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THE IMPACT OF FIRM QUANTITATIVE PROFITABILITY ON LIQUIDITY AND SOLVENCY ON AUDITORS' PERCEPTIONS OF ORGANIZATIONAL CHANGE

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Abstract

The continuity of the company's operations, in addition to risks arising from various internal and external sources, is the hope of every organization in its efforts to achieve company goals. The purpose of this study was to determine the effect of company size, profitability, liquidity and financing on perceptions of the sustainability of companies engaged in the transportation sector listed on the Indonesia Stock Exchange for the 2018-2021 period. The second data used is from the Indonesia Stock Exchange, and the data source is www.idx.co.id. In this study, the sample was selected according to the purpose of sampling and 16 companies were selected as the sample. Data analysis using multiple linear regression analysis. The results of the study show that company size, profitability, liquidity and financing have an effect on business continuity .

Keywords: Company Size, Profitability, Liquidity, Solvency, Sustainability

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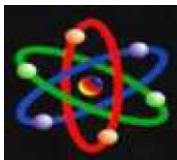
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INTRODUCTION

Today, simple and efficient transportation has become an important part of everyday life. Conventional vehicles are required not only for the quick delivery of people and goods but also for the comfort, safety and efficiency of the vehicles themselves. As in the mobile industry these need to be profitable and robust to achieve customer satisfaction. Becoming an accredited company listed on the Indonesian Stock Exchange is the first step to gaining a diversified advantage that will increase the company's value in the Indonesian capital market. By listing the shares on the Indonesian Stock Exchange or becoming a listed company the company becomes the majority shareholder in Indonesia. According to Satyani . According to Satriani & Alfia (2020), business behavior is important for investors in their considerations and decisions. Investors spend their money to finance company activities. When investors prepare to invest in a business, investors need to know the financial health of the business, especially the viability of the business. Therefore, the auditor plays an important role in reporting the company's operational processes. According to Mulyadi (2014) systematic acquisition and evaluation of evidence on statements about economic activities and events to determine the level of conformity of these statements with predetermined criteria and to communicate the results to interested users. In 2017, Citrad Maharlika Nusantara Corpora dTbk (formerly Cipaganti Citra Graha Tbk) was separated from the IDX transportation division.

Cod e Issuer	Ye ar	Income	Capital	Total Asset	Debt	Profit Clean
	20	1,862,945	1,138,411	4,062,536	2,924,124	141,435,83

ASS18	.64	93	13	20	4,439	
A	20	2,329,565	1,338,152	4,849,224	3,511,071	105,545,26
	19	.79				1,933
	20	3,037,359	1,439,320	5,170,895	3,731,575	93,703,216,
	20					249
	20	5,088,094	1,765,508	6,031,947	4,266,439	155,224,06
	21					7,705
	20	727,051,3	1,041,156	1,159,193	118,037,6772	807,226
IPC	18	93	112	789	7	
M	20	681,676,5	1,079,412	1,279,304	199,892,3590	047,274
	19	69	237	590	3	
	20	696,560,5	1,091,647	1,408,289	316,642,9380	234,175
	20	27	051	984	3	
	20	820,160,9	1,156,412	1,427,875	271,462,09136	582,71
	21	95	917	007	0	9
	20	4,330,441	639,806,55	4,155,474	3,515,668	(263,125,96
GIA	18	,061	6	803	247	5)
A	20	4,572,638	720,622,89	4,455,675	3,515,668	92,644,418
	19	,083	1	774	247	
	20	1,492,331	(1,943,024,	10,789,98012,	733,004(2,472,917,	
	20	,099	247)	,407	,654	795)
	20	1,336,678	(6,110,059,7,	192,745	13,302,805(4,148,159,	
	21	,470	715)	360	,075	013)

Table 1. Phenomena

RESEARCH METHODS

In this quantitative research project. This type of research uses descriptive quantitative research.

No	Information	Total
1.	Company subsector transportation Which registered on Exchange Indonesian Securities period 2018-2021.	42
2.	Transportation sub-sector companies (11) that do not publish report finance successively participate during period 2018-2021.	
3	Company subsector transportation Which No produce profit in a manner successively participate during period 2018-2021	(15)
	Total sample company	(16)
	Total sample (4 x 16)	64

Table 2. Sample selection

This study uses two types of variables, namely the independent variable and the dependent variable.





Variable	Definition	Indicator	Scale
Size Company (X 1)	Size company is size Which differentiate evolution company Which related with circumstances finance company (Pradhan & Suputra, 2015).	$Firm\ Size = Ln\ Total\ Asset$	Ratio
Profitability (X 2)	(Cashmere 2019: 114) <i>returns on equity</i> is ratio Which reflect the ability of the company ----- d a l a m ----- produce profit or profit during period time certain .	$ROA = \frac{Profit\ Clean\ Total\ Assets}{Total\ Asset}$	Ratio
Liquidity (X 3)	According to Fahmi (2017:121), Drasio li k u id it a s a d a l a h k e m a m p u a n _ p e r u s a h a n For fulfil obligation period in short appropriate time .	$Current\ ratio = \frac{Assets\ Fluent\ Debt\ Fluent}{Debt\ Fluent}$	Ratio
Solvability (X 4)	Ratio solvency is dability companyd ffor dpay all obligationsd	$DER = \frac{Total\ Debt}{Total\ Capital}$	Ratio
going Concern (Y)	going Concern is Wrong One indicators used _ For evaluate company performance , especiallyability company For survive in period front		Ratio

Table 3. Operationalization Variable

RESULTS AND DISCUSSION

	N	Minimu m	Maximu m	Mean s	std. Deviation
company size	64	14.85841	29.42809	21.3377852	3.8287797
Profitability	64	,00011	2.13111	,1525864	,33184515
Liquidity	64	,00966	6.55319	1.2267148	1.1616766
Solvability	64	,05297	4.96165	1.3058620	1.0394312
goingconcern	64	,00000	1.00000	,4687500	,50296739
Valid N (listwise)	64				

Table 4. Statistics Descriptive

The minimum value of the firm size variable is 14.85841 and the maximum is 29.42809 with a mean value of 21.3377852 and a standard deviation of

3.82877972. Variable gain has a minimum value of 0.0011 and a maximum value of 2.13111 with a mean value of .1525864 and a standard deviation of 33184515.

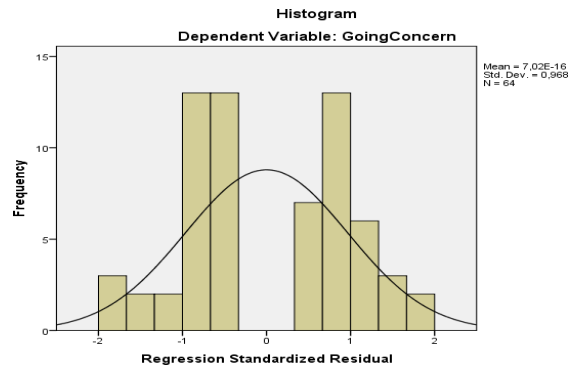


Figure 1. Histograms

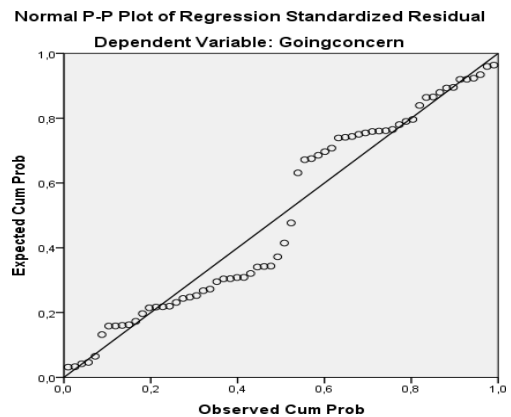


Figure 2. PP Plot Normality Test

The results in this probability plot image show that the data is evenly distributed around the diagonal indicating a normal distribution.

Unstandardized residual		
N	64	
Normal Parameters ^{a,b}	Means	,0000000
	std. Deviation	,45096911
Most extreme Differences	absolute	,146
	Positive	,146
	Negative	-,130
Kolmogorov-Smirnov Z	1.167	
Asymp. Sig. (2-tailed)	,131	

Table 5. Kolmogorov Smirnov Statistical Test





The Kolmogorov-Smirnov value in the table above is 0131 which means that this value is greater than 005 at the level of efficiency and shows that the data is distributed. The coefficient results for company size sales revenue and other variables are greater than 01 and the VIF estimate is less than 10 which means there is no multicollinearity in the data as the data is distributed.

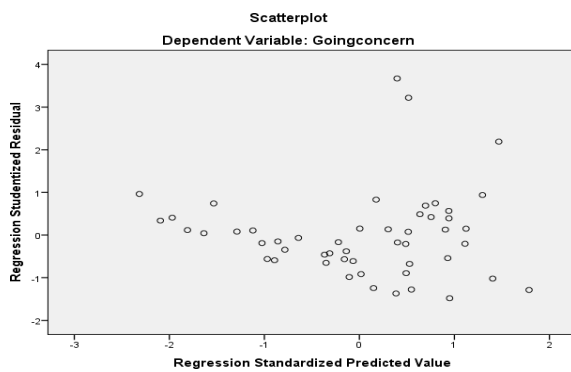


Figure 3. Scatterplot Graph

The distribution results above are explained by the fact that the points are spread evenly, so that it performs well in all cases, namely the heterogeneity test is distributed using panels. According to Glejers report, finance and solvency are a significant source of variables that exceed company size. In this test the data is normally distributed and there is no support because the significance value is greater than 005.

Model	sum of Squares	df	MeanSquareF	Sig.
Regression	3.125	4	,781	3,598 ,011 ^b
1 residual	12,813	59	,217	
Total	15,938	63		

Table 6. Simultaneous Hypothesis Testing Results (ANOVAa)

In this test the Fcount score of 3.598 Ftable is 2.53 dFcount > Ftable 3.598 > 2.53 d and the significance level is 0.011 <

0.05 H0. The liquidity and solvency of subsequent transfers listed on the Indonesian Stock Exchange during the 2018-2021 period is of concern at the same time.

1. Firm size variable tnumber 2.363 ttable 1.67065 tnumber> table Significance level 0.021 <0.05 Rejecting H0 and accepting H means that company size has a significant positive effect. Audit of companies entering the transportation sub-sector listed on the Indonesian Stock Exchange during the 2018-2021 period.

2. The number of profit variables is -2.271 ttable 1.67065. That is tcount>table 0.027< 0.05 significance level means H0 is rejected and Ha is accepted. This means that profitability has a significant negative impact on ongoing audits. Transportation subsector listed on Indonesia Stock Exchange from 2018 to 2021.

3. Liquidity variable is tcount 1.414 ttable 1.67065 tnumber<table at significance level 0.163> 0.05 means H0 is accepted and H is rejected it means liquidity parameter has no significant effect. Audit of companies operating in the transportation sub-sector listed on the Indonesia Stock Exchange during the 2018-2021 period. Solving variables number 2.788 ttable 1.67065 and significance level number> table 0.007 <0.05 H0 is rejected and Ha is accepted. This means that resolution has a significant positive impact on development. A Relevant Audit of the Transportation Subsector Listed on the Indonesian Stock Market from 2018 to 2021. A quality company indicates that the company is classified as a large enterprise due to good cash flow and good long-term prospects. Business size is a measure of





the size of a business. They believe that large companies have more control than small ones and therefore are better able to handle their finances. Therefore the auditors have no opinion about the ongoing audit of large companies.

CONCLUSION

1. The size of the company has a positive and significant impact on the transportation sub-sector listed on the Indonesian stock exchange during the 2018-2021 period. Therefore the larger the company the less likely it is to obtain a critical audit opinion.
2. The litigation audit has a significant negative impact on the profitability of the transportation subsector listed on the Indonesian Stock Exchange during the 2018-2021 period. Due to the higher financial leverage the company is taking on the increase in profits earned by the company is not offset by the reduction in the debt the company has.
3. The ongoing focus audit of the transportation sub-sector listed on the Indonesia Stock Exchange during 2018-2021 has no material impact on cash flow. This means that auditors cannot use accounting records as the sole basis for determining whether an audit opinion has been issued because auditors consider not only accounting but also the overall level when deciding to issue a key audit opinion. financial status of the organization.
4. Positive and significant impact on the audit of matters in the transport sub-sector listed on the Indonesian Stock Exchange for the period 2018-2021. Auditors often

issue an audit opinion if the company is highly indebted because a company with high indebtedness is considered unprofitable in the long run and needs to be restructured. 5. Company size profitability liquidity and performance of the transportation sub-sector listed on the Indonesian Stock Exchange 2018-2021 simultaneously affects risk.

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