

ABSTRACT

The company's success can be achieved with good management, the management is able to maintain the viability of (going concern) company to obtain the maximum profit because basically the company's goal is to maximize the welfare of the owners and the market price of its shares.

Going concern assumption is accounting estimate in a business entity will continue in the long term and will not be liquidated in the short term. Prediction sustainability of an entity contained in the modification of going concern audit opinion is a major concern for auditors and shareholders. When the economy is something uncertain, investors expect the auditors give an early warning of failure of corporate finance and audit opinions issued by the auditor of the financial statements into one of the considerations for investors in making an investment decision.

This study aimed to analyze the audit opinion going concern modification through several factors, namely, the quality of auditing and financial distress. The population of this research is company property and real estate losses listed in the Indonesia Stock Exchange in 2008-2015. A total of 7 samples were obtained by using purposive sampling method. In analyzing the influence between independent and dependent variables used logistic regression analysis.

The method used is Descriptive research methods and Verikatif. The research is intended to obtain a picture or description of the influence of the quality of audit and financial distress to the audit opinion going concern modification.

The results showed that simultaneous variable quality of the audit and financial distress significantly influence acceptance of modification going concern audit opinion. In partial audit quality had no significant effect. Partially variables significantly influence financial distress.

Keywords: modification of going concern audit opinion, audit quality, and financial distress