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The Influence of Firm Size, Corporate Profitability, Previous Audit Opinion, and Accounting Firm Size on Going Concern Audit Opinion (Empirical Study on Non-Financial Services Firms Listed in IDX)

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Abstract. Service industry is considered to have a significant impact on today people's lives, especially in Indonesia. However, some service companies obtain a going concern audit opinion which means that their business continuity is in doubt. Factors that can affect going concern opinion are company size, company profitability, previous audit opinion, and accounting firm size.

The issuance of going concern audit opinion can be an early warning to investors that the company may experience financial failure. Although the auditor is not responsible for predicting bankruptcy, investors seem to expect the auditor to warn of the possibility of financial failure through a going concern audit opinion. The purposes of this study are to determine the effect of firm size, corporate profitability, previous year's audit opinion, and accounting firm size on the acceptance of going concern audit opinion.

The research method used in this research is hypothetico-deductive method which is a systematic approach and useful to produce knowledge to solve basic and managerial problem. This study focused on non-financial service companies listed on the Indonesia Stock Exchange. The sample used was 149 companies with purposive sampling technique. Data analysis used descriptive analysis and logistic regression analysis.

The results of partial test show that there is no partially significant influence of firm size and accounting firm size on going concern opinion, there is partially significant influence of profitability and previous audit opinion on going concern opinion. Simultaneous testing result indicates that the firm size, the company profitability, the previous year audit opinion, and the size of the accounting firm influence the acceptance of going concern audit opinion.

Keywords: non-financial services company, company size, company profitability, previous year audit opinion, accounting firm size, acceptance of going concern audit opinion.