

ABSTRACT

This study analyzes the impact of going concern opinion, liquidity, solvability, cash flow, size of firm and age of firm on probability financial distress.

The Population in this study consist of manufacturing firms in Indonesia Stock Exchange in 2010 -2013. This study analyzes with purposive sampling method. A criterion for firm with probability of financial distress is a company which is has interest coverage ratio less than 1 .By omitting companies with some data unavailable, the samples consist of 348 companies firms Logistic regression used to be analysis technique.

The result show that going concern opinion have positive significant afeect to financial distress, liquidity and cash flow have negative significant affect to financial distress, age of firm anf solvability and size of firm not affect to financial distress.

Keywords : financial distress, going concern opinion, liquidity, leverage, cash flow ratio, size and age firm.