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The Factors Affecting the Acceptance of Going Concerned Audit Opinion

(Empirical Study on Registered Agricultural Sector Companies in Indonesia Stock Exchange 2013-2019)

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ABSTRACT

The study aimed to determine and analyze the effect of financial distress, firm size, profitability, cash flow ratio, leverage, and environmental performance on going concern audit opinion. The research object is the agriculture sector company listed on the Indonesia Stock Exchange (IDX). The population in this study were all companies listed in the agricultural sector on the Indonesia Stock Exchange for the 2013-2019 period. The total population in this study was 21 companies. The method used in determining the sample using the purposive sampling technique. The sample in the study was 17 companies with 119 data analyzed. The study used secondary data and used multivariate analysis.

The results of this research state that financial distress, profitability, cash flow ratio, environmental performance do not affect the acceptance of going concern audit opinion. The firm size has a negative effect on the acceptance of going concern audit opinions. In contrast, leverage positively affects the acceptance of going concern audit opinions in the agriculture sector listed on the Indonesia Stock Exchange (IDX) for 2013-2019.

Keywords: *financial distress, firm size, profitability, flow ratio cash, leverage, going concern audit opinion.*

INTRODUCTION

One of the crucial indicators in developing a country is economic growth. In Indonesia, agriculture is one of the critical sectors of the economy. Although the agricultural sector's contribution to the national gross domestic product has decreased significantly in the last half-century, the agricultural sector still provides income for most Indonesian households. In 2013, the agricultural sector contributed 14.43% of the national GDP, a slight decrease compared to the previous decade, which reached 15.19% (Suryowati, 2014).

It is essential to build and maintain a going concern in the agriculture sector in Indonesia so that the cycle of sustainable growth continues. From an economic perspective, indicators of a company's success in running its business are essential for interested parties, such as investors who will invest in the company. From a social and environmental perspective, business people must change their mindset, which initially only pays attention to the amount of profit each year, by paying attention to the surrounding environment, the company's primary resource. So, what is the biggest challenge? The biggest challenge is the company's willingness to spend several costs allocated for environmental improvement and preserving the environment itself. Companies must set the right strategy to maintain their survival (going concern) and continue to grow.

Going concerned is also a proposition that assumes that an entity is not expected to be liquidated in the future or

that the entity will continue for an indefinite period. The users of financial statements feel that the issuance of a going concern audit opinion predicts a company's bankruptcy (Kartika et al., 2012). To conclude whether the company will have a going concern, the auditor must critically evaluate the planning carried out by the management. In reality, problems related to going concerned are complex and even always exist. So, factors are needed as a definite benchmark to determine the company's status. These factors must be tested so that going concern status can still be predicted in fluctuating economic conditions.

Venuti (2004) states that going concern audit opinion will reduce the trust of shareholders and creditors in the company. In Indonesia, from early January to early September 2019, there were already two issuers whose trading was written off by the Indonesia Stock Exchange (IDX). The two issuers include PT Sekawan Intipratama Tbk (SIAP), which was delisted on June 17, 2019, and PT Grahamas Citrawisata Tbk (GMCW), which had been delisted since August 13, 2019. The Exchange assessed that SIAP and GMCW were not going concerned as the IDX wanted. One of the points is that the company's central business unit is considered insignificant in contributing to the company (Wareza, 2019).

Providing an opinion on going concerned can be seen from companies experiencing financial distress. It is a condition where the operating cash flow of the client company is not sufficient to meet its current obligations (Ross et al., 2015). This condition can cause the client company to experience negative cash flow, poor financial ratios, fail to fulfill existing debt agreements, and ultimately bankruptcy. The going concern of the client company is very doubtful. Profitability shows the profit earned by the company during a specific period (Januarti, 2008), while the company's activities show how effectively the company can manage its assets in its operational activities. On the other hand (de Beer & Friend, 2006) states that currently, the industry is becoming concerned with environmental aspects because they believe that it influences company finances.

According to (Belkaoui, 2009) going concerned is a proposition which states that the business unit will continue to operate for an extended period to realize its projects, responsibilities, and activities that do not stop. Meanwhile, according to Harahap (2011), going concerned is continuity. This postulate assumes that a company will continue to carry out its operations throughout the completion of projects, agreements, and ongoing activities. The company is considered not to be stopped, closed, or liquidated in the future, and the company is considered to be alive for an indefinite period.

Users of financial statements feel confident that the issuance of a going concern audit opinion is a prediction of the bankruptcy of a company (Rahman & Siregar, 2012). Therefore, it is a great responsibility for the auditor to issue a going concern audit opinion by the actual situation. Arens et al. (2011) stated that several factors cause uncertainty regarding the viability of the company, namely:

a. Repeatedly significant business losses or lack of working capital.
b. The company's inability to pay its obligations as they fall due in the short term.
c. Loss of key customers, the occurrence of uninsured disasters, such as earthquake or flood or unusual labor problems.
d. Court cases, lawsuits, or similar issues have occurred and could jeopardize the company's ability to operate.
e. This study will examine several factors influencing the acceptance of going concern audit opinions, namely financial distress, firm size, profitability, cash flow ratio, leverage, and environmental performance.

Platt & Platt (2006) define financial distress as the decline stage in financial

conditions before bankruptcy or liquidation occurs. According to Hofer (1980) in Endri (2009), financial distress is defined as a condition of a company experiencing a negative net profit for several years and indicating that the company is leading to bankruptcy. Meanwhile, according to Brigham & Daves (2013), financial distress begins when a company cannot meet its payment schedule or cash flow projections indicate that it will soon be unable to fulfill its obligations.

Financial distress occurs before bankruptcy. Bankruptcy is defined as a condition or situation where the company fails or can no longer fulfill the debtor's obligations because the company experiences a shortage and insufficient funds to run or continue its business. So that the company's economic goals (profit) cannot be achieved. By earning a profit, a company can repay loans and finance the company's operations and obligations that must be met with profits or assets owned by the company (Mutchler, 1984).

McKeown et al. (1991) argue that auditors may fail to provide an opinion on indications of bankruptcy to a company that turns out to be bankrupt in the next few years. The company is on the threshold between bankruptcy and business continuity.

Darsono & Ashari (2005) explained that several indicators are used as a guide to assess financial distress (financial distress) that the company, namely, will receive:

a. Information on current cash flows and cash flows for future periods. Cash flow provides an overview of a company's cash sources and uses.
b. Analysis of the company's position and strategy compared to competitors. This information provides an overview of the company's position in a business competition which refers to its ability to sell its products and services to generate cash.
c. Assessment of corporate bankruptcy is a formula coined by Edward Altman, referred to as the Altman Z_Score formula.

In companies whose financial condition is not good, the auditor tends to issue a going concern audit opinion (DeFond et al., 2002). In their journal, Wertheim & Robinson (2011) suggest a positive relationship between financial distress and going concern opinion only for certain financial distress levels. It is reinforced by the research of Ibrahim & Raharja (2014) and Dewi & Latrini (2018), which also shows that financial distress has a negative effect on the acceptance of going concern opinions. The lower the Z-Score value, the more likely the company will receive a going concern audit opinion. Vice versa, the higher the level of financial distress, the smaller the probability of the company receiving a going concern opinion.

According to Ayu et al. (2017), firm size is a measure that can describe the size of the total assets owned by a company. The greater the total assets owned, the more stable and robust the company's financial condition. According to Law no. 20 of 2008, the firm size is classified into four categories: micro, small, medium, and large businesses. The size of a large or small company can determine the possibility of a company going bankrupt or surviving.

Firm size is one of the assessing factors whether the company is developing well or not. Large companies are considered capable of running their business well, as evidenced by their ability to expand. It can not be separated from the role of managers in it. A large company will involve experts in their fields so that the results of their work are as expected by the principal. According to Widyantari (2011), companies with significant total assets indicate that the company has reached the maturity stage because, at this stage, the company's cash flow is positive and is considered to have good prospects in a relatively long time.

Larger companies offer more high audit fees than those offered by small companies. The auditor may doubt the issuance of a going concern opinion on the

company (McKeown et al., 1991). For conditions with low litigation risk, such as Hong Kong and countries in Southeast Asia, generally, large companies have a better ability to maintain their viability even when the company experiences financial distress (Lam & Mensah, 2006).

Mutchler et al. (1997), Carcello & Neal (2000), and Ryu & Roh (2016) provide empirical evidence that there is a negative relationship between firm size and acceptance of going concern audit opinions. The results of this study are also supported by research conducted by Januarti (2009), Widyantari (2011), Nurpratiwi (2014), and Ningsih (2017), which prove that the firm size has a negative effect on the acceptance of going concern audit opinions.

Profitability is one indicator of the company's success in generating profits, so that the higher the profitability, the higher the company's ability to generate profits for the company (Widyantari, 2011). The profitability ratio is a ratio that describes the company's ability to generate profits with the capabilities and resources owned (Lulukiyah, 2011). The profitability ratio used in this study is the profitability ratio with investment measured using ROA. Return on Assets, known as ROA, is a ratio that measures the optimization level of assets owned to generate profits (profit) (Nurpratiwi, 2014). When a company has high profitability (proxied by ROA), it is expected to earn high profits, so it is unlikely to obtain a going concern opinion (Januarti & Fitrianasari, 2008).

Research conducted by Church (1992) and Behn et al. (2001) found that this ratio had a significant negative effect on predicting the going-concern opinion decision making. The results of this study are also supported by research conducted by Widyantari (2011), Pasaribu (2015), Lie et al. (2016), Ningsih (2017), and Indiriyani & Pandansari (2019), which prove that firm size has a negative effect on the acceptance of going concern audit opinions.

According to Harahap (2011), cash flow is a report that provides relevant information about cash receipts and disbursements of a company in a certain period by classifying transactions in operating, financing, and investment activities. The purpose of a cash flow statement is to provide relevant information about a company's cash receipts and cash payments over a period (Kieso et al., 2019).

Mills et al. (1998) stated that to understand the overall ability of the company to continue its business, the auditor must take into account some simple ratios from the client's cash flow statement data. Auditors need to understand how to implement cash flow ratios in carrying out audits because these measures will be increasingly considered by investors and other users of financial statements. One of the cash flow ratios that auditors can use to assess their ability to continue their business is the cash flow to total debt ratio. This ratio is measured by comparing operating cash flows with total liabilities.

Research conducted by Church (1992), DeFond et al. (2002), Ryu & Roh (2016), and Widyantari (2011) found that cash flow ratio had a negative effect on predicting going concern opinion decision making. The results of this study are contrary to (Ibrahim & Raharja, 2014), which proves that the cash flow ratio proxied by cash flow to total debt ratio does not affect the acceptance of going concern audit opinions.

Leverage is the use of assets and sources of funds by companies that have fixed costs (fixed expenses), meaning sources of funds that come from loans because they have an interest as a fixed expense to increase the potential profits of shareholders (Sjahrial, 2010). Leverage describes the company's capital structure, related to the best debt-equity mix, how the company uses long-term debt with fixed interest to finance its investment. Weston & Thomas (2010) stated that the leverage ratio could measure the level of company assets financed by debt. Companies with high leverage are very dependent on external loans to finance their assets.

Leverage can be proxied by the debt ratio (Widyantari, 2011), which compares total liabilities with total assets. This ratio measures the percentage level of the company's debt to total assets owned or how big the percentage level of total assets is financed with debt. The greater the level of the leverage ratio causes doubts about the company's ability to maintain its business continuity in the future because most of the funds obtained by the company will be used to finance debt, and the funds to operate will decrease. Creditors generally prefer a low debt ratio, the greater the attenuation of losses suffered by creditors in the event of liquidation. The greater the debt ratio, the greater the possibility of the auditor to provide a going concern audit opinion.

Church (1992) states that companies with assets that are smaller than their liabilities will face the danger of bankruptcy. Research by Carcello & Neal (2000), Widyantari (2011), Ningsih (2017) states that leverage has a positive effect on giving going concern opinions. However, it is different from the research of Januarti (2008), Jayanti (2018), and Ibrahim & Raharja (2014), which state that leverage has a negative effect on giving going concern opinions.

Tjahjono (2013) states that environmental performance is an aspect that needs to be considered by companies because companies are required to pay more attention to the environment around operating activities and can create a green industry in every activity. Environmental performance refers to how the company's business activities have caused much impact and damage. Disposal of waste and how to manage waste from the company to minimize environmental damage around the factory and manage the company's business production. The less environmental damage is considered to improve a company's environmental performance, while the more significant the impact of environmental damage, the worse the company's performance.

Company Performance Rating Program in Environmental Management (CPRPEM) as a rating program obtained is used to assess the ability in environmental management, used by researchers to measure the Environmental Performance of Indonesian companies. In its annual report, the Ministry of Environment explains that the company's compliance performance assessment in CPRPEM is carried out based on the company's performance in meeting various requirements set out in the applicable laws and regulations and the company's performance in carrying out various activities related to environmental management activities that have not yet become compliance requirements (beyond compliance).

The magnitude of the award given by the government for the environmental performance that the company has carried out will have an impact on the magnitude of investor perception. This is in line with the research of Sulistiawati & Dirgantari (2017), Chasbiandani et al. (2019), Fakhroni (2020), Marota (2017), and Aditya, (2017).

Framework

Following the description of the background of the problem, literature review, and previous research, a conceptual research framework is prepared as follows:

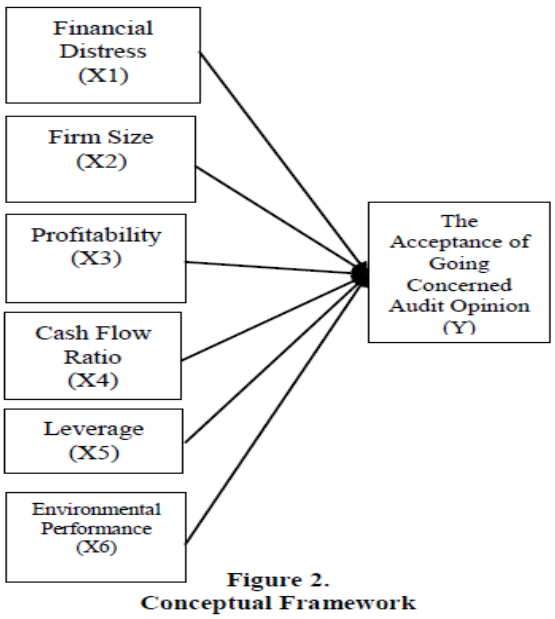

Figure 2.
Conceptual Framework

H1: Financial distress has a negative effect on the acceptance of going concern audit opinion.
H2: Firm size has a negative effect on the acceptance of going concern audit opinion.
H3: Profitability has a negative effect on the acceptance of going concern audit opinion.
H4: Cash Flow Ratio has a negative effect on the acceptance of going concern audit opinion.
H5: Leverage positively affects the acceptance of going concern audit opinion.
H6: Environmental performance has a negative effect on the acceptance of going concern audit opinion.

RESEARCH METHODS

This type of research is causal associative research to determine the effect of financial distress, firm size, profitability, cash flow ratio, leverage, and environmental performance as independent variables on acceptance of going concern audit opinion as a dependent variable. The causal associative study analyses the relationship between one variable to determine how one affects other variables (Erlina, 2011). The data analysis method used in this study is a statistical analysis method using the EViews ten application. Data analysis performs by testing standard assumptions and testing hypotheses.

The population used in this study was 21 agriculture companies listed on the Indonesia Stock Exchange in 2013-2019. This research uses the purposive sampling technique. The samples are 17 companies obtained multiplied by seven years of research to obtain 119 observations.

RESULT AND DISCUSSION

Statistical Analysis

Based on Table 1, it can be explained as follows:

1. Based on the sample of Agriculture companies that received a going concern audit opinion, 17 samples (14.3%) received a non-going concern audit opinion. In comparison, the remaining 102 samples (85.7%) received a non-going concern audit opinion.
2. The average value for the bankruptcy prediction model proxied using the Z-Score is 1.909412, with the lowest score of -5.6200000 and the highest number of 8.440000. It means that the Agriculture sector listed on the Indonesian stock exchange is on average in the "Grey Zone" category or has a small probability of going bankrupt.
3. The average firm size is 15.90420 with a minimum value of 12.45000 and a maximum of 20.25000 with a standard deviation of 1.560873. The standard deviation value is below the mean value. It means that the variation in the data is low, or there is no gap in the Firm Size data between the lowest and highest values.
4. Profitability proxied using the Return On Asset (ROA) ratio scale has an average value of 0.008235 with a minimum value of -0.580000 and a maximum of 0.180000. It means that the average company in the agriculture sector for the 2013-2019 period in effectively utilizing their assets to obtain net profit is still not good enough. There is also a reasonably large gap between the lowest and highest values.
5. The average value of the cash flow ratio proxied using the Cash Flow to Debt Ratio (CFOTD) is 0.139160 with a minimum value of -0.380000 and a maximum of 1.400000. The average value shows a value that is less than 1. It means that, on average, the company has an operating cash flow smaller than its total liabilities. The cash generated from their operating activities may not be sufficient to be used to pay all of its obligations.
6. The average value of Leverage proxied using the ratio of Debt to Total Assets is 0.510504 with a minimum value of 0.080000 and a maximum of 1.650000. The average value shows that the company's liabilities are 51.05% of the total assets owned.

7. The environmental performance proxied by receiving PROPER Certification is 66 samples (55.5%) certified PROER, while the remaining 53 samples (44.5%) have not been certified. It means that the company's awareness in managing environmental performance is still below the required provisions or applicable regulations.

Table 1. Descriptive Statistics

	Y	X1	X2	X3	X4	X5	X6
Mean	0.142857	1.909412	15.90420	0.008235	0.139160	0.510504	0.445378
Median	0.000000	1.580000	15.94000	0.020000	0.070000	0.550000	0.000000
Maximum	1.000000	8.440000	20.25000	0.180000	1.400000	1.650000	1.000000
Minimum	0.000000	-5.620000	12.45000	-0.580000	-0.380000	0.080000	0.000000
Std. Dev.	0.351407	2.074575	1.560873	0.097534	0.271173	0.236761	0.499109
Skewness	2.041241	0.373922	0.514310	-2.831971	1.866756	0.789240	0.219803
Kurtosis	5.166667	4.515414	4.364601	16.26785	7.547220	6.319574	1.048313
Jarque-Bera	105.9155	14.15975	14.47931	1031.909	171.6393	66.99287	19.84491
Probability	0.000000	0.000842	0.000718	0.000000	0.000000	0.000000	0.000049
Sum	17.00000	227.2200	1892.600	0.980000	16.56000	60.75000	53.00000
Sum Sq. Dev.	14.57143	507.8559	287.4863	1.122529	8.677116	6.614570	29.39496
Observations	119	119	119	119	119	119	119

Source: Eviews Software Results, 2021

Hypothesis Test
Model Feasibility Test (Hosmer-Lemhow)

Table 2.Hosmer-Lemhow Model Feasibility Test Results

H-L Statistic	2.5217	Prob. Chi-Sq(8)	0.9607
Andrews Statistic	76.4653	Prob. Chi-Sq(10)	0.0000

Source: Eviews Software Results, 2021

The feasibility of the regression model was assessed using Hosmer and Lemeshow's (HL). The statistical value of Hosmer and Lemeshow's Goodness of Fit Test is 2.5217 with a significant probability of 0.9607, which is far above 0.05. Thus it can be concluded that the model can predict the value of its observations, or it can be said that the model is acceptable.

Model Fit Test (Overall Model Fit)

Table 3. Model Fit Test Results (Overal Model Fit)

McFadden R-squared	0.604296	Mean dependent var	0.142857
S.D. dependent var	0.351407	S.E. of regression	0.230867
Akaike info criterion	0.442216	Sum squared resid	5.969569
Schwarz criterion	0.605694	Log likelihood	-19.31186
Hannan-Quinn criter.	0.508599	Deviance	38.62373
Restr. deviance	97.60768	Restr. log likelihood	-48.80384
LR statistic	58.98396	Avg. log likelihood	-0.162285
Prob(LR statistic)	0.000000		
Obs with Dep=0	102	Total obs	119
Obs with Dep=1	17		

Source: Eviews Software Results, 2021

Model Fit Test is used to assess whether the hypothesis model is fit or not with the data. This test is based on the statistical value of -2 Log Likehood. The model only with Restricted Log Likehood produces a value of 2 Log Likehood 97.60768, whereas the independent variables X1 to X6 are included in the model. The value of 2 Log Likehood drops to 38.62373. This decrease is significant at Prob (LR Statistics) 0.00000, which means the model with independent variables is better than only the model with Restricted Log Likelihood. So it can be concluded that the model fit.

Determination (McFadden R-Squared)

Based on table 3 above, the McFadden R-Squared value is 0.604296, which means that the dependent variable's variability, which the independent variable's variability can explain, is 60.43%. In comparison, other variables outside the research model explain the remaining 39.57%.

Prediction Accuracy Percentage (Percently Correctly Predicted)

Table 4. Prediction Accuracy Percentage Results (*Percently correctly predicted*)

	Estimated Equation			Constant Probability		
	Dep=0	Dep=1	Total	Dep=0	Dep=1	Total
P(Dep=1)<=C	97	5	102	102	17	119
P(Dep=1)>C	5	12	17	0	0	0
Total	102	17	119	102	17	119
Correct	97	12	109	102	0	102
% Correct	95.10	70.59	91.60	100.00	0.00	85.71
% Incorrect	4.90	29.41	8.40	0.00	100.00	14.29
Total Gain*	-4.90	70.59	5.88			
Percent Ga...	NA	70.59	41.18			
	Estimated Equation			Constant Probability		
	Dep=0	Dep=1	Total	Dep=0	Dep=1	Total
E(# of Dep=0)	96.20	5.80	102.00	87.43	14.57	102.00
E(# of Dep=1)	5.80	11.20	17.00	14.57	2.43	17.00
Total	102.00	17.00	119.00	102.00	17.00	119.00
Correct	96.20	11.20	107.40	87.43	2.43	89.86
% Correct	94.31	65.87	90.25	85.71	14.29	75.51
% Incorrect	5.69	34.13	9.75	14.29	85.71	24.49
Total Gain*	8.60	51.59	14.74			
Percent Ga...	60.19	60.19	60.19			

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

Source: Eviews Software Results, 2021

In addition to using McFadden R-squared and Hosmer and Lemeshows's (HL), we can also use the percentage value of prediction accuracy (Percently correctly predicted). The bigger the prediction percentage, the better the model. The output shows the prediction accuracy reaches 91.60%, so that it can be concluded that the model is quite good.

Multicollinearity Test

Table 5. Multicollinearity Test Result

	Y	X1	X2	X3	X4	X5	X6
Y	1.000000	-0.346297	-0.341631	-0.422811	-0.197939	0.429989	0.069026
X1	-0.346297	1.000000	0.077122	0.675138	0.564323	-0.837317	-0.187661
X2	-0.341631	0.077122	1.000000	0.086744	0.017818	-0.052740	-0.346390
X3	-0.422811	0.675138	0.086744	1.000000	0.446090	-0.566258	-0.122987
X4	-0.197939	0.564323	0.017818	0.446090	1.000000	-0.497540	-0.304023
X5	0.429989	-0.837317	-0.052740	-0.566258	-0.497540	1.000000	0.244068
X6	0.069026	-0.187661	-0.346390	-0.122987	-0.304023	0.244068	1.000000

Source: Eviews Software Results, 2021

A good regression model is without a strong correlation between the independent variables. Multicollinearity testing in logistic regression uses a correlation matrix between independent variables to see the magnitude of the correlation between independent variables. Based on the correlation matrix output results between variables, none is higher than 0.90. So it can be concluded that there is no multicollinearity between independent variables.

Logistics Regression Analysis

The analytical technique used in this study is logistic regression analysis to determine the effect of financial distress, firm size, profitability, cash flow ratio, leverage, environmental performance on going concern audit opinion acceptance. The results of the analysis can be seen in the following table:

Table 6. Logistics Regression Analysis Result

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	14.99197	6.762952	2.216778	0.0266
X1	0.587322	0.649278	0.904578	0.3657
X2	-1.738071	0.438339	-3.965134	0.0001
X3	-9.943419	6.069054	-1.638380	0.1013
X4	0.327371	4.444834	0.073652	0.9413
X5	15.19537	5.266107	2.885504	0.0039
X6	-1.129958	1.078928	-1.047298	0.2950

Source: Eviews Software Results, 2021

Hypothesis testing compares the significance level (sig) with the error rate (α) = 5%. Based on Table 7, the results can be interpreted as follows:

1. The constant (α) of 14.99197 indicates that if the value of all independent variables is equal to zero or constant, then the average acceptance audit opinion of going concern variable (Y) is 14.99197.
2. The financial distress coefficient (X1) value is positive at 0.587322 with a significance level of 0.3657, greater than (5%). Based on this, it can be concluded that the financial distress variable does not affect the going concern audit opinion acceptance. **Then H1 is rejected.**
3. The value of the coefficient of firm size (X2), which is proxied by total log assets, has a negative regression coefficient of -1.738071 with a significance level of 0.0001, smaller than (5%). Based on this, it can be concluded that the firm size variable has a negative effect on the going concern audit opinion acceptance. **Then H2 is accepted**. It shows that the larger the firm size, the less likely it is that the company will receive a going concern audit opinion.
4. The value of the profitability coefficient (X3), which is proxied using the Return On Asset (ROA) ratio, has a negative regression coefficient of -9.943419 with a significance level of 0.1013, which is greater than (5%). Based on this, it can be concluded that the profitability variable does not affect the going concern audit opinion acceptance. **Then H3 is rejected.**
5. The coefficient value of the Cash Flow Ratio (X4), which is proxied using the Cash Flow to Debt Ratio (CFOTD), has a positive regression coefficient of 0.327371 with a significance level of 0.9413, which is greater than (5%). Based on this, it can be concluded that the Cash Flow to Debt Ratio variable does not affect the going concern audit opinion acceptance. **Then H4 is rejected.**
6. The value of the Leverage coefficient (X5), which is proxied using the ratio of Debt to Total Assets, has a positive regression coefficient of 15.19537 with a significance level of 0.0039, which is

smaller than (5%). Based on this, it can be concluded that the leverage variable positively affects the acceptance of going-concern audit opinion. **Then H5 is accepted.** It shows that the greater the company's Debt to Total Assets, the more likely it is that the company will receive a going concern audit opinion.

7. The coefficient of environmental performance (X6), which is proxied by the acceptance of PROPER Certification, has a negative regression coefficient of -1.129958 with a significance level of 0.2950, which is greater than (5%). Based on this, it can be concluded that the environmental performance variable does not affect the acceptance of going concern audit opinions. **Then H6 is rejected.**

CONCLUSION

Based on the results of research and discussion in the previous chapter, several conclusions can be drawn as follows:

1. Descriptive statistical analysis of the agriculture sector listed on the Indonesia Stock Exchange in 2013-2019 shows that 17 samples (14.3%) received a going concern audit opinion, while the remaining 102 samples (85.7%) received an audit opinion non-going concern.
2. The logistic regression test results show that financial distress, profitability, cash flow ratio, and environmental performance do not affect the acceptance of going concern audit opinions on Agriculture sector companies listed on the Indonesia Stock Exchange in 2013-2019.
3. The test results using logistic regression show that company size has a negative effect on the acceptance of going concern audit opinions, while leverage has a positive effect on the acceptance of going concern audit opinions on Agriculture sector companies listed on the Indonesia Stock Exchange in 2013-2019.

LIMITATIONS OF THE RESEARCH

This study has several limitations: the independent variables used, namely financial distress, firm size, profitability, cash flow ratio, leverage, and environmental performance in Agriculture sector companies listed on the Indonesia Stock Exchange, which only explain 60.43% of the effect on going concern audit opinion acceptance. (Y). In contrast, the remaining 39.57% is explained by other variables not included in this research model.

SUGGESTION

Based on the conclusions of the research, the suggestions given are as follows:

1. For investors or general users of financial statements and independent auditors, they can pay attention and consider new views in determining companies that receive going concern audit opinions, both financial and non-financial factors, in order to create a sustainable green accounting concept for companies listed on the Indonesia Stock Exchange.
2. For academics, it is better to add years of research and other financial and non-financial variables that are thought to affect the acceptance of going concern audit opinions so that future research will be better than previous research and expand the research results.

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