ABSTRACT

This study aims to determine the current behavior often happens that if any company experiencing financial distress will always do the shopping opinion, which the company intends to avoid going concern audit opinion from the auditors. With the change of auditors as an indicator maketh the practice opinion shopping, companies are experiencing financial difficulties or financial distress can avoid going concern audit opinion from the auditors. Or received an unqualified audit opinion from the auditors. By making the change of auditors as a proxy in the practice of opinion shopping look of a previous study conducted by lennox (2000).

This study was conducted with a purposive sampling method, in which the annual financial statements published by the company to be a reference in the data collection, and data will be processed into secondary data. The population in this study is a manufacturing company that consistently publish in IDX (Indonesia Stock Exchange) of the study or observations from 2006 to 2013 and the result obtained 168 observations. The method used to analyze hypothesis this research is logistic regression analysis method.

The results showed that there is a positive relationship between the companies that are experiencing financial difficulties (financial distress) to practice the turn of the auditor (opinion shopping). However, the relationship between the auditor replacement practices (opinion shopping) does not affect the provision of non-going-concern audit opinion by the auditors. This is because the company is not replacing any auditor can avoid giving going concern audit opinion by the auditor. The existence of a clear action plan, financial structure replacement, and improvement of financial condition so that the auditor believes will be the future viability of the company (going concern).

Keywords : Audit opinion, auditor switching, corporate financial difficulty (financial distress), the practice of buying and selling opinion (opinion shopping).