Corporate governance and firm performance

Mulyanto Nugroho*a

*aUniversitas 17 Agustus 1945 Surabaya, Indonesia

ABSTRACT

This research discusses and analyzes scientific, macroeconomic, financial risk management, audit views, stock returns, investment decisions, funding decisions, and good corporate governance as a moderator. There are 147 samples of manufacturing companies listed on the Indonesia Stock Exchange. The results of this study indicate that there are four insignificant hypotheses. The results indicate: Macroeconomics does not have a substantial effect on Financial Risk Management, Good corporate governance (GCG) is having no significant impact on Going Concern Audit Opinion. Stock Return is having no significant effect on Going Concern Audit Opinion; GCG does not moderate the impact of Stock Return on Going Concern Audit Opinion when the level of significance is five percent.

1. Introduction

In particular, the Indonesian stock exchange-listed manufacturing industry is a labor-intensive undertaking capable of hosting many workers; hence, both state-owned and private manufacturing must thrive or continue to participate. If not, it would raise the unemployed and reduce the industrial society's health. Manufacturing should pay attention to the auditor's ongoing audit opinion concerning daily audit (SA) 570, which regulates the auditor's position in auditing financial statements related to the management's use of the ongoing problem principle in preparing financial statements. Based on a person's fixed future. General financial statements are compiled on an ongoing basis if management decides to liquidate, discontinue activities or have no reasonable alternative to the above actions. Any financial reporting system includes a clear management obligation to provide detailed assessments of the entity's ability to retain as an ongoing consideration and guidance on issues to be considered and reporting on the company. Detailed guidelines on management's duty to determine the entity's ability to sustain corporate stability may also be stipulated in legislation. Most financial reporting schemes can't meet consistent management standards to make a fair assessment of the company's ability to remain a concern. However, as the ongoing concern theory is a core concept in the preparation of financial statements, preparing financial statements allows management to assess the entity's survival capacity as an ongoing issue, even if there is no explicit mechanism for the financial reporting process. Management's assessment of the entity's ability to remain a concern includes determining the outcome of events or future situations that may at any time be uncertain. Post-factors influence this consideration:

* Corresponding author.
E-mail address: nugroho@untag-sby.ac.id (M. Nugroho)
1. The degree of variance associated with an event's result greatly increases result. Therefore, most financial reporting systems specifically address the need for management appraisal to determine the time during which management is expected to analyze all relevant details.

2. The entity's size and sophistication, the essence and circumstances of its market, and the degree to which external influences impact it, influence decisions on the outcome of events.

3. Any decision is based on facts established when the judgment was made. Events after the reporting date may be inconsistent with sound judgment when the decision was exercised.

In this article, several studies that have been conducted by previous experts, none have used Good Corporate Governance as a moderator variable on financial risk management variables, investment decisions, funding decisions, stock return towards going concern audit opinion, this is a novelty of this paper.

2. Literature Review and Hypothesis

Bordalo notes that long-term returns from bullish investors are smaller than those on stocks with the most negative predictions. Analysts predict the fundamental values of expected growth in earnings but overreact to news by exaggerating the risk of nations. They will help forecast the model. Plan estimation accounts for key characteristics in data (Bordalo et al., 2019). Financial risk control using hedging data and trade risk. Which provides clear evidence that companies, institutes and organizations have greater net benefit for hedging and monitoring risk exposures. This reduction in hedging among high exposure organizations is considerably higher. This is consistent with this principle of funding and hedging through financial restrictions (Rampini et al., 2019; Arif & Edy, 2008). Hedging funding needs are a significant obstacle to the risk control of financial institutions. Further proof shows that the hedging net valuation association is not due to multiple alternative theories. Understanding the determinants of financial institutions' risk management is important because of their macroeconomic central and quantitative position.

Robust of alternate interpretations recorded in literature. However, the ability to benefit from trading on this market phenomenon after modification of transaction costs is small. Although strong signs regarding the continued financial stability of the company, they demonstrate that this knowledge is not immediately accepted by the sector (Kausar et al., 2009). The more plausible the possibility of expulsion by the customer, and the greater the effects of the self-fulfilling prophecy becomes, the less likely to share a critical opinion. With greater uncertainty in the consumer feasibility prediction of the auditor, the auditor appears to share his / her opinions (Matsumura et al., 2003). Legal standards for appropriate UK reporting compel managers to disclose the status of their companies. These administrators may not act equally on financially troubled businesses. They note that while the concerns of auditors anticipate future resolution of troubling complexities, director statements send subjective and unsuccessful messages to consumers. Robust corporate governance mechanisms and strong auditors integrity make management more honest about their interactions and more consistent with fair auditors' views (Uang et al., 2006). Ann says the auditor's trust involves not only integrity, but also freedom. Recent customer failure of the auditor seems a significant moderating factor. Belgian auditors tend to be required to refer to the Board of Directors in their audit report (Vanstraelen, 2003). Mutual funds are big net sellers of GCMO businesses until GCMO’s announcement, and net sales drop at GCMO’s release. By comparison, pension funds tend to be less successful net sellers in the pre-GCMO timeframe and, as an immediate reaction to the GCMO announcement, boost net sales dramatically, reducing net sales after the GCMO timeframe. Their net sales result is robust to tackle a battery of more checks, including alternative GCMO case window requirements, using extended pre-GCMO test span, 8-K monitoring and income reporting, subsequently excluding bankrupt businesses and using model variables (Geiger et al., 2019). Good corporate governance is important to manage credit risk, as weak corporate governance will increase the likelihood of default, resulting in a domino effect credit default. To minimize default risk, professionals and politicians could improve oversight of bad governance activities. Moreover, corporate governance has a stronger influence on financial crisis corporate default associations, calling on politicians to take action to minimize their consequences (Jayasuriya Mahapatabendige Ruwani Fernando et al., 2019). Provide asymmetry for three key purposes. Second, financial scope decreases positive volatility, but does not affect poor volatility to decrease some negative volatility. Second, while the financial scope reduces both good and poor market uncertainty, the positive aspect reduction is considerably greater. Third, financial depth effect on sector-wide volatility (Hussain, 2019).

2.1. Hypothesis

Technical analysis, how a securities' price behavior and how to dig up information to profit while avoiding losses, (Rockefeller, 2001). Ensuring an organization makes cost-effective use of risk management involves, first, creating and embedding an approach based on well-defined risk management practices (Dorfman, 2008). So the hypothesis:

H₁. Technical aspects affect financial risk management.
These include financial risk management practices, operational risk management practices, governance risk management practices, and strategic risk management practices. Going concerns are useful for financial reporting users, especially investors, as bad news of the company's survival (O'Reilly, 2009). So the hypothesis:

H2. Technical aspects affect the going concern audit opinion.

Managers are responsible for an auditor-supported undertaking. Auditor is responsible for disclosing corporate sustainability through an audit report. Market efficiency suggests share prices respond to information accurately and rapidly. If prices deteriorate significantly, prices will return over time to their trend path and future price movements based on historical behavior. This shows that future profits can’t be expected based on historical price movements and that market volatility is rising without limitation (Cheung et al., 2004). So the hypothesis:

H3. Technical aspects affect stock return.

As demand for goods and services increases, economic expansion will influence the default rate of the aggregate economy. Research has shown that in combination with GDP, inflation, interest rates, money supplies, the industrial production index and others, generally are analyzed in conjunction with macroeconomic indicators (Plinkus, 2010). So the hypothesis:

H4. Macroeconomics affects financial risk management.

For many of the parties, financial decisions are important in the audit report issued by the auditor. In a different paragraph of the audit report, the audit opinions are given (PriceWaterhouseCoopers, 2013). The audit opinion is a responsibility of the auditor to assess if the financial statement, whether due to fraud or error, is fairly stated in conformity with accounting standards. So the hypothesis:

H5. Macroeconomics affects going concern audit opinion.

There are two direct benefits to identifying macro variables that influence aggregate equity returns. First, it can indicate investment hedging opportunities. Secondly, if investors are unwilling to fluctuate in these variables as a group, these variables may represent price factors. A macro variable which reliably affects the value of the market portfolio does not have to be a price factor, But it seems a good place to search for these considerations. (Flannery & Protopapadakis, 2002). So the hypothesis:

H6. Macroeconomics affects stock return.

Exploring the impact of internal audit involving the willingness of internal auditors to report a risk breakdown to the audit committee in RM. It also suggests that internal auditors see extensive involvement in RM harming objectivity. (Subramaniam et al, 2011). So the hypothesis:

H7. Financial risk management affects going concern audit opinion.

Mwaurah et al. (2017) found that interest rates and exchange rates at industry level have a significant negative relationship with stock returns, while absolute risk, growth rate, firm size and financial exposure were insignificant to industry and healthy level. Interest rates had a substantial positive relationship with export and non-export stock returns, while exchange rates had a significant negative relationship with the same group. Naser et al. (2011) also concluded that credit risk and market risk influenced bank stock returns significantly, making financial risk a useful tool for investors to maximize returns. So the hypothesis:

H8. Financial risk management affects stock return.

Nopayanti and Ariyanto (2018) stated that, with good corporate governance, companies tend to be quick to publish their financial statements due to good internal control. This shows the seriousness of the company's efforts to sustainably improve GCG implementation quality. Dellaportas et al. (2012), Clatworthy (2010) state that the existence of GCG through the audit committee's effectiveness can reduce the time required by the company to publish its financial statements and have implemented GCG principles well. So the hypothesis:

H9. Good corporate governance moderates the effect of financial risk management and going concern audit opinion.
Kohli (2003) concludes that good corporate management would communicate more market information than poor corporate governance. The smaller board size and less financial risk-taking decisions are stated by McNulty et al. (2012). So the hypothesis:

H10. Good corporate governance affects financial risk management.

The principle of transparency that implies the disclosure of accounting information to the company can achieve effective corporate governance. (Cordos & Fülöp, 2014). Beasley (1996) found that the inclusion of the Board of Commissioners from outside the business will boost the efficiency of the Council to keep a close eye on management so that the cheating financial statements cannot occur and is more successful than the presence of the audit committee. So the hypothesis:

H11. Good corporate governance affects going concern audit opinion.

Feedback between stock return and corporate management suggests a causal effect on the stock return on the external directors. Indeed, external and independent managers can reduce the stock return's volatility and are therefore a sign of good corporate governance. (Aloui and Jarboui, 2018). So the hypothesis:

H12. Good corporate governance affects stock return.

The company has effects on effective strategies and decision-making. Companies can make marketing decisions in the presence of effective decisions and strategies. (Mazouni, 2018). At the same time, the decision-making process and the development of global market strategies involve a risk as it is necessary to consider all aspects at that time. Most importantly, companies must consider competitor strategies in decision-making and strategy development (Therivel et al., 2013). So the hypothesis:

H13. Investment decisions affect financial risk management.

Appropriate and sufficient proof to ensure that financial statements and other financial information are reasonably conducted according to an entity's economic activities and previously established criteria and that the audit recommendations are made in line with the independent audit standards, with appropriate independent audit techniques, and with an independent audit, Investors need to obtain accurate and reliable information in order to take the right decisions (Kardeş - Selimoğlu et al., 2011). In order to make a significant profit from the decisions taken, the information they use should be relevant and reliable (Karkacıer and Ertasi, 2017). So the hypothesis:

H14. Investment decisions affect going concern audit opinion.

Investment decision is very important for the company's value. In this case, the financial manager performs the function of using funds to analyze investment alternatives and make alternative investment decisions that will be chosen by the financial manager. The outcomes of the right investment decisions produce optimal performance so that the growth of company assets can be increased (Sumarau, 2019). So the hypothesis:

H15. Investment decisions affect stock return.

As investment prospects increase, official actions' noticeability decreases (Smith & Watts, 1992). Because of the value of growth opportunities, officers rely on additional arbitrary spending, while on-site assets do not require such investment (Gaver & Gaver, 1993). Therefore, growing firms acquire control mechanisms that motivate officials and provide adequate compensation (Hutchinson & Gul, 2004). Good corporate governance then becomes a strong regulatory financial-market model (Anuchitworawong, 2010). An organization needs good corporate governance, as GCG requires a good management system that can help enhance shareholder confidence and ensure equal treatment of all stakeholders. A good system will ensure effective protection for shareholders to recover their investments reasonably, appropriately and efficiently and that management acts to their advantage (Mahrani, 2018). So the hypothesis:

H16. Good corporate governance moderates the effect of investment decisions and going concern audit opinion.

A capital structure is an essential element in determining the company's success by combining debt and equity (Abor, 2005). Any mistaken decision to optimize the financial structure would cause corporate financial distress and bankruptcy (Eriotis et al., 2007). Improved capital market access would be less debt financing based on a negligible relationship between capital structure and performance. The trend revealed a significant increase in capital-market corporate borrowing following a crisis. Capital markets can provide less expensive financing to companies to leverage more capital by borrowing. So the hypothesis:
H17. Funding decisions affect financial risk management.

In most cases, investors have insufficient knowledge of a company's entire activity about creating shareholder value or distributing dividends. Nevertheless, investors must make certain estimates when making decisions using available information. Identifying the sources of information influencing stock prices from time to time, and at the same time, the sources of risk regarding the impossibility of obtaining the desired profitability was a continuous concern of investors (Ozoguz, 2009). Internal factors are firm-specific, featuring all business activities: quarterly, biannual and annual accounts and their components, audit report, dividend distribution, management quality and actions, type of funding, company dimension (Butt et al., 2010). So the hypothesis:

H18. Funding decisions affect going concern audit opinion.

The satisfaction of funding needs can come from internal and external sources. Internal funding sources come from the company's shared profits or (retained earnings) profits. External funding sources, namely funds from additional ownership or issuance of new shares, bond sales and bank loans, also known as external spending or external financing. Rafika and Santoso (2018) discovered that financial decision can affect firm value. The debt-to-equity ratio is the ratio of total debt to own capital (equity), either current debt or long-term debt. So, when the amount of DER rises, PBV will also rise because the amount of debt can help manage the operating business. So the hypothesis:

H19. Funding decisions affect stock return.

Brigham and Houston (2012) state that indications are a management company action that gives investors an indication of how management looks at the prospects of a company. The conclusion that profitability ratios will signal investors and make the market more likely to react positively if the market interprets an enhanced profitability ratio as the company's bright signal and future bright outlook. Basic selection of these variables, where the company also sends a positive signal to investors expected to affect the cumulative abnormal return of positive stocks. One information that can be used to analyze company performance to predict stock return is the profitability ratio. Profitability ratio describes the ability of companies to generate profits from owned funds. The higher the level of corporate profits, the better the management. So the hypothesis:

H20: Good corporate governance moderates the influence of funding decisions and going concern audit opinion.

Dodd et al. (1984) and Elliott (1982) found that companies receiving qualified opinions subsequently reported unqualified opinions. As expected, firms receiving continuing concern opinions have a longer delay in auditing than firms not receiving qualification. That's because auditors may have to spend more time on troubled businesses. Going-concern views are predictable using financial variables. According to Carmichael (1972): a) financial problems (equity deficiency, liquidity deficiency, lack of funds, debt default) and b) operational problems (lack of control over operations, potential dubious revenue, continuous operating losses, operating capacity threatened). So the hypothesis:

H21. Stock return affects going concern audit opinion.

GCG can directly or indirectly influence corporate value through profitability. GCG's influence on the value of the company occurs directly through the investor's reaction by looking at the company's GCG mechanism that has a positive impact on both internal and external parties, attracting these investors who see the company as having good prospects in the future, affecting the value of the company. Good performance also results. Implementing GCG will make it well managed by existing regulations (Kaihatu, 2005). Management will manage the company more structured than the GCG system values, giving the company honest performance, transparency and full responsibility. So the hypothesis:

H22. Good corporate governance moderates the effect of stock return and going concern audit opinion.

3. Research Methods

This study is an empirical causal analysis performed on 147 Indonesian stock exchange-listed manufacturing firms with parameters audited for three consecutive years beginning in 2015, 2016 and 2017. The research methodology uses Smart Partial Least Square (PLS) to evaluate the validity and accurate predictor of the latent variable (outer model) and evaluate the impact between variables (direction), showing an important and negligible effect. In Fig. 1, audit opinion variables' measures would contribute to audit opinion, ROE, and credibility of KAP. The GCG vector variables are mutual equity, the audit committee ratio, and the board ratio. The market return metrics are capital gain, dividend yield, and price fall. The present R and Fast R indices of financial risk management variables are CAP/BVA, CAP/MVA, MVA/BVA, MVE/BVE, PER and PPE/BVA. DAR,
DER, LDE, and MDE are markers for funding decisions. Macroeconomic factors metrics are inflation, IDR exchange rate, and interest rate. The technological predictor element is stock price and market volume.

4. Research Result

![Initial bootstrapping](image_url)

**Table 1**
Outer Model Testing Results

| GCG  | Me | CR | CR × IO | CR × PAC | Inflation | QR × IO | QR × PAC | BI Interest Rate |
|------|----|----|---------|----------|------------|---------|----------|-----------------|
| CR   | -  | -  | 957.23  | -        | -          | -       | -        | 103.62          |
| CR × IO | - | -  | 29.65   | -        |            | -       | -        | -               |
| CR × PAC | - | -  | 221.78  | -        |            | -       | -        | -               |
| Inflation | - | -  | -       | -        | -          | -       | -        | -               |
| QR   | -  | -  | 907.49  | -        | -          | -       | -        | -               |
| QR × IO | - | -  | -       | -        | -          | -       | -        | -               |
| QR × PAC | - | -  | -       | -        | -          | -       | -        | -               |
| BI Interest Rate | - | -  | -       | -        | -          | -       | -        | -               |

CR: Current Ratio, IO: Institutional Ownership, PAC: Proportion of the Audit Committee, QR: Quick Ratio.

Table 1 shows that the two constituent indicators of the financial risk management variable, CR and QR, are 957.23 and 907.49, respectively, which means that the FRM variable is a variable that influences the variables forming the outer model.

**Table 2**
Outer Model Testing Results (Cont.)

| GCG  | ID | ID × GCG | FD |
|------|----|----------|----|
| CAP / BVA × IO | - | 547.45   | -  |
| CAP / BVA × PAC | - | 1420.46  | -  |
| DAR  | -  | -        | 16.60|
| DER  | -  | -        | 29.29|
| IO   | 15.49 | -       | -  |
| LDE  | -  | -        | 21.48|
| MDE  | -  | -        | 54.29|
| PAC  | 43.16 | -       | -  |

CAP/BVA: Capital Addition to Assets Book Value Ratio, DAR: Debt to Asset Ratio, DER: Debt to Equity Ratio.

In Table 2, indicators that enhance the moderating effect of good corporate governance on investment decisions are CAP/BVA × IO and CAP/BVA × PAC, respectively 547.45 and 1420.46. This indicates that these two indicators have contributed to the strengthening of the GCG relationship as a moderator variable towards investment decision.
Table 3
Outer Model Testing Results (Cont.)

|                   | FD × GCG | GCAO | SR | SR × GCG |
|-------------------|----------|------|----|----------|
| CG × IO           | -        | -    | -  | 2.66     |
| CG × PAC          | -        | -    | -  | 0.44     |
| DAR × IO          | 26.77    | -    | -  | -        |
| DAR × PAC         | 36.09    | -    | -  | -        |
| DER × IO          | 44.15    | -    | -  | -        |
| DER × PAC         | 35.21    | -    | -  | -        |
| DY × IO           | -        | -    | -  | 2.66     |
| DY × PAC          | -        | -    | -  | 0.44     |
| LDE × IO          | 24.54    | -    | -  | -        |
| LDE × PAC         | 18.32    | -    | -  | -        |
| MDE × IO          | 22.81    | -    | -  | -        |
| MDE × PAC         | 47.80    | -    | -  | -        |

CG: Capital Gain, DY: Dividend Yield.

In Table 3, it can be seen that a number of indicators of composing variables can only increase slightly from the relationship to other variables. This indicates that these indicators have a relationship, but are perceived to be less influential in strengthening the linked variables.

Based on Fig. 2, which is the last bootstrapping, it indicates that there are indicators in the validity and reliability measure that do not follow the requirements, namely in the investment judgment component, the missing indicators are CAP/MVA, MVA/BVA, MVE/BVE, PER and PPE/BVA. The absent audit opinion variables would affect audit opinion and KAP credibility. The absent GCG vector predictor is the board's ratio. The missing vector market return predictor is stock price fall. Missing macroeconomic component predictor is exchange rate Rupiah. The missing element for indicator technological factor is stock price.

Fig. 2. Final bootstrapping
Table 4 shows that each relationship is as follows:

1. The relationship between technical aspects and financial risk management is significant with 8.41 (> 1.96) T-statistics, and the original sample estimate value is negative, -0.061. Therefore, the TA-FRM relationship direction is negative.
2. The relationship between technical aspects and ongoing audit opinion is significant with a T-statistic of 7.01 (> 1.96) and the original sample estimate is positive, 0.058. Hence, the TA-GCAO relationship direction is positive.
3. The relationship between technical aspects and stock returns is significant with a 6.20 (> 1.96) T-statistic, and the original sample estimate value is negative, -0.234. Therefore, the TA-SR relationship direction is negative.
4. Macroeconomics’ relationship with financial risk management is not significant with a T-statistic of 1.35 (> 1.96), and the original sample estimate value is negative, -0.012. Therefore, the direction of Me-FRM relationship is negative.
5. Macroeconomics’ relationship to the current audit opinion is significant with a T-statistic of 11.69 (> 1.96), and the original sample estimate is positive, 0.122. Therefore, the direction of Me-GCAO relationship is positive.
6. There is a significant relationship between macroeconomics and stock returns, with a T-statistic of 7.54 (> 1.96), and the original sample estimate is negative, -0.106. Hence, the direction of ME-SR relationship is negative.
7. The relationship between financial risk management and audit opinion is significant with a T-statistic of 2.68 (> 1.96) and the original sample estimate is positive, 0.059. Hence, the direction of FRM-GCAO relationship is positive.
8. The relationship between financial risk management and stock returns is significant with a 5.83 (> 1.96) T-statistic, and the original sample estimate value is positive, 0.014. Hence, the direction of FRM-SR relationship is positive.
9. The relationship between financial risk management and ongoing audit opinion moderated by good corporate governance is significant with a T-statistic of 7.26 (> 1.96), and the original sample estimate value is positive, 0.044, the result of GCG FRM moderation to GCAO is positive.
10. The relationship between good corporate governance and financial risk management is significant with a T-statistic of 6.24 (> 1.96), and the original sample estimate value is positive, 0.069, so the direction of GCG-FRM relationship is positive.
11. The relationship between good corporate governance and audit opinion is unimportant. The T-statistic is 0.67 (> 1.96) and the original sample estimate is negative, -0.048, so the direction of the GCG-GCAO relationship is negative.
12. The relationship between good corporate governance and stock returns is significant with a 7.81 (> 1.96) T-statistic, and the original sample estimate value is negative, -0.032. Therefore, GCG-SR relationship direction is negative.
13. The relationship between investment decision and financial risk management is significant with a 20.16 (> 1.96) T-statistic, and the original sample estimate is positive, 0.012. Therefore, ID-FRM relationship direction is positive.
14. The relationship between investment decision and audit opinion is significant with a T-statistic of 3.11 (> 1.96), and the original sample estimate is negative, -0.047. Therefore, ID-GCAO relationship direction is negative.
15. The relationship between investment decisions and stock returns is significant with a 7.26 (> 1.96) T-statistic, and the original sample estimate value is negative, -0.065. Therefore, ID-SR relationship direction is negative.
16. The relationship between investment decision and ongoing audit opinion moderated by good corporate governance is significant with a T-statistic of 3.93 (> 1.96), and the original sample estimate value is negative, -0.121, the result of GCG ID moderation is negative.

| Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | Standard Error (STERR) | T Statistics (O/STERR) |
|---------------------|-----------------|-----------------------------|------------------------|------------------------|
| TA → FRM -0.062    | 0.061           | 0.0074                      | 0.0074                 | 8.413                  |
| TA → GCAO 0.069    | 0.058           | 0.0089                      | 0.009                  | 7.016                  |
| TA → SR -0.239     | -0.234          | 0.038                       | 0.038                  | 6.204                  |
| Me → FRM -0.012    | -0.012          | 0.009                       | 0.009                  | 1.350                  |
| Me → GCAO 0.121    | 0.122           | 0.010                       | 0.010                  | 11.698                 |
| Me → SR -0.107     | -0.106          | 0.014                       | 0.014                  | 7.547                  |
| FRM → GCAO -0.136  | -0.139          | 0.050                       | 0.050                  | 2.683                  |
| FRM → SR 0.044     | 0.044           | 0.007                       | 0.007                  | 5.833                  |
| FRM × GCG → GCAO 0.383 | 0.357       | 0.052                       | 0.052                  | 7.267                  |
| GCG → FRM 0.059    | 0.060           | 0.009                       | 0.009                  | 6.248                  |
| GCG → GCAO -0.032  | -0.048          | 0.048                       | 0.048                  | 0.676                  |
| GCG → SR -0.034    | -0.035          | 0.012                       | 0.012                  | 2.661                  |
| ID → FRM 0.732     | 0.733           | 0.036                       | 0.036                  | 20.167                 |
| ID → GCAO -0.035   | -0.038          | 0.011                       | 0.011                  | 3.110                  |
| ID → SR -0.064     | -0.065          | 0.008                       | 0.008                  | 7.813                  |
| ID × GCG → GCAO -0.148 | -0.121       | 0.037                       | 0.037                  | 3.930                  |
| FD → FRM -0.115    | -0.115          | 0.010                       | 0.010                  | 10.709                 |
| FD → GCAO 0.152    | 0.152           | 0.051                       | 0.051                  | 2.954                  |
| FD → SR 0.321      | 0.322           | 0.027                       | 0.027                  | 11.561                 |
| FD × GCG → GCAO -0.506 | -0.519       | 0.086                       | 0.086                  | 5.877                  |
| SR → GCAO -0.013   | -0.090          | 0.085                       | 0.085                  | 0.161                  |
| SR × GCG → GCAO 0.052 | 0.153        | 0.092                       | 0.092                  | 0.568                  |
17. The relationship between financing decision and financial risk management is significant with 20.16 (> 1.96) T-statistics, and the original sample estimate value is negative, -0.115. Therefore, the FD-FRM relationship direction is negative.
18. The relationship between funding decision and audit opinion is significant with a T-statistic of 2.94 (> 1.96) and the original sample estimate is positive, 0.152. Hence, the FD-GCAO relationship direction is positive.
19. The relationship between funding decisions and stock returns is significant with a T-statistic of 11.56 (> 1.96), and the original sample estimate is positive, 0.322. Therefore, GCG-SR relationship direction is positive.
20. The relationship between financing decision and ongoing audit opinion moderated by good corporate governance is significant with a T-statistic of 5.87 (> 1.96), and the original sample estimate value is negative, -0.519, so the result of GCG ID moderation is negative.
21. The relationship between stock returns and audit opinion is insignificant with a T-statistic of 0.16 (> 1.96) and the original sample estimate is negative, -0.090. Therefore, the FD-GCAO relationship direction is negative.
22. The relationship between stock returns and ongoing audit opinion moderated by good corporate governance is insignificant with a T-statistic of 0.56 (> 1.96) and the original sample estimate is positive, 0.153, the result of GCG ID moderation towards GCAO is positive.

5. Conclusion

From the research results it can be concluded that, TA has a significant effect on FRM, GCAO and SR, which indicates that if the technical aspects are improved, it will also affect the increase in the company's Financial Risk Management, Going Concern Audit Opinion, and Stock Return. This indicates that if the environment of Macroeconomics improves well, the effect will also be felt on the company's Going Concern Audit Opinion and Stock Return. FRM has a significant impact on GCAO, SR, and GCAO, indicating that improving Financial Risk Management will also increase the company's Going Concern Audit Opinion and Stock Return. GCG has a significant impact on FRM and SR, which indicates that if a company's Good Corporate Governance is improved, it will also affect Financial Risk Management and Stock Return. There is also an evidence in this research that ID has a significant impact on FRM, GCAO and SR, which indicates that when investment decisions are increased, it will also affect the increase in the company's Financial Risk Management, Going Concern Audit Opinion, and Stock Return. FD has a significant impact on FRM, GCAO and SR, indicating that the increase in funding decisions will also affect the increase in Financial Risk Management, Going Concern Audit Opinion, and Stock Return owned by the company. GCG moderates the effect of FRM and GCAO, which means that the company's Going Concern Audit Opinion will also have a good impact when Financial Risk Management and Good Corporate Governance increase. Research results have also been obtained, GCG moderates the effect of ID and GCAO, which means that the company's Going Concern Audit Opinion will also have a good impact when investment decisions increase, and Good Corporate Governance. GCG moderates the influence of FD and GCAO, which means that the company will also have a good impact on the company's Going Concern Audit Opinion when funding decisions increase. This indicates that the macroeconomics environment will not have any impact on financial risk management if there is an increase. GCG has no significant effect on GCAO, indicating that the company's good corporate governance has no impact on the Going Concern Audit Opinion if an increase occurs. SR has no significant effect on GCAO, indicating that the company's stock return does not affect the Going Concern Audit Opinion if there is an increase. GCG does not moderate the effect of SR and GCAO, this indicates that if the company's stock return increases and is added to the GCG increase, the Going Concern Audit Opinion will have no impact.

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