THE INFLUENCE OF FINANCIAL DISTRESS, GOING CONCERN OPINION, PROFITABILITY, MANAGEMENT CHANGES, AND COMPANY GROWTH ON AUDITOR SWITCHING

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ABSTRACT

This study aims to determine whether there is an effect of financial distress, going concern opinion, profitability, management changes, and company growth on auditor switching of property and real estate sector companies listed on the Indonesia Stock Exchange from 2014 to 2020. Purposive sampling was used to select the sample, 79 companies were selected and 24 met the criteria. The selected sample was tested (24 companies or 168 observations) and analyzed using Logistic Regression Analysis (LRA) techniques. The results indicate that financial distress and profitability have no effect on voluntary auditor switching while going concern opinion, company growth, and management changes influenced voluntary auditor switching. Based on this research limitation, further research should use another sector, adding new variables and using better techniques for detecting auditor switching to increase the power of the tests.

Keywords: Auditor Switching, Financial Distress, Going Concern Opinion, Profitability, Management Changes, Company Growth.

ABSTRAK

Penelitian ini bertujuan mengetahui apakah terdapat pengaruh tekanan keuangan, opini keberlangsungan usaha, kemampulabaan, perubahan manajemen, dan pertumbuhan perusahaan terhadap pergantian auditor perusahaan-perusahaan sektor properti dan estat real yang terdaftar di Bursa Efek Indonesia dari tahun 2014 hingga 2020. Penyampelan purposif digunakan untuk mendapatkan 79 sampel dan 24 memenuhi kriteria. Sampel yang terpilih diuji (24 perusahaan atau 168 observasi) dan dianalisis menggunakan teknik Analisis Regresi Logistik (LRA). Hasil penelitian menunjukkan bahwa tekanan keuangan dan kemampulabaan tidak berpengaruh pada pergantian sukarela auditor, sementara pendapat keberlangsungan usaha, pertumbuhan perusahaan serta pergantian manajemen berpengaruh. Berdasarkan keterbatasan penelitian ini, penelitian selanjutnya sebaiknya menggunakan sektor lain, menambahkan variabel dan menggunakan teknik yang lebih baik untuk mendeteksi peralihan auditor untuk meningkatkan kekuatan pengujian.

Kata kunci: pergantian auditor, tekanan keuangan, opini keberlangsungan usaha, kemampulabaan, perubahan manajemen, pertumbuhan entitas.

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1. INTRODUCTION

Financial statements are a form of management responsibility that comes from the principle. Management (agent) has the responsibility to provide information to the principal. The resources provided are a form of trust from the principal to management (SAK 01, 2021). However, in the presentation of financial statements, there is a conflict of interest between the agent and the principal. The agent has an interest in appreciating the performance that is considered to have been able to meet the target. Principle, the owner's interest is to receive prosperity from management performance in the form of a return from the amount of capital entrusted. However, the actual situation is different from the performance achieved by the agent. This results in financial statements being seen as less reliable. Therefore, the financial statements must be audited to have reasonable assurance that they are presented fairly, can be trusted, and are reliable. Companies that have listed their shares on the Indonesian Stock Exchange have an obligation to provide audited financial statements.

Public Accountants are independent parties in charge of examining and providing statements on the fairness of financial statements. In accordance with paragraph 15 (SA 200) “the auditor shall plan and perform the audit with professional skepticism given that certain circumstances may exist that cause the financial statements to be materially misstated”. Being honest, reporting findings in accordance with the evidence and impartially so that financial statements have credibility for users is an attitude of independence in an auditor. Therefore, the auditor has an obligation to maintain independence and avoid things that can reduce his independence.

One of several factors that can reduce the independence of external auditors is the long working relationship between the client and the public accounting firm or auditor. Companies that enter an engagement with the same public accounting firm for a long time will trigger a good/familial relationship, so it is feared that it tends to reduce the auditor’s independence. Two examples of the auditor’s shredded reputation phenomenon are the case of Enron and the pharmaceutical chemical company. The phenomenon of the Enron case that occurred in 2001 involving public accounting firm Arthur Andersen, which is one of the big five public accounting firms, is one example where public accounting firms failed to maintain independence. Meanwhile, in Indonesia, there was an audit case of PT Kimia Farma which carried out profit inflation in 2001 but Hans Tuanakotta and Mustofa (HTM) firm failed to detect the fraud.

In response to this, Indonesia regulates audit rotation with (Minister of Finance Decree No. 359/KMK.06/2003) concerning public accounting services requiring a limitation on the assignment of a public accounting firm for five consecutive years and a public accountant for three years. The regulation was refined and stipulated as (Regulation of the Minister of Finance

of the Republic of Indonesia Number 17/PMK.01/2008 concerning Public Accountant Services). The changes made are to require restrictions on assignments by public accounting firms for a maximum of six consecutive financial years. The auditor's assignment period is three years and can be re-assigned after one financial year does not provide the same client financial statement audit services. Government Regulation No. 20 years (2015) concerning the practice of public accounting is regulated in Article 11 Paragraph 1, namely the limitation of the maximum period for five consecutive years.

Regulations regarding audit rotation trigger companies to change auditors (public accounting firms) or what is called auditor switching. There were two types of auditor switching: voluntary and mandatory switching. Mandatory auditor switching occurred due to government regulations, on the other hand, the change initiated by companies' management or public accounting firm is called voluntary switching (Murdiawati & Wea, 2015).

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Agency Theory

Agency theory by Jensen and Meckling (1976), explains that all individuals act for their own welfare (self-interest) and there is a conflict of interest between agent and principle. Conflict arises when the agent has different interests from the principal (Godfrey Jayne, 2010). The principle has hopes that management can optimally utilize the resources that have been entrusted to them. Management generally expects improved performance, such as increased profitability, providing inaccurate information to opinion, and reducing financial problems.

The interest of the principle is to obtain prosperity that comes from the performance of the agent in accordance with the actual conditions. However, there is a presentation of financial statements that can mislead investors. So, to anticipate the interests carried out by the management, corporate governance can address both interests. One of them is auditor switching so that the implementation of corporate governance can be carried out properly. One of them is the voluntary change of auditors.

2.2 Auditing Theory and Auditor Switching

Auditing is a structured process to obtain and evaluate evidence relating to statements about economic actions and events objectively. The purpose of the audit process is to determine the level of compliance between the statements and the established criteria. After a process is carried out, the results of the statement are communicated to interested parties (Jusup, 2014, p. 10). Auditor switching is a change that occurs in auditors or changes in public accounting firms in a company. Auditor switching is voluntary due to other causes or factors that are not due to the applicable regulations (Pawitri & Yadnyana, 2015). Changes in auditors can be made through governance mechanisms in a company, carried out through the general meeting of shareholders. This change indicates a high level of independence that can improve the relationship between public companies and stakeholders (OJK, 2014, p. 30).

Provisions regarding auditor turnover in Government Regulation Number 20 Year (2015) concerning Accountant Practices Chapter V article 11. This article regulates the limitation of public accounting firms for a maximum period of five consecutive years. The period of the auditor providing audit services is for two years.

2.3 Financial Distress

Financial distress is a financial condition that shows a decrease in paying off all of its obligations using all its capital. When a company shows a bad business opportunity, then the step that can be chosen is liquidation. Financial distress occurs when the liabilities exceed the capital owned. Financial distress (financial difficulties) can be calculated using the Debt to Equity Ratio (Manto & Manda, 2018).

$$\text{DER} = \frac{\text{Total Debt}}{\text{Total Equity}}$$

2.4 Going Concern Consideration

The going concern consideration opinion lies in the audited financial statements after the opinion paragraph is included. After the opinion paragraph, there is a sentence that indicates if management can maintain its viability. Management can provide solutions that can reduce conditions related to the impact of economic problems. This sentence is in the notes to the consolidated financial statements (Siregar & Rahman, 2012).

Profitability (Return on Assets)

Profitability or the ability of a company to earn a profit can be measured using the ratio of return on assets. The ratio of return on assets results from the comparison of net income / profit for the year with the amount of use of assets owned. Benefits received after the company makes an investment (Brigham & Houston, 2019).

$$\text{ROA} = \frac{\text{Profit After Tax}}{\text{Total Assets}}$$

2.5 Management Changes

Change of management is a change in the board of directors of an entity's organizational structure. As the operational holder, he is responsible for the fairness of the financial statements. The directors in question are the president director and finance director. Changes in management are carried out, the impact that occurs is in the form of new company policies, one of which is audit switching.

2.6 Company Growth

Company growth is an increase in the company's ability to maintain a position in its performance. The company's growth can be shown in the rate of increase in sales. High growth is a goal that the company will achieve to increase investor confidence (Hidayati, 2018). Company growth can be measured using the following formula:

$$\text{PP} = \frac{\text{Sales of this period} - \text{Sales of last period}}{\text{Sales of last period}}$$

2.2 HYPOTHESIS

Financial distress is a condition when an entity cannot overcome the difficulty of paying obligations from the profits it has. The difficulty is divided into two levels. The light level and the serious level. A quite serious level occurs if the obligation cannot be fulfilled with all the capital owned (Susanto, 2018). The greater this ratio, the greater the total debt compared to the total capital. Then the higher financial risk for creditors and shareholders, it will have an impact on auditor switching (Manto & Manda, 2018). The increase in this ratio led stakeholders to suggest auditor switching. The audit committee suggested replacing auditor switching, to improve the quality/accuracy of the audit.

H1: Financial Distress has a positive effect on Auditor Switching.

Going concern opinion is very important to assess the performance of a business unit. If a company gets this opinion, it will affect the impact of a decline in trust from investors, creditors, and other external users. This triggers auditor switching. The opinion that management always expects is an unqualified opinion. The shareholder (principal) wants the company to always be in a not bad and actual condition. Going concern audit opinion is an opinion that is less desirable because it can affect the value of the company (Yudha & Saputra, 2019).

H2: Going Concern Opinion has a positive effect on Auditor Switching.

Profitability indicates the company's ability to generate profit from the use of total assets. Good company performance indicates an opportunity that will trigger auditor switching. The performance improvement derived from this ratio can be used to replace larger public accounting firms. When profitability increases, companies will be able to afford the larger costs of public accounting firms. Larger public accounting firms have the definition of a reputable and high-integrity public accounting firm. So that it can adapt to the demands of rapid company development (Anggraeni, Martini, & Hestyaningsih, 2020).

H3: Profitability has a positive effect on Auditor Switching.

A bad company performance can trigger shareholders to change the management team. Using corporate governance, shareholders use votes in the general meeting of shareholders. This causes a change in management in line with the auditor switching policy. Stakeholders provide an alternative to replace auditors due to improving good corporate governance.

H4: Change of Management has a positive effect on Auditor Switching.

Company growth is a condition of increasing the performance of a company. When the company's financial performance improves, it will have an impact on improving its financial capabilities. Improved financial conditions can lead to auditors switching voluntarily. The higher the growth of the company, the higher the company performs switching auditors.

H5: Company growth has a positive effect on Auditor Switching.

3. RESEARCH DESIGN

This study used logistic regression analysis since the dependent variable is dichotomous. The dichotomy in question is in the form of dependent variables that have two categories, namely doing auditor switching and not doing auditor switching. Logistic regression is performed to test the probability that the occurrence of a related variable can be predicted with its independent variable. Logistic regression consists of independent variables in the form of

sets between methodical variables (continuous) and non-metric variables (categorical). So, there is no need to test data normality on the independent variable and there is no need to test heteroscedasticity (Ghozali, 2018, p. 325).

3.1 Research Model

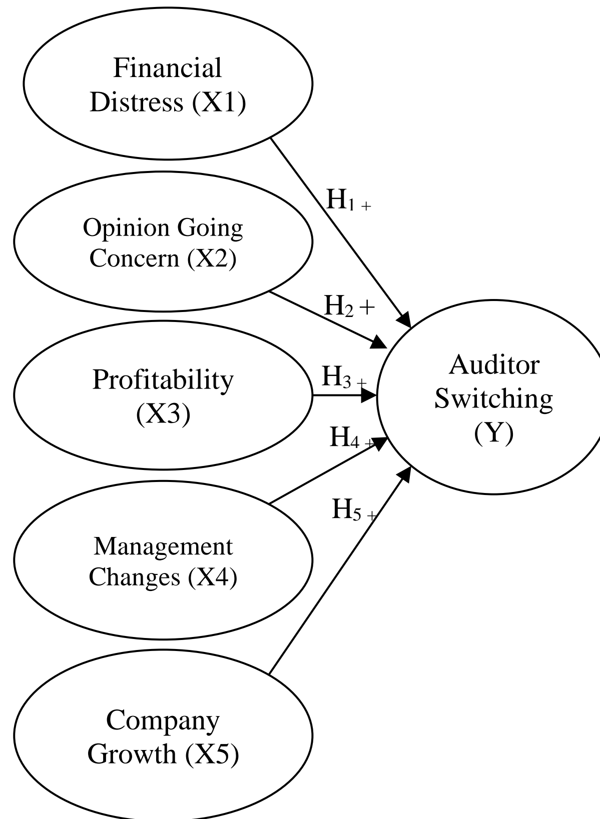

Figure 1: Research model

$Y = a+b1X1+ b2X2+ b3X3+ b4X4+ b5X5+ei$

Abbreviation:

Y = Auditor Switching
X1 = Financial Distress
X2 = Opinion Going Concern
X3 = Profitability
X4 = Management Change
X5 = Company Growth
a = Constant
b1 =Financial Distress regression coefficient
b2 =Going Concern Opinion regression coefficient
b3 = Profitability regression coefficient
b4 =Management changes regression coefficient
b5 = Firm Growth Regression Coefficient
ei = Other variables not studied

3.2 Population and Sample

The population in the study is property and real estate sector companies listed on the Indonesia Stock Exchange (IDX) in 2014-2020 amounting to 79 companies. The sample to be analyzed after the criteria are met is 24 companies or 168 observations. The criteria used are all companies listed on the Indonesia Stock Exchange (IDX), provide independent variable data needed for voluntary auditor switching testing, and attach a complete independent auditor report during the research period.

4. RESULT AND DISCUSSION

Of 79 property & real estate sector companies listed on the Indonesia Stock Exchange, 34 of them did not submit complete financial statements. 11 companies did not change their auditors and 10 companies made mandatory auditors changes. The final sample results met the requirements of 24 companies for 7 years so 168 observations were obtained. Descriptive statistics can be seen in Table 1 below:

Table 1: Descriptive Statistics

	N	Min.	Max.	Mean	Std. Dev.
AS	168	0,000	1,000	0,390	0,490
FD	168	0,035	3,475	0,661	0,608
GCO	168	0,000	1,000	0,210	0,412
ROA	168	-0,209	0,260	0,032	0,065
MC	168	0,000	1,000	0,300	0,461
CG	168	-0,835	3,078	0,059	0,523

According to the output of the data test, all variables are interpreted as follows: Auditor switching is measured using a dummy variable (Number 1 is a company that does auditor switching, while number 0 is a company that does not do auditor switching). The smallest value of the auditor switching variable is 0 and the largest value is 1, the standard deviation is 0.490 and the mean (average) is 0.39. This shows that as many as 39% of observations do auditor switching, and the remaining 61% of observations do not do auditor switching.

Financial distress uses the debt-to-equity ratio (DER). The minimum value is 0.035 and the maximum value is 3.475, the standard deviation is 0.608. The mean (average) value is 0.661, this shows that the number of observations on financial distress is 66% of the total 168 observations, and the remaining 34% of observations are not experiencing financial distress.

Going concern opinion measured using a dummy variable number. 1 is a company that gets an opinion other than going concern, on the contrary number 0 is a company that gets an opinion other than going concern. The output results, the minimum number of independent variables is 0. The largest number is 1, the standard deviation is 0.412 and the average is 0.21. This explains the company that received a going concern opinion of 21% while 79% of observations did not obtain a going concern opinion.

Profitability is measured by using the ratio of return on assets. Return on assets is the comparison between the current year's profit or profit after tax with the total assets owned by a company. The output in the table produces the smallest value of -0.209, the largest value of

0.26, and standard deviation of 0.065, and an average of 0.032. This interprets that the average ratio of the 168 observations studied has a profitability level of 3.2%.

Changes in management use a dummy variable, 1 is the management that has changed while 0 is the one that has not changed. The smallest value of the data is 0, the largest value is 1, and the standard deviation is 0.461. The meaning in this descriptive statistic is 0.30. This shows that 70% of the companies that change management with code 0 are 70%, while the remaining 30% are companies that make changes.

The company's growth is measured using the growth rate / change in sales. The output of the test on this variable has the smallest number of -0.835 and the largest number of 3.078, and the standard deviation of 0.523. The mean/average result is 0.059, indicating that the company's average rate of growth is 5.9%.

4.1 Regression Model Feasibility Test

This test uses the Goodness of fit test which is measured by the Chi-Square significance number in the Hosmer and Lemeshow test section.

Table 2 Output of Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	4,745	8	0,784

Source: SPSS Data Testing, 2022

Table 2 shows the output of SPSS Hosmer and Lemeshow, the significance of which is 0.784 or greater than 0.05, it is decided that H0 is accepted. The results of the analysis decision show that the regression model is feasible to use in the next analysis because there is no difference between the predicted classification and the observed classification.

Overall Model Fit Test

The next stage of testing is testing the entire regression model when the value drops from the initial -2 Log Likelihood to the final -2 Log Likelihood value (the initial -2LL to the final -2LL) gives a conclusion if the hypothesized regression model is better/fit (Ghozali, 2018).

Table 3 Comparison of Initial -2LL and Final -2LL Values

-2LL beg (Block Number = 0)	225,125
-2LL end (Block Number =1)	199,546

Source: SPSS Data Testing, 2022

The output is the likelihood number (beginning to the end) which fell from 225.125 to 199.546. The decrease in likelihood in this regression model indicates a better or fit regression model with the data.

Coefficient of Determination

Table 4 Coefficient of Determination

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square

1	199,546[a]	0,141	0,191

Source: SPSS Data Testing, 2022

From the SPSS output, it is known that Cox and Snell's R Square value is 0.141. Negeike's R Square value is 0.191, which means the dependent variable that can be explained by the independent variable is 19.1%. The remaining 80.9% can be explained by other variables that are not from this study.

Multicollinearity Test

A multicollinearity test was conducted to analyze whether there is a correlation between the independent variables and other independent variables. Multicollinearity can be seen from the value of collinearity statistics – tolerance & collinearity statistics - VIF (variance inflation factor).

Table 5 Multicollinearity Test Output

Model		Collinearity Statistics	
		Tolerance	VIF
	FD	0,985	1,015
	GCO	0,921	1,086
	ROA	0,892	1,121
	MC	0,956	1,046
	CG	0,922	1,084

Source: SPSS Data Testing, 2022

The output in the table concludes all variables > 0.10 (more than 0.10) or it is said that there is no multicollinearity. In all independent variables, collinearity statistics – the variance inflation factor (VIF) shows the number < 10.00, which means that there is no multicollinearity.

Classification Matrix

The classification matrix will show the predictive power of the regression model to predict the possibility of changing public accounting firms or auditor switching. The results of the prediction classification matrix of the regression model can be seen by comparing the percentage that performs auditor switching (code 1) with companies that do not perform auditor switching (code 0) (Ghozali, 2018).

Table 6 Classification Matrix Test Output

	Observed		Predicted		
			SWITCHt		% Correct
			0	1	
Step 1	SWITCHt	0	78	24	76,5
		1	30	36	54,5
	Overall Percentage				67,9

Source: SPSS Data Testing, 2022

Table 6 indicates there are 36 observations (54.5%) predicted to perform auditor switching from a total of 66 observations and 76.5% predicted not to perform auditor switching. Meanwhile, overall, the predictive power of the regression model is 67.9%. It means that the predictive ability of the model with the variables of financial distress, going concern opinion, profitability, management changes, and company growth can statistically predict 67.9%.

4.2 Hypothesis Testing

Hypothesis testing in this study was conducted by comparing the significance number with the level of significance (α: 5% or 0.05). The hypothesis is accepted if the significance is less than 0.05 (Sig. < 5%) and the regression coefficient (b) indicates the direction of the study. There are two directions used to interpret the results, namely the negative (-) and positive (+) directions.

Table 7 Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp (B)
Step 1[a]	FD	0,207	0,275	0,566	1	0,452	1,230
	GCO	1,690	0,549	9,473	1	0,002	5,419
	ROA	-5,404	3,000	3,243	1	0,072	0,005
	MC	-0,973	0,404	5,804	1	0,016	0,378
	CG	0,705	0,343	4,228	1	0,040	2,024
	Cons	-1,585	0,532	8,887	1	0,003	0,205

H	Hypothesis	Sig.	Results
H_1	Financial Distress affects Auditor Switching	0,452	Not supported
H_2	Going Concern Opinion affects Auditor Switching	0,002	Supported
H_3	Profitability affects Auditor Switching	0,072	Not supported
H_4	Change of Management affects Auditor Switching	0,016	Supported
H_5	Company Growth Affects Auditor Switching	0,040	Supported

From the output of Table 7, the regression model can be arranged as follows:

$$AS = -1{,}585+0{,}207FD+1{,}690GCO-5{,}404ROA-0{,}973MC+ 0{,}705CG + e$$

Effect of Financial Distress on Auditor Switching

Based on the output of hypothesis testing, the financial distress variable (X1) has a regression coefficient (B) of 0.207 which has a positive direction with a significance level of

0.452 which means it is greater than = 0.05. It can be concluded; the first hypothesis is not supported / there is no influence between financial distress on voluntary auditor switching.

This independent variable research is supported by Safriliana & Muawanah (2019) which states that financial distress has no effect on voluntary auditor switching. However, in contrast to the research conducted by Murdiawati & Wea (2015) and Manto & Manda (2018), their research concludes that financial distress has a significant effect on voluntary auditor switching.

The hypothesis is not supported, or it is unsuccessful to prove because financial distress is a condition where the entity is unable to generate profits, so it has difficulty paying its financial obligations. This is because the company's financial condition, which is experiencing a decline or an increase in financial condition, does not have an impact on auditor switching. This can be expected if the ratio is one of the various alternative predictions that do not have a significant impact on the company's finances.

Effect of Going Concern Opinion on Auditor Switching

The output of the second hypothesis test concludes that the going concern opinion variable (X2) has a positive effect on auditor switching (Sig. 0.002 <0.05 and a regression coefficient of 1.690). The results of this study support the results of research from Agiastuti & Suputra (2016), which found empirical evidence that going concern opinion has a positive effect on auditor switching. Syabaniar & Martini (2021) also found empirical evidence that going concern opinion has a positive effect on auditor switching. Contrary to the research of Yudha & Saputra (2019) and Eksandy, et. al. (2020) getting the result has no effect.

The output of this study interprets that when a company gets a going concern opinion, it is always followed by a change in policy to change the public accounting firm/auditor. This can be expected when the company experiences conditions in its business continuity, it can be predicted to carry out auditor switching. The change of auditors raises so that the opinions obtained can be trusted by external parties. Opinions that can be trusted by external parties are unqualified opinions, not other opinions that can reduce investor confidence.

Effect of Profitability on Auditor Switching

Based on the output of the third hypothesis testing, the results of the profitability variable (X3) have a regression coefficient of -5.404 (negative direction) with a significance level of 0.072 (exceeding = 0.05). The conclusion of the test output, if profitability does not have a negative directional influence or the third hypothesis of this study, is not supported.

This research is in line with the research of Purnamasari, et. al. (2018), and Afriani, et. al. (2019) states that return on assets has no effect on auditor switching. However, contrary to the conclusion by Ernayani (2020) concluding that the company's return on assets has an effect on auditor switching. The hypothesis is not supported because the proposed hypothesis is rejected. Profitability is the company's ability to use its total assets. Meanwhile, the change of auditor is an independent party that checks the fairness of the financial statements. When profitability increases or decreases, there is no change to voluntary auditor switching.

Effect of Management Change on Auditor Switching

The output of the fourth hypothesis test informs that management change (X4) affects auditor switching in a negative direction (regression coefficient -0.973 and sig. 0.016 < 0.05). Like the research results from Hidayati (2018), Manto & Manda (2018), and Anggraeni et. al.

(2020) namely changes in management influence auditor switching. Contrary to the results of research conducted by Deviyanti, et. al (2018) concludes that this variable has no effect on auditor turnover.

This study provides the results that frequent management changes result in a decrease in changes in policies for auditor switching. This can be expected if the audit committee trusts the auditors who have been appointed because if the change in management will not have an impact on the governance of a company.

The Effect of Company Growth on Auditor Switching

The test of this sub-chapter is to identify whether the company's growth (X5) has a positive effect on changes in public accounting firms/auditor switching. The output of this variable has a coefficient of 0.705 (positive direction) with a significance level of 0.04 (smaller than = 0.05). The conclusion on the company growth variable (X5) has a positive directional influence on voluntary auditor switching. The fifth hypothesis (H5) of this study is supported.

Company growth is a condition of performance in a company. When performance conditions in a company increase, it will have an impact on auditor turnover, this can be caused if in a company there is an increase in financial conditions. Improvements in financial conditions can lead to changes in audits that are more capable of managing financial conditions. The change of auditor is to give confidence to external parties.

This research is the same as Ernayani's (2020) research which results in findings that company growth has an effect and has a positive direction on auditor switching. Meanwhile, contrary to research by Hidayati (2018), the findings of the company's growth have a negative effect on auditor switching.

5. CONCLUSIONS

Based on the test results of the proposed hypotheses, it shows that financial distress and profitability have no effect on voluntary auditor switching. Going concern opinion and company growth have a positive influence on voluntary auditor switching. Management changes have a negative effect on voluntary auditor switching.

Caution is needed in generalizing the findings in this study due to some limitations. First, the scope of observation of one property and real estate sector has not been able to explain in general some of the observation factors that affect voluntary auditors switching. Second, this study only tested a few factors, so there are many other factors that potentially affect voluntary auditor switching. Further research should use better techniques, use other sector companies (such as the financial sector, banking sector, and others), adding other variables (such as audit committee, public ownership, public accounting firm size, and others) to increase the power of the test.

There are several implications in this study. Frequent auditor switching results in a decline in the image of a company. Changing auditors certainly requires costs that tend to increase every year. This will have an impact on decreasing the amount of profit that will be distributed to shareholders. Finally, Implications in the long term can improve the quality of the examination of independent financial statements.

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