

Pengaruh *Audit Effort* terhadap *Financial Restatements*

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ABSTRAK

Financial restatements seringkali diindikasikan sebagai kegagalan auditor. *Audit effort* yang tinggi dibutuhkan untuk mengurangi terjadinya *financial restatements*. Penelitian ini bertujuan untuk menguji pengaruh *audit effort* yang diprosikan dengan *abnormal audit fees* terhadap *financial restatements*. Data pengamatan sebanyak 750 perusahaan yang terdaftar di Bursa Efek Indonesia (BEI) periode 2014-2018 dianalisis dengan menggunakan regresi *binary logistic*. Hasil uji keseluruhan menunjukkan pengaruh negatif *audit effort* terhadap *financial restatements*. Lebih lanjut, *high audit effort* berpengaruh negatif dan *low audit effort* berpengaruh positif terhadap *financial restatements*. Hal ini dapat diartikan ketika *audit effort* tinggi, auditor lebih mampu mendeteksi faktor-faktor penyebab *financial restatements* dengan mengusulkan koreksi di tahun berjalan. Sebaliknya, ketika *audit effort* rendah, risiko *financial restatements* meningkat karena adanya tekanan biaya yang diterima auditor dapat memengaruhi tingkat pengujian audit dan risiko kesalahan yang tidak terdeteksi.

Kata kunci: *audit effort, positive abnormal audit fees, negative abnormal audit fees, financial restatements*

The Effect of Audit Effort on Financial Restatements

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ABSTRACT

Financial restatements have implications for auditor failure. High audit effort is needed to reduce financial restatements. This study aims to examine the effect of audit effort proxied by abnormal audit fees on financial restatements. Based on purposive sampling technique, the study used 750 observational data on companies listed in the Indonesia Stock Exchange (IDX) for the 2014-2018 period. The analytical method used is a binary logistic regression. This study finds that audit effort negatively impacts financial restatements. Further analysis shows that high audit effort has a negative effect and low audit effort has a positive effect on financial restatements. These findings can be interpreted when the audit effort is high, the auditors are better able to detect the factors that cause financial restatements by proposing corrections in the current year. Conversely, when the audit effort is low, the risk of financial restatements increases because the cost pressure encountered by the auditor could have consequences on the extent of audit testing and the risk of undetected errors.

Keywords: audit effort, positive abnormal audit fees, negative abnormal audit fees, financial restatements