Table 7, the logistic regression model specification is as follows.

$$GCEM = 5,90 - 0,35*UK + 1,05*PE - 0,03*LI - 1,95*SO - 15,34*AS - 12,27*MK - 36,53*PR \quad (2)$$

A positive (+) or negative (-) sign on each regression coefficient partially indicates an increase or decrease in the odd ratio of the dependent variable or going concern audit opinion on the emphasis of matter paragraph; if one of the independent variables' changes, assuming other independent variables are constant. This interpretation will be more meaningful in probability by calculating the antilog value of each independent variable regression coefficient (Gujarati & Porter, 2012).

Based on the logistic regression model specification and hypothesis testing above, the explanation is as follows. The p-value for the H_1 hypothesis is $0,407 > 0,05$, so the decision is to reject H_1 and accept H_0 , meaning that partially the company size variable does not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

Table 6. Hypothesis Test and McFadden R-Squared Result

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	5,902	6,135	0,962	0,336
UK	-0,348	0,419	-0,829	0,407
PE	1,046	0,970	1,078	0,281
LI	-0,033	0,071	-0,461	0,645
SO	-1,949	3,549	-0,549	0,583
AS	-15,336	9,438	-1,625	0,104
MK	-12,270	5,961	-2,058	0,040
PR	-36,526	20,636	-1,770	0,077
McFadden R-squared	0,509	Mean dependent var	0,500	
S.D. dependent var	0,506	S.E. of regression	0,360	
Akaike info criterion	1,028	Sum squared resid	4,934	
Schwarz criterion	1,346	Log likelihood	-15,642	
Hannan-Quinn criter.	1,147	Deviance	31,284	
Restr. deviance	63,770	Restr. log likelihood	-31,885	
LR statistic	32,485	Avg. log likelihood	-0,340	
Prob(LR statistic)	0,000			
Obs with Dep=0	23	Total obs	46	
Obs with Dep=1	23			

The p-value for the H₂ hypothesis is 0,281 > 0,05, so the decision is to reject H₂ and accept H₀, meaning that partially the company growth variable does not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph. The p-value for the H₃ hypothesis is 0,645 > 0,05, so the decision is to reject H₃ and accept H₀, meaning that partially the company liquidity variable does not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

The p-value for the H₄ hypothesis is 0,583 > 0,05, so the decision is to reject H₄ and accept H₀, meaning that partially the company solvability variable does not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph. The p-value for the H₅ hypothesis is 0.1042 > 0.05, so the decision is to reject H₅ and accept H₀, meaning that partially the company asset turnover variable does not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph. The p-value for the H₆ hypothesis is 0,039 < 0,050, so the decision is to reject H₀ and accept H₆, meaning that partially the company working capital turnover variable significantly has a negative effect on the probability of getting a going concern audit opinion on the emphasis of matter paragraph. Assuming other variables are constant, the probability of getting a going concern audit opinion on the emphasis of matter paragraph for the company working capital turnover of 1 unit is $e^{(5.90156 - 12.26984)} / (1 + e^{(5.90156 - 12.26984)}) = 0,17\%$. It means the probability of not getting a going concern audit opinion on the emphasis of matter paragraph for the company working capital turnover of 1 unit is 99,83%.

The p-value for the H₇ hypothesis is 0,077 > 0,050, so the decision is to reject H₇ and accept H₀, meaning that partially the company profitability variable does not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph. The LR value is 32,485 > 14,067, so the decision is to reject H₀ and accept H₈, meaning that simultaneously the variables of company size, growth, liquidity, solvability, asset turnover, working capital turnover, and profitability affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph.

CONCLUSION

The results of this study prove that there is only 1 (one) variable, namely the company working capital turnover, which significantly has a negative effect on the probability of getting a going concern audit opinion on the emphasis of matter paragraph during the Covid-19 pandemic. In contrast, the other 6 (six) variables, namely company size, growth, liquidity, solvability, asset turnover, and profitability, do not affect the probability of getting a going concern audit opinion on the emphasis of matter paragraph. The results of this study show the implication that the Covid-19 pandemic, which limits the movement of people in carrying out economic activities, has a deep enough impact on the decline in the company's financial condition, especially for companies in the specific consumer cyclical sector in the hospitality industry. In this context, the company working capital turnover variable, which significantly has a negative effect on the probability of getting a going concern audit opinion on the emphasis of matter paragraph, is an early warning signal from the auditor to stakeholders in assessing the company's financial condition and sustainability.

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