ABSTRACT

The prediction of a company's business continuity is contained in a going concern audit opinion, which is the main concern of auditors and share holders. One of the factors that becomes the auditor's reference in giving his opinion is by looking at the financial condition, debt and interest paid (default), and changes in Company Size that are carried out by the company. The auditor is responsible for the opinion expressed because if the auditor gets interference from several parties concerned, the resulting opinion will not be in accordance with the report that has been presented by the companty. In agency theory, it explains that the relationship between the agent (business management) and the principal (business owner) leads to information imbalance or it can be called information asymmetry. With this assumption, an independent third party is needed that is useful as a value for the financial statements prepared by the agent. The third party is the auditor. The auditor is the party that bridges therelationship between the agent and theprincipal. By looking at several factors that influence going concern audit opinion, namely debt default, financial condition, , and company size, this study results in a hypothesis that financial conditions and firm size have a negative effect on going concern audit opinion. And debt default has a positive effect on going concern audit opinion. The regression used in this study uses logistic regression where this regression is to test whether the probability of the occurrence of the independent

variable can be predicted by the dependent of variable and the others.

Keywords : Debt Default, Financial Condition, Company Size