

# The Effect of Due Professional Care and Audit Evidence on The Appropriateness of Giving an Audit Opinion

A Febriansyah<sup>1</sup> and R R Oktaviana<sup>2</sup>

<sup>1,2</sup> Accounting Department, Universitas Komputer Indonesia,  
Jl. Dipati Ukur No.112-116 Bandung City, Indonesia

<sup>1</sup>[angky@email.unikom.ac.id](mailto:angky@email.unikom.ac.id)

<sup>2</sup>[rikarahmawita15@gmail.com](mailto:rikarahmawita15@gmail.com)

**Abstract.** The auditor has an important role in the client's financial statements so that the auditor can produce an appropriate and quality audit opinion. The occurrence of cases of auditors giving inappropriate assessments or evaluations and audit opinions on the client's financial statements due to a lack of due professional care and audit evidence owned by the auditor. This study aims to determine how much influence due professional care and audit evidence have on the accuracy of giving an audit opinion. The research method used is quantitative research with descriptive and verification with a survey approach, which in this case seeks to describe and also interpret the influence between the variables to be studied and the aim is to present a structured and factual picture of the relationship between the variables studied. The sample used was 30 auditors from 6 Public Accounting Firms in the East Bandung area. The analysis used in this study is Multiple Linear Regression, Coefficient of Determination, Correlation Coefficient, and T-test with calculations using SPSS version 20 software. Based on this research, it can be concluded that due professional care and audit evidence has a positive and significant effect on the accuracy of giving audit opinions to auditors who work at the East Bandung Public Area Accounting Firm.

## 1. Introduction

An audit has a function as a process to minimize discrepancies in data and information obtained between shareholders and management by using the services of a third party to provide validation of financial statements. Users of financial statements, especially investors and shareholders, will make appropriate decisions based on the opinion given by the auditor. This means that auditors have an important role in ratifying the company's financial statements, therefore auditors are required to produce appropriate and quality audit opinions to minimize differences between investors and company management. [1]

Audits must also be carried out optimally and as well as possible because the auditor is the person who is responsible for audit practices and opinions are given. The frequent cases of manipulation of corporate financial statements that have dragged public accounting firms in several regions including Indonesia have resulted in the public's confidence in the general public, especially users of financial statements, falling. Like the case of Enron, which included the Public Accountant Firm Arthur Andersen in the United States. This case resulted in a reduction in investor confidence in the credibility and integrity of the submission of opinions on the financial statements.[2]

Auditor's opinion is very vital for a company and users of financial statements, therefore the auditor must have competent professional skills to collect and analyze the audit evidence obtained and apply it to formulate an opinion that can be used as a foundation. The auditor is required to use his professional skills carefully and carefully because the auditor's professional expertise affects the accuracy of the opinion given. As a result, the auditor obtains sufficient evidence to provide a reasonable and satisfactory foundation in providing a reliable opinion [3]

But, in the field, there are still many cases where public accounting firms fail to provide the right opinion so that public trust is doubtful about the performance of the auditor. In 2017 there was an auditor who failed to demonstrate his due professional care attitude towards collecting audit evidence and making new working papers and additional false memos to support the opinion given. This is a violation because the factors that affect the accuracy of giving an audit opinion can be reviewed both in terms of the due professional care possessed by an auditor, namely the auditor who carries out audit evaluations following the auditor's professional ethics.[4]

In addition, phenomena related to audit evidence are cases of auditors giving "modified opinions" due to material discrepancies in financial statements with accounting standards and because the auditor lacks audit evidence due to various reasons, such as the auditor's lack of direct knowledge in evaluating evidence. audit so that it is not sufficient to provide an unqualified opinion. This is not following the statement that if the auditor has doubts and does not believe in a material assertion, he must postpone giving his opinion until he gets supporting evidence to dispel his doubts, or he must express a Qualified Opinion (WDP) or refuse to provide an opinion.[5]

Some previous researchers stated that audit evidence affects the accuracy of giving an opinion by the auditor. The better the availability of audit evidence, the better the accuracy of giving an opinion by the auditor.[6] audit evidence has an effect on audit opinion, namely if audit evidence increases, audit opinion will increase. [7]

By the phenomena and cases that have been described, a conclusion can be drawn where the public accounting firm has failed to provide an appropriate opinion on the client due to a lack of due professional care and the availability of inadequate audit evidence, the authors are interested in taking related research. The purpose of this study is to find out how much influence due professional care and audit evidence have on the accuracy of giving an audit opinion at a public accounting firm in the East Bandung region of Indonesia, which means that if the due professional care and audit evidence increases it will increase the accuracy of giving audit opinion.

## 2. Method

The method used in this research is a descriptive and verification method with a quantitative approach. The object of research in this study is an auditor who works at a public accounting firm in the eastern Bandung region of Indonesia. The source of the data obtained is primary data derived from the results of ordinal scale questionnaire answers with Likert scale type questions that have been distributed to 6 Public Accounting Firms in the East Bandung area. In addition to distributing questionnaires filled out by resource persons, the data collection technique used was to conduct a literature study of books and journals related to the research topic. Meanwhile, the sample obtained amounted to 30 respondents, namely auditors at the Public Accounting Firm for the East Bandung Region of Indonesia. The data test method used in this study is the validity and reliability test, the validity test is carried out by calculating the correlation between each statement with a total score. Meanwhile, the reliability test is used to measure the reliability of a measuring instrument whereas the measuring instrument used in this study is a questionnaire. After becoming an interval scale, then the data is tested by testing the classical assumption consisting of normality test, multicollinearity test, and heteroscedasticity test. After that, multiple linear tests were performed, partial correlation analysis, partial determination coefficient analysis, and also partial hypothesis testing (t-test). After testing the data, the results are interpreted through descriptive analysis to describe how the effect of due professional care and audit evidence on the accuracy of giving audit opinions to auditors at Public Accounting Firms in the East Bandung area.

In addition, the verification analysis method is also used which is expected to be able to find out the results of research related to the due professional care variable (X1), the audit evidence variable (X2) the variable accuracy of providing audit opinion (Y). The software used to process and test the existing data is SPSS (Statistical Product and Service Solution) version 20 software.

### 3. Results and Discussion

#### Results

#### Multiple Linear Regression Equation

**Table 1.** Multiple Linear Regression Analysis Results

Model		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.256	4.685		.055	.957
	Due Professional Care (X1)	.340	.150	.376	2.265	.032
	Bukti Audit (X <sub>2</sub> )	.205	.096	.356	2.145	.041

a. Dependent Variable: Ketepatan Pemberian Opini Audit(Y)

Based on the table 1, it can be seen that Unstandardized Coefficients B is the value of the constant of the regression coefficients, which is obtained by the value a = 0.256, b1 = 0.340 and b2 = 0.205, the multiple regression equation is as follows:

$$Y = 0.256 + 0.340b_1 + 0.205b_2$$

Information:

X1 = Due Professional Care (X1)

X2 = Audit Evidence (X2)

Y = Opinion Giving Accuracy (Y)

From the multiple linear regression equation obtained, each variable can be interpreted as follows:

a) The constant value ( $\alpha$ ) of 0.256 states that if the two independent variables are constant (zero) then the Accuracy of Giving Audit Opinions will be worth 0.256

b) The regression coefficient value of Due Professional Care (X1) ( $b_1$ ) = 0.340 which means that each discussion of one unit of Due Professional Care (X1) will increase the Accuracy of Giving Opinion (Y) by 0.340 units. The coefficient is positive, it means that there is a positive influence between due professional care on the accuracy of giving an audit opinion.

c) The value of the regression coefficient of Integrity (X2) ( $b_2$ ) = 0.205 stating that each discussion of one unit of Audit Evidence (X2) will increase the Accuracy of Giving Opinion (Y) by 0.205 units. The coefficient is positive, it means that there is a positive influence between audit evidence on the accuracy of giving an audit opinion.

#### Correlation Analysis

In this study, correlation analysis was used to determine the extent of the close relationship between Due Professional Care (X1) and Audit Evidence (X2) partially with the Accuracy of Giving Audit Opinions (Y).

**Table 2.** Due Professional Care (X1) Partial Correlation Coefficient on the Accuracy of Giving Audit Opinions (Y)

		Correlations	
		Due Professional Care (X1)	Ketepatan Pemberian Opini Audit (Y)
Due Professional Care (X1)	Pearson Correlation	1	.521**
	Sig. (2-tailed)		.003
	N	30	30
Ketepatan Pemberian Opini Audit (Y)	Pearson Correlation	.521**	1
	Sig. (2-tailed)	.003	
	N	30	30

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In table 2, the correlation coefficient value for due professional care is obtained with the accuracy of giving an audit opinion of 0.521, which results are included in the interval score between 0.40 - 0.599. This shows that there is a moderate relationship between due professional care and the accuracy of giving an audit opinion. The positive calculation results between the two variables above indicate that there is a unidirectional relationship between due professional care and the accuracy of giving an audit opinion.

**Table 3.** Partial Correlation Coefficient of Audit Evidence (X2) on the Accuracy of Giving Audit Opinions (Y)

		Correlations	
		Bukti Audit (X <sub>2</sub> )	Ketepatan Pemberian Opini Audit (Y)
Bukti Audit (X <sub>2</sub> )	Pearson Correlation	1	.509**
	Sig. (2-tailed)		.004
	N	30	30
Ketepatan Pemberian Opini Audit (Y)	Pearson Correlation	.509**	1
	Sig. (2-tailed)	.004	
	N	30	30

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In Table 3, the correlation coefficient value for audit evidence with the accuracy of giving an audit opinion is 0.509, which results are included in the interval score between 0.40 – 0.599. This shows that there is a moderate relationship between audit evidence and the accuracy of giving an audit opinion. The

positive calculation results between the two variables above indicate that there is a unidirectional relationship between audit evidence and the accuracy of giving an audit opinion, where the better the audit evidence obtained, the better the results of the accuracy of giving the audit opinion that will be given by the auditor.

### Partial Coefficient of Determination

**Table 4.** Partial Coefficient of Determination

Model			Coefficients <sup>a</sup>	
			Standardized Coefficients	Correlations
			Beta	Zero-order
1	(Constant)			
	Due Professional Care (X1)	.376	.521	
	Bukti Audit (X2)	.356	.509	

a. Dependent Variable: Ketepatan Pemberian Opini Audit (Y)

To see how much influence each independent variable has on the dependent variable, calculations are carried out using the Beta x Zero Order formula. Beta is a standardized regression coefficient, while zero order is a partial correlation of each independent variable to the dependent variable. In accordance with table 4.33 above, it can be seen the partial effect of each independent variable by performing the following calculations:

$$\text{Due Professional Care (X1)} = 0.376 \times 0.521 = 0.1958 \text{ or } 19.58\%$$

$$\text{Audit Evidence (X2)} = 0.356 \times 0.509 = 0.1812 \text{ or } 18.12\%$$

Based on the results of the above calculations, it can be seen that the biggest influence comes from the due professional care variable (X1) which contributes 19.58%. Meanwhile, the audit evidence variable (X2) contributed 18.12% and the due professional care variable gave the greatest influence on the variable of accuracy in giving opinions with a large contribution of 19.58%. So that the two variables simultaneously influence the variable of the accuracy of giving audit opinion by 37.7%. While the remaining 62.3% is the influence of variables not examined in this study such as auditor independence, audit tenure, auditor rotation, and so on.

### Hypothesis test

Hypothesis testing is used to determine the correlation of the two variables studied. To test the significance of the effect of the independent variable on the dependent variable, a partial test (t test) was used.

**Table 5.** Hypothesis test

Model			Coefficients <sup>a</sup>				
			Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
1	(Constant)	.256	4.685		.055	.957	
	Due Professional Care (X1)	.340	.150	.376	2.265	.032	
	Bukti Audit (X2)	.205	.096	.356	2.145	.041	

a. Dependent Variable: Ketepatan Pemberian Opini Audit (Y)

### 1) Test the Due Professional Care Hypothesis on the Accuracy of Giving Audit Opinions

The partial statistical hypotheses that will be tested in this study are:

$H_0 : 1 = 0$  : Due Professional Care does not have a positive effect on the accuracy of giving an audit opinion.

$H_a : 1 \neq 0$  : Due Professional Care has a positive effect on the accuracy of giving an audit opinion.

It can be seen in the table 5, that tcount for the due professional care variable is 2.265. This value will be compared with the ttable value in the t distribution table. With  $\alpha=0.05$ ,  $df=n-k-1=30-2-1=27$ , the ttable value is  $\pm 2.051$ . It is known that tcount for  $X_1$  is  $2,265 > ttable$  value is  $2,051$ , then  $H_0$  is rejected and  $H_a$  is accepted. This result also shows the value of Sig. obtained is 0.032. This value is smaller than 0.05 which means this test is significant. This means that partially due professional care has a positive and significant effect on the accuracy of giving opinions to KAPs in the East Bandung area.

### 2) Hypothesis Testing of Audit Evidence on the Accuracy of Giving Audit Opinions

The partial statistical hypotheses that will be tested in this study are:

$H_0 : 1 = 0$  : Audit evidence does not have a positive effect on the accuracy of giving an audit opinion.

$H_a : 1 \neq 0$  : Audit evidence has a positive effect on the accuracy of giving an audit opinion.

It can be seen in the table 5, that the tcount for the audit evidence variable is 2.145. This value will be compared with the ttable value in the t distribution table. With  $\alpha=0.05$ ,  $df=n-k-1=30-2-1=27$ , the ttable value is  $\pm 2.051$ . It is known that tcount for  $X_1$  is  $2.145 > ttable$  value of  $2.051$ , then  $H_0$  is rejected and  $H_a$  is accepted. This result also shows the value of Sig. obtained is 0.041. This value is smaller than 0.05 which means this test is significant. This means that partially audit evidence has a positive and significant effect on the accuracy of giving opinions to KAPs in the East Bandung area.

## Discussion

### The Effect of Due Professional Care on the Accuracy of Giving Audit Opinions

Based on the results of hypothesis testing that has been carried out, it is known that the t-count result is 2.265 which is greater than the t-table value of 2.051, and the significance value is less than the standard, which is 0.05 so that due to professional care has a significant and positive effect on the accuracy of giving an audit opinion.

In the due professional care variable, the average score of respondents' answers has a total score of 79% and is in a good category. By the answers to the indicators given, in general, the auditors at the East Bandung area public accounting firm have implemented an attitude of due professional care or accuracy and thoroughness in auditing the client's financial statements properly. This is in line with previous research which suggests that an auditor in carrying out his duties as required to apply his due professional care which can be seen from the way the auditor uses his accuracy and skills in working so that it can support the accuracy of the opinion given. But on the due professional care indicator, namely the attitude of the auditor who can be trusted in auditing financial statements, there are still shortcomings where this indicator has an actual score of 64.6% and is included in the less category. The majority of auditors at KAP in the East Bandung area still have not fully audited according to applicable professional ethics. This is to the existing phenomenon where an auditor at one of the KAPs makes a new working paper and creates a false additional memo to support his opinion. Where this is not following existing professional ethics. Factors that affect the accuracy of giving an audit opinion can be reviewed both in terms of the due professional care possessed by an auditor, namely the auditor who carries out audit evaluations following the auditor's professional ethics.

Previous research suggests that with high ethical awareness, an auditor tends to be professional in their duties and performs their duties under the professional code of ethics and auditing standards so that the results of the auditor's opinion carried out will better show the actual situation.[4] and the theory also reveals that auditors who lack or tend to use their due professional care attitude tend to fail to disclose material misstatements in uncovering fraud that affect providing auditors' confidence in the accuracy of the audit opinion given.[8]

Likewise, the results of the correlation coefficient for due professional care with the accuracy of giving an audit opinion are at a value of 0.521, which results are included in the interval score between 0.40 - 0.599. This shows that there is a moderate relationship between due professional care and the accuracy of giving an audit opinion. The positive calculation results between the two variables above indicate that there is a unidirectional relationship between due professional care and the accuracy of giving an audit opinion.

#### **The Effect of Audit Evidence on the Accuracy of Giving Audit Opinions**

Based on the results of the hypothesis testing that has been carried out, it is known that the count result is 2.145 greater than the t-table value of 2.051, and the significance value is less than the standard which is 0.05 so that audit evidence has a significant and positive effect on the accuracy of giving an audit opinion.

In the audit evidence variable, it can be seen that the average score of respondents' answers has a total score of 76.5% and is in a good category. Following the answers to the indicators given, in general, the acquisition of audit evidence at the East Bandung area public accounting firm has been well available. This is in line with previous research which states that auditors are required by the public accounting profession to carry out carefully and thoroughly the collection and assessment of audit evidence objectively. The objective collection and assessment of audit evidence require the auditor to consider the competence and adequacy of the audit evidence. Therefore, audit evidence must be collected and assessed during the audit process, so that professional skepticism is needed during the process so that later the formulation of an appropriate opinion is required. The audit evidence will be used as the basis for the formulation of the auditor's opinion.[9]

However, there are still deficiencies in one of the audit evidence indicators, namely the auditor's direct knowledge indicator which has the lowest actual score of 66.7% on the item auditor's direct knowledge question where the auditors at the East Bandung Public Accounting Firm believe that they do not fully have in-depth knowledge to examine any audit evidence obtained. This is following the phenomenon where the auditor does not provide an unqualified opinion for various reasons, such as insufficient audit evidence and the auditor does not have sufficient direct knowledge to examine the existing evidence.

These results are also supported by statements in previous studies that knowledge is very important for all auditors to have, especially knowledge in the fields of accounting and auditing. Both of these knowledge is an important basis that becomes their capital as long as they work as an accountant, especially when evaluating audit evidence and auditing the client's financial statements. Good knowledge in examining audit evidence will affect the accuracy of giving an audit opinion.[10] This is also in line with the theory that competent and sufficient audit evidence is used as a reasonable foundation in formulating an opinion. The audit evidence obtained must be sufficient for the auditor to conclude the financial statements. [5]

Likewise with the results of the correlation coefficient for audit evidence with the accuracy of giving an audit opinion of 0.509, which results are included in the interval score between 0.40 - 0.599. This shows that there is a moderate relationship between audit evidence and the accuracy of giving an audit opinion. The positive calculation results between the two variables above indicate that there is a unidirectional relationship between audit evidence and the accuracy of giving an audit opinion, where the better the audit evidence obtained, the better the results of the accuracy of giving the audit opinion that will be given by the auditor.

#### **4. Conclusion**

Based on the explanation that has been explained related to the effect of due professional care (X1) and audit evidence (X2) on the accuracy of giving an audit opinion (Y) at a public accounting firm in the East Bandung area, the researchers draw the following conclusions: Due professional care has a significant and positive effect on the accuracy of giving an audit opinion. There is a unidirectional

relationship between due professional care and the accuracy of giving an audit opinion, where if the due professional care is getting better, the better the results of the accuracy of giving an audit opinion will be given by the auditor. The majority of auditors at KAP in the East Bandung area already have a good due professional care attitude it helps auditors to be more careful and alert in preparing appropriate and appropriate opinions. Audit evidence has a significant and positive effect on the accuracy of giving an audit opinion. There is a unidirectional relationship between audit evidence and the accuracy of giving the auditor's opinion, where the better the available audit evidence, the better the opinion produced by the auditor. The majority of auditors at KAP in the East Bandung area believe insufficient audit evidence to influence the auditor's belief that the financial statements have been presented fairly where which will affect the accuracy of giving an audit opinion by the auditor.

## 5. Acknowledgment

Thank you to all those who have given enthusiasm to completing this research. It is hoped that the results of this research can develop science, and can provide new information for new researchers in the discussion of The Effect Of Due Professional Care And Audit Evidence On The Appropriateness Of Giving An Audit Opinion.

## References

- [1] Agusti, R., & Pertiwi, N. P. (2013). The Effect of Competence, Independence and Professionalism on Audit Quality (Empirical Study of Public Accounting Firms in Sumatra). *Jurnal Ekonomi*, 21(03).
- [2] Winantyadi, N., & Waluyo, I. (2014). Effect of experience, expertise, audit situation, and ethics on auditor professional skepticism (Case study on KAP in the Special Region of Yogyakarta). *Nominal: Barometer Riset Akuntansi dan Manajemen*, 3(1), 14-34
- [3] Suhayati, E. (2020). Audit Opinion: Implication from Audit Evidence Evaluation in Using Professional Proficiency with Cautiousness and Accuracy. *Finance, Accounting, and Business Analysis*, 2(1), 11-16.
- [4] Widiarini, K. Y., & Suputra, I. D. G. D. (2017). The effect of auditor's professional skepticism, professional ethics, auditor's professional commitment, and audit expertise on giving an opinion. *E-Jurnal Akuntansi Universitas Udayana*, 18, 88-116.
- [5] Kurnia Rahayu, Siti dan Ely Suhayati. (2013). *Auditing: Basic Concepts and Guidelines for Auditing Public Accountants*. Yogyakarta: Graha Ilmu.
- [6] Ghassani, F. (2020). Due Professional Care And Availability Of Audit Evidence Affect The Accuracy Of Giving Opinions By Auditors (Survey At Several Public Accounting Firms In Bandung). Bandung. Universitas Komputer Indonesia.
- [7] Mujhida, I. (2020). Effect of Audit Evidence and Due Professional Care on Audit Opinion (Survey at Arms Public Accounting Firm in Bandung City). Bandung. Universitas Komputer Indonesia.
- [8] Louwers, Blay, Sinason, et al. (2017). *Auditing and Assurance Services*. Seventh Edition. New York: McGraw-Hill Education.
- [9] Putra, I. G. C., Sunarwijaya, I. K., & Wati, N. W. A. (2020). The Accuracy of Giving an Audit Opinion: A Study Based on the Knowledge, Expertise, Experience, and Competence of the Auditor. *Solusi*, 18(2).
- [10] Mahmuda, D., & Nurmala, P. (2020). The Influence of Expertise, Audit Experience, and Knowledge of Accounting and Auditing on the Accuracy of Giving Audit Opinions. *Jurnal Pasar Modal dan Bisnis*, 2(2), 183-194.