

ABSTRACT

THE EFFECT OF ACCOUNTING FIRM REPUTATION, COMPANY SIZE, AND PRIOR YEAR AUDIT OPINION TO GOING CONCERN MODIFIED AUDIT OPINION

**(Study on Manufacturing Companies that Listed at Indonesian Stock Exchange in
2007-2013)**

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This research is to check the effect of accounting firm reputation, company size, and prior year audit opinion to going concern modified audit opinion. This research was using samples of manufacturing industry. They were listed on the Indonesian Stock Exchange in 2007-2013. Based on method purposive sampling, research samples total are 224 financial statements. Hypothesis in this research used logistic regression.

The results were as follows: (1) accounting firm reputation does not significantly affect on going concern modified audit opinion acceptance, (2) company size does not significantly affect on going concern modified audit opinion acceptance, and (3) prior year audit opinion does not significantly affect on going concern modified audit opinion acceptance. Based on the simultant result, evidence is found that accounting firm reputation, company size, and prior year audit opinion has significant value 83,4% towards going concern modified audit opinion acceptance.

Keywords: going concern modified audit opinion, accounting firm reputation, company size, and prior year audit opinion