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Analysis of the Acceptance of Audit Opinion (A Case Study on Infrastructure, Utilities and Transportation Companies in Indonesia)

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Abstract
This study aims to determine the effect of corporate governance (CG) mechanisms and the size of the company on the acceptance of Fair with Exception (WDP) opinion. The population of this research is a number of 212 infrastructure, utility and transportation sector companies on the Indonesia Stock Exchange from 2012-2015. The sample was selected using purposive sampling and produced 88 observation units. The method of data used in this study is the logistic regression method. Data analysis shows two Corporate Governance mechanisms, namely the existence of the board of directors and the board of commissioners does not affect the acceptance of WDP opinion. On the other hand, the existence of independent commissioners and audit committees can influence the acceptance of WDP audit opinions. The conclusion of this study is that the presence of supporting bodies provides a positive injection for the company and affects the company's accounting for the better.

Keywords: *corporate governance; qualified opinion; firm size*

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INTRODUCTION

Financial statements are a means of management accountability for funds provided by investors. Financial statements are often misused by management by making changes to the accounting methods used (Sumanto, Asrori, & Kiswanto, 2014). Therefore, an audit is needed to increase the credibility of financial statements produced by the Office of Public Accountants (audit opinion on financial statements).

Companies expect to obtain WTP opinion, because if they get a WDP opinion, there will be some negative implications directly felt by the companies. Lin et al (2011) in Laksitafresti & Laksito (2012) stated that WDP opinion will have negative implications, including changes in the volume of company's shares trading and they will find it difficult to obtain capital from the banking world (Cahyaningrum & Fitriany (2013); Chen, He, Ma, & Stice (2012)). Furthermore, Laksitafresti &Laksito (2012) showed evidence that there is a change in stock trading volume before and after the issuance of Unqualified Opinion with Explanatory Language (WTP-DP) and Qualified opinion (WDP). This proves that the publication of WDP opinions has bad implications for the company. The facts show in many cases of Indonesian companies, such as the case of the Belian Laju Tanker and Arpeni Pratama Oceanline companies which continuously get WDP opinion,

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resulting in a decrease in the price of company's shares in the exchange trading. Meanwhile, if viewed from the perspective of corporate governance (CG) mechanisms, the companies have had a complete CG mechanism structure to improve company performance. Besides that, the existence of CG mechanism structure is expected to be able to increase assets, but it turns out that the opinions obtained remain WDP opinions. Furthermore, it can be seen that the causes of the acceptance of WDP are not presenting liabilities as short-term liabilities, not recognizing interest expenses, fines according to agreement conditions, and not recognizing transaction costs at the time it should be, exceptions in the accounts receivable and other accounts receivable in company branches, account payables and other payables, the subsidiary has not yet completed the calculation of vessel financing, and the subsidiary has not yet completed the calculation of foreign tax.

The facts above show that the existence of a CG mechanism has not been able to conduct the functions properly. Normatively, a good CG should not only have implications for investors but also for other stakeholders, for example creditors who need a guarantee of trust that the company can repay loans and interest in a timely manner and a good corporate governance will contribute to the acceptance of credit applications carried out by the company. Internal company parties such as employees also want a good corporate governance to create conducive situations and conditions in the company where they work. Suppliers also expect the creation of a good corporate governance in the company to ensure that the working relationship interwoven is a healthy working relationship that can last for the long term.

There have been many studies that examine the mechanism of CG and company size but the proxies and research results still tend to vary. Farinha & Viana (2006) found empirical evidence of company size and the board of directors is unable to influence the acceptance of WDP opinion, but there is influence between the audit committee and the acceptance of WDP opinion. Pucheta-Martínez & De Fuentes (2007) found that there is a relationship between audit committee and company size on the acceptance of WDP opinion. Baygi & Najriyan (2010) found that there is a relationship between the board of independent commissioners and company size to WDP opinion. Japarudin & Achmad (2012) found there is no relationship between independent commissioners, audit committee, board of commissioners regarding modified opinions. Abdoli & Pourkazemi (2014) found there is a significant relationship between the board of directors and WDP opinion.

Due to the differences in the results of the research above, it is needed a further research which discusses the CG mechanism (Board of Commissioners, Independent Commissioners, Board of Directors, Audit Committee), and Company Size on the acceptance of WDP Opinion. Furthermore, this study will take samples of infrastructure, utility and transportation sector companies listed on the Indonesia Stock Exchange. This is based on the fact that in 2011 the acceptance of WDP opinions in all sectors was 6 WDP opinions with 3 WDP opinions obtained in the infrastructure, utilities and transportation sectors. In 2012, WDP opinions on all sectors were 10 WDP opinions with 5 WDP opinions obtained by the infrastructure, utilities and transportation sectors. In 2013, the acceptance of WDP opinion for all sectors declined to 7 WDP opinions, but 6 of them came from the infrastructure, utilities and transportation sectors. In 2014, the acceptance of WDP opinions for all sectors increased again to 10 WDP opinions with 7 opinions obtained by the infrastructure, utilities and transportation sectors. In 2015, there was only 5 acceptance of opinion on WDP opinion, but all the 5 opinions were accepted by the infrastructure, utilities and transportation sectors.

Agency Theory states that the emergence of agency problems between principals and agents, where principals are owners of companies and agents are people who are trusted to manage the company. So that, it will cause differences in interests between principals and agents, where principals want to know the real conditions that occur in the company while on the side of the agent will try to show their performance well. This then makes a difference, because it returns to human nature which tends to be opportunistic, so agents tend to modify financial statements so that their performance looks good, which ultimately the agents will get a bonus. In line with opinion of Widyati (2013) based on agency theory, human beings have opportunistic traits that tend to take advantage from themselves so that these people try to modify the company's financial statements for the benefit of individuals and groups. This modification causes financial statements to obtain WDP assessments from independent auditors. WDP opinion is only given if the company is able to show the fairness of the presentation of its financial statements, but KAP still provides some exceptions that the company must be able to show.

Besides agency theory, this research is based on Stakeholder Theory, where Stakeholder Theory shows that a company is not an entity that operates for its own sake, but the company must be able to provide benefits to stakeholders. Benefits that can be given to stakeholders are rewards or benefits for investments made in the company. So that the company must maintain the stability of share prices and company value, where this can be done if the company can increase public trust in general. This trust will automatically be obtained by the company if the company can show the opinion from the external auditor which in this case is the Public Accounting Firm. So that the company must maintain and can ensure that the financial reporting has been carried out in accordance with the existing standards.

Therefore, based on the studies from agency theory and stakeholder theory encourage the CG concept applied which consists of: Board of Commissioners, Independent Commissioners, Board of Directors, Audit Committee. The board of commissioners is an important thing for companies because they take responsibility for the company as intended by stakeholder theory. Pressure from the board of commissioners usually tends to be from the aspect of safeguarding toward investors in order to continue investing their shares in the company as implied by stakeholder theory that the company must get support from stakeholders. The board of commissioners must also take part in making the company remain trusted by stakeholders so that sometimes the board of commissioners takes any decision to get stakeholder support even though this is a public lie. This causes management fraud within the company because management must make efforts to modify accounting to make profits remain stable or even increase.

In accordance with the research conducted by Baygi & Najriyan (2010) found evidence that the board of commissioners influences on the acceptance of WDP opinion. Subhan (2011) also showed the same result, where the size of the board of commissioners is able to influence earnings management which is one indication of the company obtaining WDP opinion. While, Japarudin & Achmad (2012) found evidence that the board of commissioners has no influence on the acceptance of WDP opinion. Therefore, the results are still inconsistent, then the hypothesis developed in this study is:

H1: The board of commissioners influences on the acceptance of WDP opinions

An independent commissioner is a member of the board of commissioners who is not affiliated with the board of directors, other members of the board of commissioners and controlling shareholders, and is free from business relationships or other relationships that can affect his ability to act independently or act solely for the interests of the company (KNKG 2006). The existence of independent commissioners is very necessary to empower the supervisory function of the board of commissioners. Directly, the existence of independent commissioners is important as a bridge to the differences that occur in corporate governance mechanisms. The board of independent commissioners have the responsibility to bridge the differences that occur, also have main responsibilities to encourage efforts of the implementation of the corporate governance principles within the company through the board of commissioners in order to obtain added value for the company.

Giving the position of commissioner in Indonesia still lacks integrity because its independence is truly questionable when judging from the process of granting the position (Muntoro 2006). So that, the idea of independent commissioners appears, independent commissioners are needed to represent the interests of minority shareholders so that there is no difference in interests that harm the minority and benefit the majority and vice versa. The existence of independent commissioners is intended to create a more objective and independent climate.

Their presence is also expected can maintain honesty and give a balance between the interests of majority shareholders and the protection on the interests of minority shareholders, even the interests of other stakeholders. The existence of an independent commissioner is expected can increase the accountability and effectiveness of the board of commissioners significantly, especially in handling matters related to the internal control system, risk management, disclosure of corporate financial statements and Good Corporate Governance (GCG) practices as a whole as stated in the Good Corporate Governance Guidelines.

Research conducted by Agustia (2013) found evidence that the board of independent commissioners fails to minimize earnings management. If earnings management fails to be minimized, the acceptance of WDP opinion will become more likely so that there will be influence between the board of independent commissioners on the acceptance of WDP opinion. Pucheta-Martínez & De Fuentes (2007) indicated that there is influence between independent commissioners and the acceptance of WDP opinion. However Japarudin & Achmad (2012) showed different results, where the board of independent commissioners does not influence on the acceptance of WDP opinion. Therefore, the results are still inconsistent, then the hypothesis developed in this study is:

H2: The board of independent commissioners influences on the acceptance of WDP opinions

Board of directors is the party that runs company management for the interests of the company in accordance with the objectives of the company. This is in accordance with what is stated in the limited company Law in article 92. This indicates that the direction of the company is determined by the board of directors. The capability of the board of directors in running the company will affect various related aspects including accounting. If inside the board of directors uses its capability to use accounting based on PSAK, then the acceptance of WTP opinion is not just a discourse. However, if the board of directors uses its capabilities as a top executive to pressure management so that the company's growth is always positive in terms of numbers, then management will be forced to make accounting modifications in accordance with the demand of the board of directors and the acceptance of opinion become a WDP when the auditor can find this out.

The board of directors is also experiencing pressure to show positive results from the company so that the board of directors must use a variety of business strategies to maintain company growth in a positive direction if referring to stakeholder theory. Nevertheless, the board of directors has a dilemma, on the one hand, they must be able to fulfil the desire of shareholders for the return of capital, but on the other hand, the board of directors also faces moral pressure to carry out the company's operations according to the right rules and regulations. So that, any decisions taken by the board of directors will certainly affect the condition of the company, especially those related to the opinions that may be obtained by the company from the Public Accounting Office.

Abdoli & Pourkazemi (2014); Pedro Sánchez Ballesta & Garcia-Meca (2005) found results that the board of directors has an influence on the acceptance of opinion. However, Farinha & Viana (2006) found contrarily evidence, where there is no effect between the board of directors on the acceptance of opinion. Therefore, the results are still inconsistent, the hypothesis developed in this study is:

H3: The board of directors influences on the acceptance of WDP opinions

The Institute of Internal Auditor (IIA) recommends that every public company must have an audit committee as a permanent committee (FCGI, 2001). IIA also recommends that audit committees consist of independent commissioners, and regardless of daily management activities and have main responsibility for assisting the board of commissioners especially in carrying out their responsibilities especially with problems related to company accounting policies, internal supervision, and reporting systems (FCGI, 2001). The audit committee has at least a role and responsibility in three areas, including financial reporting, corporate governance, and corporate supervision.

Audit committee is required to act independently because the audit committee is a connecting bridge between the external auditor and the company which also bridges between the supervisory function of the board of commissioners and internal auditors. The audit committee in its structure is under the board of commissioners and has the aim of helping the board of commissioners to fulfil their responsibilities in providing overall supervision. According to Hasnati (2003) cited by Surya and Yustiavandana (2006), the audit committee has authorities, namely: Investigating all activities within the scope of their duties, Searching for relevant information from each employee, Trying legal and other professional advice that is independent if considered necessary.

The existence of an audit committee cannot be avoided which is intended to reduce fraud in the company. The audit committee has the duty to process and select external auditors including the amount of compensation for services that will later be submitted to the board of commissioners. The audit committee must also consider and assess accounting policies and decisions related to accounting policies including examining financial statements which include part-time reports, annual reports, auditor opinion, and management reports.

The role of the audit committee is very important in influencing the results of the audit opinion that the company will receive. This is based on the function and purpose of the establishment of the audit committee, namely supervising and controlling the process of preparing financial statements, selection of the Public Accountant Office, as well as audit fees issued by the company (Mutmainnah & Wardhani, 2013). Thus, the existence of an audit committee in the company greatly influences the results of the audit opinion by the Public Accountant Office, but is strongly influenced by the capacity of the audit committee itself.

In accordance with the research conducted by Siregar& Utama (2005); Japarudin & Achmad (2012) found that audit committees has no effect on the likelihood of companies obtaining non-qualified audit opinions. However, Pucheta-Martínez & De Fuentes (2007); Chan & Walter (1996) found evidence of an influence between the audit committee and the acceptance of WDP opinion. Therefore, the results are still inconsistent, the hypothesis developed in this study is:

H4: Audit committee influences on the acceptance of WDP opinions

Audit opinion is strongly influenced by the scope of the audit itself. The scope intended is how complicated the scope of the audit work is in the company. Where, this scope depends on the breadth of the audit work within the company. Thus, the size of the company plays a role in the completion of the audit and the audit opinion itself.

Company size is grouping companies based on the size of the value of assets and sales (Muhammad & Suzan, 2015). Furthermore, if it is associated with the company's operating system, the larger the size of the company, the system owned by the company tends to be better including its internal control system, so the higher it is to be able to obtain a WTP opinion. On the other hand, what happens is that large companies are more likely to have quality resources that have the capability to commit fraud and have the capability to pressure management to fulfil the wishes of management itself. This is what might encourage management to make income smoothing and accounting modifications to keep showing healthy finances and even tend to experience positive improvements, which in the end they will get a bonus.

The case will actually trigger the issuance of WDP opinion by KAP because income smoothing and accounting modification practices can lead to improper presentation of financial statements or cannot meet financial accounting standards. In line with opinion by Ballesta & Emma (2005) who stated that the larger the company, the greater the ability to make income smoothing because public attention is getting bigger, so the company feels the need to display profits and income that always grow.

In line with the research conducted by Chan & Walter (1996) found that smaller companies received more WDP opinions on companies in Singapore. Sa'nchez Segura & Sierra Molina (2001) found evidence that the size of the company affects on the acceptance of WDP opinion. However Farinha & Viana (2006) give different results, where the results of the research state that the size of the company does not affect on the acceptance of WDP opinion. Therefore, the results are still inconsistent, the hypothesis developed in this study is:

H5: Company size affects the acceptance of WDP opinion

METHOD

The population of this study is the type of infrastructure, utilities and transportation companies listed on the Indonesia Stock Exchange since 2012-2015 amounted to 212 companies. The sampling technique was done by purposive sampling method resulting in analysis unit as many as 88 samples. The following is the determination of the research analysis unit:

Table1. Sample Selection Process

Purposive Sampling	Number of Issuers			
	2015	2014	2013	2012
Infrastructure, utilities and transportation sector companies on the IDX	53	53	53	53
Companies that have not been IPO / did not issue annual reports / did not publish audited financial statements	(5)	(8)	(7)	(7)
Companies that did not have audit committees or did not display audit committee profiles	(3)	(3)	(2)	(3)
Financial reports and annual reports were not presented in rupiah	(15)	(13)	(16)	(19)
Companies with book closing dates not on December 31	(0)	(1)	(1)	(1)
Companies that did not display the number of board of commissioners' annual meetings	(5)	(5)	(5)	(5)
Samples of Each Research Year (analysis units of 88)	25	23	22	18

Furthermore, the Operational definition of the research variable is explained in the following Table 2.

Table 2. Operational Definition of Variables

Variables	Definition	Measurement/ Indicator
WDP Opinion	Opinions obtained by the company on its financial statements.	WDP Opinion Variable is measured using Dummy variable, where if a company gets a WDP opinion is given score 1 while a non-WDP opinion is given score 0 (Japarudin & Achmad, 2012)
Board of Commissioners	The organ of the company which has duty to supervise in accordance with the articles of association and give advice to the board of directors.	Use the number of meetings conducted by the board of commissioners in one year.

Variables	Definition	Measurement/ Indicator
Board of Independent Commissioners	The board of commissioners that are not affiliated with management, other members of the Board of Commissioners and majority shareholders, and there are no business relationship / other relationship that can affect their actions solely in the interests of the company. (Governance Policy National Committee, 2006).	Using the number of board of independent commissioners seen from the annual reports of each company (Widyati, 2013).
Board of Directors	The organ of the company which has the authority and full responsible for the management of the Company for the benefit of the Company, in accordance with the aims and objectives of the company.	Using the number of board of directors in the company as seen from the annual reports of each company (Widyati, 2013).
Audit Committee	Audit Committee is a committee whose task is to oversee the management of the company (Agustia, 2013).	The measurement: (Mutmainnah & Wardhani, 2013)
Company Size	Company size is the total assets or assets owned by a company (Muhammad & Suzan, 2016).	Company size = Ln (total assets) (Agustia, 2013)

Based on the operational definition of the variables above, the research model developed is as follows:

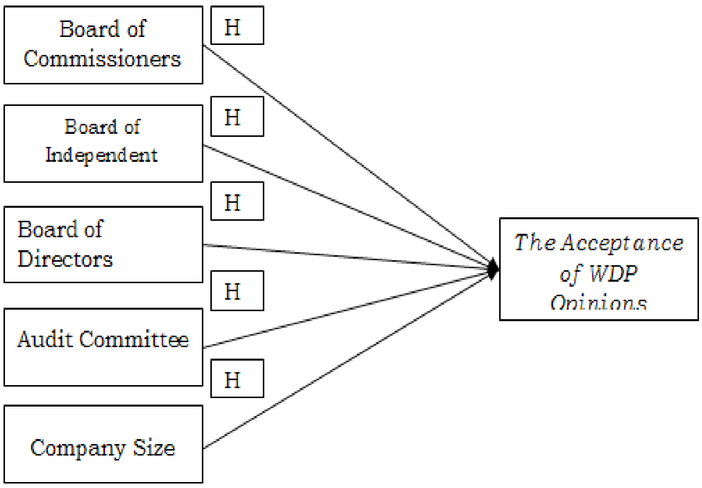

Figure 1. Research Model

Based on the research model developed above, the data used was secondary data obtained by means of documentation method in the form of financial statements. Then, the data was obtained directly from the IDX official website at the address www.idx.co.id. Data analysis was carried out by means of descriptive statistical analysis and logistic regression analysis.

RESULTS AND DISCUSSIONS

Descriptive Statistics

The results of the descriptive statistical test of each research variable as a whole are presented in Table 3. Viewed from the mean value of board of commissioners of 6.78 means that the average number of board of commissioners' meetings in the companies of this sector is 6 to 7 times a year. This means that it takes approximately 2 months to hold a meeting. Therefore, the discussion in the board of commissioners' meeting is a strategic discussion for the long term because the meeting process takes a long time. The mean of board of independent commissioners is 1.77. This means that in the companies have been already 1 or 2 people as board of independent commissioners so that all the companies have had bridge party on the differences in the interests of majority shareholders with non-majority shareholders. Their presence, which ranges from 30%, has met the regulations set by the regulator.

Table 3. Results of Descriptive Statistical Test

	N	Minimum	Maximum	Mean
Board of Commissioners	88	1	26	6.78
Independent Commissioner	88	1	5	1.77
Board of Directors	88	2	14	4.35
Audit Committee	88	33	100	79.18
Company Size	88	23	33	28.49
Valid N (listwise)	88			

The mean value of the board of directors is 4.35 which means that in one company there are 4 to 5 board of directors. This number is considered has been able to fulfil the desire of shareholders that the company will be managed properly. In addition, there has been a balance of number between the board of commissioners and the board of directors so that supervision toward the board of directors is more optimal. The balance that occurs between the board of directors and the board of commissioners has an impact that the decisions taken are mutually agreed decisions without any amount of inequality in decision-makings.

The audit committee variable has a mean value of 79.18%, which means that more than half of the audit committee members have competencies related to accounting and finance. Accounting competencies and financial competencies are one of the competencies needed by the audit committee considering the roles and responsibilities of the audit committee. The mean value of company size is 28.49, which if interpreted into total assets is around 2 trillion rupiah. This indicates that the sample companies tend to be large companies.

Regression Test

In this study, the regression test was conducted which consisted of several types of tests before testing hypotheses in the form of model feasibility test, regression model feasibility test, coefficient of determination, and multicollinearity test. The results of each test will be shown in the Table 4.

Table 4. The Result of Regression Test

No	Types of Test	Test Result	Conclusions
1	Model Feasibility Test	Step 0 = 73.699 Step 1 = 37.530 Decline = 36.169	The model matches the research data
2	Regression Model Feasibility Test	Sig = 0.968 $\alpha = 0.05$	The regression model is feasible to use
3	Coefficient of Determination	Adj $R^2 = 0.594$	59.4% of Independent variable is able to explain the dependent variable
4	Classification Table	88.6	The regression model can explain the dependent variable of 88.6%
5	Multicollinearity Test	0.70	There is no multicollinearity because it is below 0.9

The result of the study shows that the existence of the board of commissioners is not able to influence the audit opinion received by the company. This can be caused by the existence of the board of commissioners only accommodating management interests (agents), not paying attention to the interests of the company owner (principal). This is due to differences in interests between agents and principals. In line with opinion of Jensen & Meckling (1976) that there is a conflict of interest between the principal and the agent. Differences in objectives between principals and agents are the principals want to know the real condition of the company and obtain benefits for the owner. On the other hand, the agents also want a bonus for their own performance from the principals so that the agents try to show that their performance looks good. So that, the agents will always try to cover up bad conditions in the company with the aim of obtaining the intended bonus. Therefore, this condition indicates that the existence of the board of commissioners is not able to carry out its duties and functions in accordance with the Companies Law.

One of the indicators to assess whether the board of commissioners can carry out its duties and functions properly is by seeing the number of meetings held by the board of commissioners. In addition to the number of meetings, the indicator that can be used is the quality of meetings held by the board of commissioners. The quality intended is the discussion material discussed by the board of commissioners must also involve substances related to accounting and the process of preparing financial statements that are directly related to the possibility of obtaining an audit opinion by KAP. Therefore, the absence of the board of commissioners' effect on the audit opinion indicates that the board of commissioners' meeting is not about corporate accounting but it addresses the company's strategic problems, the development of the company and its subsidiaries, and discussing the problems that are being faced by the company strategically. The discussion in the board of commissioners' meeting is a strategic problem which does not include corporate accounting so that the board of commissioners' meeting does not affect on the acceptance of WDP opinion because the acceptance of WDP opinion is included in the operational domain of the company.

Another thing is that the board of commissioners holds meetings as much as 6 to 7 times per year, which means that within 2 new months an internal meeting will be held. This is contrary to accounting decisions that must be taken as soon as possible. Therefore, the board of commissioners' meeting is more aimed at the board of commissioners' responsibility for the company's strategic and long-term decisions that require a long time in the discussion and have a very large effect on the company. This study supports Japarudin & Achmad (2012) where the size of the board of commissioners does not affect on WDP opinion.

Next, the result of the study shows that the board of independent directors influences the audit opinion by KAP. This means that the existence of a board of independent commissioners in the company can be a bridge to the differences that occur, and has the responsibility to ensure transparency and openness of financial statements. So that the existence of the board of independent commissioners can also create an objective and independent work climate, maintain honesty, and provide a balance between the interests of principals and agents. This is in line with the research conducted by Pucheta-Martínez & De Fuentes (2007); Agustia (2013) found evidence that there is an influence of the board of independent commissioners on the acceptance of WDP opinions.

Meanwhile, the hypothesis which states that the Board of Directors influences on the Acceptance of KAP Audit Opinion is rejected. This is due to the size of the board of directors. Thus, the number of votes owned by the board of directors greatly influences the decisions that will be made. Where, in fact in Indonesia, share ownership is still concentrated in certain circles, especially family ownership and is still very influential in the decision-making process that benefits majority shareholders. Thus, the board of directors is in a position that requires the board of directors to continue developing the company and direct the company in a positive direction so that the fund holders are satisfied with the company's achievements.

The average number of boards of directors is 4 to 5 people with a tendency has been a division of roles from each member of the board of directors. The role of each director in each company has been adjusted to the needs of the company and validated when a GMS or EGMS is held so that each board of directors has their respective responsibilities to handle each of their roles. Therefore, as much as the board of directors owned by the company in fact they will play one role each. Therefore, the size of the board of directors does not affect on the acceptance of WDP opinion on the company because in fact the role of the board of directors differs depending on their responsibilities.

According to research conducted by (Farinha & Viana, 2006) the board of directors does not affect on the acceptance of WDP opinions. Research conducted by (Farinha & Viana, 2006) is in line with this research, the board of directors does not affect on the acceptance of WDP opinion because there are other characteristics that can affect on the acceptance of WDP opinion from the side of the board of directors.

Meanwhile, the hypothesis which states that the audit committee influences on the acceptance of the audit opinion KAP is accepted. In accordance with the statement of Mutmainnah & Wardhani (2013) the function and purpose of the establishment of an audit committee is for the process of monitoring financial statements, the selection of auditors and audit fees that must be issued by the company. The existing role must be carried out independently because the audit committee is an interest bridge between the internal of the company and the external auditor. The existence of the audit committee that is only limited as an aids causes the audit committee to not work optimally and influence on the acceptance of company opinion.

The Audit Committee also has important and strategic functions to be able to maintain the credibility of financial statements so that the audit committee influences on the acceptance of opinion in the company. The existence of the audit committee helps in reviewing financial statements will have an impact on the acceptance of corporate opinion so that this study provides empirical evidence about the ability of the audit committee to influence the acceptance of Audit Opinion. In line with the research conducted by Pucheta-Martínez & De Fuentes (2007) found evidence that there is influence between the audit committee on the acceptance of WDP opinions.

This research also shows that Company Size influences on the Acceptance of KAP Audit Opinion. The larger size of the company means greater accountability and increasingly competent human resources. High accountability with increasingly competent resources will bring two choices namely increasingly qualified reports or non-transparent reporting and tend to cheat because the company wants to look “good”. The tendency is the report is not transparent for the sake of appearing excellent in front of investors and that desire is capable of being to be realized by the management with its abilities and capabilities that are able to meet the needs of the company to create good conditions in the eyes of shareholders.

Company size in this sector is large companies. It is worth remembering that the tendency of large companies to choose high-credibility auditors to increase the value of trust will bring the company to obtain WDP opinion. This is because highly credible auditors are better able to see the existence of fraud loopholes that occur so that the WDP opinion becomes the opinion received by the company. Therefore, the probability of the company receiving WDP opinion is also influenced by company size. The results of this study are in line with the research conducted Baygi & Najriyan (2010); Abdoli & Pourkazemi (2014) give the same results, namely the size of the company influences on the acceptance of WDP opinion.

CONCLUSIONS

The mechanism of Good Corporate Governance as a form of the implementation of Corporate Governance shows that the board of commissioners and audit committees are able to influence the acceptance of audit opinions produced by KAP. This indicates that the existence of the GCG mechanism is a bridge for companies to obtain better audit opinions. Therefore, the results of this study for the company can be used as a reference that in order to obtain a better audit opinion, the company must be able to pay attention to the position and composition of the

GCG mechanism, especially the Board of Independent Commissioners and Audit Committee. Although there is still the Board of Commissioners and the Board of Directors as a whole. In addition, the size of the company also becomes very important, especially the total assets of the company. So, if the company is included in the criteria of a large company, then it must pay attention to the disclosure and reporting of assets fairly and correctly because it can affect the opinion that will be given by KAP. This becomes important because the position of assets has a very important meaning for the company's operations, so that even the slightest error in disclosure and reporting of assets will have a fatal effect on the provision of audit opinions by KAP. Although the results of this study show good things, it still has limitations. The limitation in this study is that the number of samples is still limited to the infrastructure, utilities and transportation sectors. Therefore, further research is expected to improve the results of this study by expanding the research sample.

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