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AUDIT QUALITY MODERATES CORPORATE SOCIAL RESPONSIBILITY AND GOOD CORPORATE GOVERNANCE RELATIONS ON FIRM VALUE

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Abstract

This study aims to examine the moderating effect of Audit Quality on the relationship between Corporate Social Responsibility (CSR) and Good Corporate Governance (GCG) on Firm Value. The research is classified as quantitative associative research. Secondary data, obtained from www.idx.co.id and the respective company websites, were used in this study. The population comprises companies in the energy sector listed on the Indonesia Stock Exchange (IDX) from 2018 to 2023. The sample was determined using purposive sampling, resulting in 30 companies being selected. The analysis method employed is Panel Data Regression Analysis. The findings of this study indicate that CSR does not affect Firm Value, while GCG has a positive impact on Firm Value. Audit Quality can moderate and weaken the positive relationship between Corporate Social Responsibility and Firm Value and Audit Quality cannot moderate the relationship between Good Corporate Governance and Firm Value.

Keywords: Corporate Social Responsibility, Good Corporate Governance, Audit Quality, Firm Value

1. Introduction

Rosyid et al., (2022) A company has short-term goals related to profits and long-term goals related to sustainability and providing benefits to stakeholders. A company's success can be measured by its ability to increase firm value in a sustainable manner to achieve long-term goals. Firm value is the result of investors' assessment of the company's ability to manage its resources in the year concerned, which is reflected in the share price. High share prices contribute to an increase in firm value, which in turn strengthens market confidence, not only in current performance but also in the company's future prospects. Business sustainability involves a balance between economic, social and environmental aspects, which are important factors in ensuring a company's survival (Dewi & Badera, 2021).

Fatma & Chouaibi (2023) The main goal of a company is to increase the value of the company, which will directly increase shareholder profits. When making investment decisions, investors must consider the company's overall performance and value. With a high share price, this reflects the market's positive evaluation of the company's current performance. Therefore, firm value is an important reference for investors, because a high share price promises the potential for higher investment returns for them.

In today's business world, the use of financial reports as the only method for evaluating a company's performance is not absolute. Potential investors don't just rely on precise financial data, and companies don't just focus their efforts on product competition with other competitors. Instead, companies need to pay significant attention to the interests of customers so that they can be better valued and gain a competitive

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advantage through the products and services offered. Thus, this can increase the value of the company (Afifah et al., 2021).

In 2022, the energy sector index rose significantly by 100.05% due to the increase in global commodity prices due to the Russia-Ukraine war which tightened supplies. However, since the beginning of 2023, IDXENERGY fell 20%, becoming the hardest hit sector. PT shares. Adaro Minerals Indonesia Tbk (ADMR), which soared more than 1,500% in 2022, is now down 50.15%, reducing the value of investors' investments by half. ADMR parent shares, PT. Adaro Energy Indonesia Tbk (ADRO), also fell 37.14% throughout 2023. Shares of other related issuers, such as PT. TBS Energi Utama Tbk (TOBA) fell 37.19%, PT. Indo Tambangraya Megah Tbk (ITMG) fell 36.52%, PT. Indika Energy Tbk (INDY) fell 31.87%, and PT. Bumi Resources Tbk (BUMI) fell 26.71%. This decrease was caused by projected lower coal prices in 2023 due to the potential economic slowdown and recovery in global coal supplies, especially in China (www.cnbcindonesia.com).

From the above phenomenon, it can be concluded that the value of companies in the energy sector is very dependent on external factors that can influence commodity prices and global economic conditions. Dependence on the price of certain commodities, such as coal and ship issuers that transport coal and oil and gas commodities, can make companies in this sector vulnerable to market fluctuations that they cannot fully control. Therefore, companies in the energy sector need to have diverse strategies and tips to manage risks associated with commodity price volatility and changes in global economic conditions.

Factors that can influence firm value include Corporate Social Responsibility (CSR). CSR is corporate social responsibility for business operations carried out based on the Triple Bottom Lines concept, namely profit, people, planet. Apart from increasing financial profits, CSR is also committed to developing the regional socio-economy in a holistic, institutional and sustainable manner (Putra & Putri, 2022). Corporate Social Responsibility (CSR) is a mechanism used by companies to show that companies not only care about their own interests, but also have a responsibility to improve environmental and social quality as a sign of the company's sustainable commitment (Dewi & Badera, 2021).

The results of several studies regarding the influence of Corporate Social Responsibility (CSR) on firm value have mixed findings. Some studies, such as those conducted by Hu et al., (2018), Rahmantari et al., (2019), and Aryista et al., (2022), conclude that CSR has a positive impact on firm value. This indicates that companies can also improve their interests and welfare inside and outside the company environment by involving three main aspects: social, economic and environmental, as well as building a good image in the eyes of society. On the other hand, there is also research such as that conducted by Muawanah and Hayati (2019), Afifah et al., (2021), and Rosyid et al., (2022), which shows that CSR can have a negative impact on firm value. They argue that increased CSR disclosure may reduce firm value because firms have to incur additional expenditure on CSR activities that may not provide an immediate return on investment.

Other factors that can influence the company's value are Good Corporate Governance. Fatma & Chouaibi, (2023) good corporate governance is a system implemented in managing a company with the main aim of increasing shareholder value in the long term while still paying attention to the interests of stakeholders.

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Consequently, implementing good governance can improve the business environment and increase stakeholder confidence, especially investors, in the company.

A high firm value has an important impact because it will have a positive impact on shareholder wealth, and this encourages shareholders to have more confidence and be willing to invest their capital in the company. The increase or decrease in firm value is influenced by various factors, and one of the key factors is good corporate governance. The more complex the company management activities, the more important it is to apply the principles of good corporate governance to ensure that company management runs effectively. By giving priority to improving the implementation of Good Corporate Governance, companies can lead to increased performance. A well-managed company will grow customer confidence and gain trust from the market (Novitasari & Kusumowati, 2021).

Research that focuses on the influence of Good Corporate Governance (GCG) on firm value shows mixed results. Several studies, such as those conducted by Yuliyanti (2019), Bawai & Kusumadewi (2021), and Wahyudi et al., (2021), indicate that the implementation of GCG has a positive influence on firm value. They argue that the more superior a company's corporate governance system is. , the greater the potential for increasing firm value. However, there are also other studies that view GCG as having a negative impact on firm value. Harlia (2022), Sastrawan et al., (2022), Fatma & Chouaibi (2023) show that GCG does not have a significant positive influence or even has a negative impact on firm value. They argue that a corporate governance system that seems to be well prepared by management can be detrimental to the company.

According to Nuryono et al., (2019), audit is a process that aims to reduce the information imbalance between management and shareholders by involving external parties to provide confirmation of financial reports. Company financial reports that have gone through an audit process provide more relevant and trustworthy data for users of financial reports in making decisions. Audit quality can be interpreted as the extent to which the audit carried out by the auditor is considered good.

The results of a number of studies on the impact of audit quality on firm value show an interesting variety of findings. Research by Mardiyaningish & Kamil (2020) confirms that audit quality, especially if carried out by KAP members of the Big Four, significantly contributes to increasing firm value. In addition, investors believe that an auditor who is considered qualified can influence firm value by showing confidence in quality financial reports (Sinaga & Ismawati, 2021).

Factors such as human resource competency, networks, and guarantees of a quality audit process by Big 4 Public Accounting Firms (KAP) provide a positive response from users of financial reports, which ultimately increases firm value (Nurasiah & Riswandari, 2023). However, there are also other studies that view audit quality as having no effect on firm value. Nuryono, et al., (2019) emphasized that audit quality does not have a significant influence on firm value. Similar results were also found in research by Rianti et al., (2021), which showed that improving audit quality had no impact on the level of firm value. Apart from that, Yolandita & Cahyonowati (2022) stated that audit quality has no influence on firm value. They highlight that the reliability of financial reports does not depend solely on the use of Big Four auditors. Even though there are regulations and policies from the OJK and IFRS, auditors may not be able to completely control earnings management behavior or other types of fraud in companies.

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Researchers chose energy sector companies listed on the Indonesia Stock Exchange for the period 2018 - 2023 as research objects because they have a very important role in supporting the country's economic growth. Apart from that, the energy sector is included in extractive companies, where extractive companies are business entities that carry out activities to manage natural resources by exploring, extracting and processing them to meet human needs. The application of CSR and GCG in the energy sector has important significance because it reveals how companies manage environmental impacts, understand their commitment to sustainability, comply with regulations, interact with stakeholders, maintain the reliability of energy supplies, and influence market perceptions.

This research aims to examine audit quality as a moderator of the relationship between Corporate Social Responsibility and Good Corporate Governance on firm value. This provides valuable insight into the influence of these practices on the value of companies in the energy sector which has a large and dynamic impact. The existence of inconsistencies in the results of previous research is an interesting motivation for further research.

2. Theoretical Background

2.1 Signaling Theory

Signaling theory was first proposed by Spence in 1973, stating that the information provided functions as a signal that can be utilized by the recipient of the information. The information submitted by the company can reflect its advantages compared to competitors. Shareholders who wish to invest need certainty about the origins and efficient and effective use of company resources. This company's historical information is explained through financial and non-financial reports (Hermawaty & Sudana, 2023). In signal theory, positive information can improve a company's reputation and achieve expected returns. Managers try to convey this information to external investors to increase share prices (Putra & Putri, 2022). Signal theory is closely related to firm value, where the signals given to stakeholders can influence their perception of firm value.

2.2 Stakeholder Theory

The stakeholder concept was introduced by the Standford Research Institute (SRI) in 1963 and is defined as a group that supports the sustainability of an organization. Stakeholder theory emphasizes that companies do not only seek profits, but also pay attention to the interests of all parties involved, such as shareholders, creditors, consumers, suppliers, government, society, and others. Companies realize that their survival depends on the support of these various parties and adapts their strategies and operations to meet their needs and expectations (Afifah et al., 2021). Stakeholder theory explains the relationship between companies and society, emphasizing the importance of considering the interests of all parties affected by corporate decisions.

2.3 Agency Theory

Jensen and Meckling (1976) define an agency relationship as a contract in which one or more owners (principals) hire an agent to perform some service and delegate decision authority to the agent. Company management, which runs operations, has more information about the company than its owners, creating a condition called information asymmetry. Pramitha & Sudana (2021) if this information asymmetry continues,

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investors' interest in investing will decrease, which in the end can cause a decline in share prices and firm value.

2.4 Firm Value

Sugiyanto et al., (2021) firm value reflects management's effectiveness in managing assets and can be measured through financial performance, with the main aim of maximizing firm value to increase shareholder profits. Yulianti (2019), a high firm value increases shareholder prosperity and attracts investors, while a low value gives a negative signal to potential investors and reflects the low prosperity of company owners. Firm value is measured using Price to Book Value (PBV). PBV is a ratio that compares the market value of shares with their book value (Octaviani, 2023). The PBV ratio helps investors assess whether a stock is undervalued or overvalued.

$$PBV = \frac{\text{Share Price Per Sheet}}{\text{Book Value Per Share}}$$

2.5 Corporate Social Responsibility

Corporate Social Responsibility (CSR) is likened to a pyramid consisting of economic, legal, ethical and philanthropic responsibilities. Economic responsibility as the base of the pyramid supports company operations, while legal responsibility ensures compliance with regulations. Ethical responsibility refers to acting according to social and environmental norms (Choi & Yoo, 2022). In Indonesia, Corporate Social Responsibility is regulated in Law Number 40 of 2007 concerning Limited Liability Companies, Corporate Social Responsibility (CSR) aims to contribute to sustainable economic development that improves the quality of life and the environment. Article 1 paragraph 3 states that CSR is a company's commitment to benefit the company itself, the local community and society in general. The indicators used in measuring this research are the use of Financial Services Authority (OJK) Circular Letter Number 16/SEOJK.04/2021 concerning the Form of Issuer Annual Reports in research to ensure regulatory compliance and enable consistent evaluation of the performance of public companies in Indonesia, providing confidence to stakeholders. importance that measurements are based on official standards. The CSR disclosure index is assessed as 0 if not disclosed and 1 if disclosed (Afifah et al., 2021).

2.6 Good Corporate Governance

According to the Center for European Policy Study (CEPS), Good Corporate Governance (GCG) is a system that includes rights, processes and controls both inside and outside company management, involving all stakeholders. GCG indicators in this research include audit committee, institutional ownership, independent commissioners, and managerial ownership (Dewi & Badera, 2021). GCG aims to manage financial performance so that management focuses on company goals, increases firm value (Latif et al., 2023), and balances various interests for overall benefits (Novitasari & Kusumowati, 2021). Murwaningsari & Mayangsari (2020) corporate governance improves performance, investor confidence and company sustainability by managing risk effectively and ensuring information transparency. Measurement uses the ASEAN Corporate Governance Scorecard based on the OECD Corporate Governance Principles. The scorecard covers five key areas: shareholder rights, equal treatment of shareholders, stakeholder roles, disclosure and transparency, and board responsibilities. The OECD Principles are used because of their global acceptance and relevance for policymakers,

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investors and stakeholders. In accordance with the OECD Corporate Governance Principles, to assess governance based on 185 disclosure items, it is assessed with 0 if not disclosed and 1 if disclosed (Murwaningsari & Mayangsari, 2020).

2.7 Audit Quality

Rianti et al., (2021) Purposeful audit reduce gap information between management and holders share with involve party external for validate report finances, so provide more data relevant for taking decision. Audit quality measures how much good inspection carried out by auditors (Rianti et al., 2021). In this research, audit quality is assessed based on specialization office accountant public in the industry specific, measurable through market share total assets and amount clients audited by the KAP (Murwaningsari & Mayangsari, 2020).

$$SPCL = \frac{\text{Sum internal KAP client's industry}}{\text{Amount all over issuer in industry}}$$

2.8 Hypothesis Formulation

The variables that will be tested in this research will be developed in a conceptual way. framework which can be described as follows:

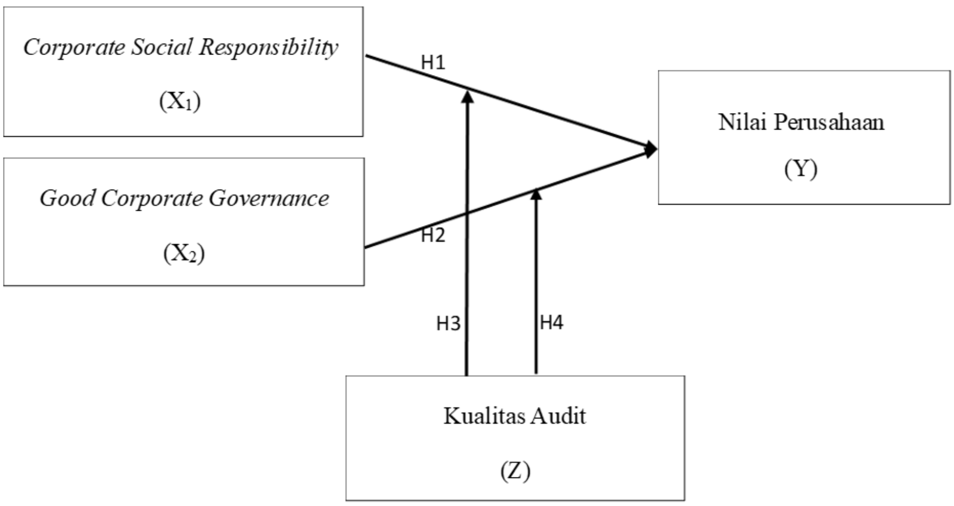

Figure 1. Conceptual Framework

H1: It is suspected that Corporate Social Responsibility has an influence on Firm value.
H2: It is suspected that Good Corporate Governance has an influence on Firm value.
H3: Suspected Moderating Audit Quality Corporate Social Responsibility relationships have an influence on Firm value.
H4: Suspected Moderating Audit Quality Good Corporate Governance relationships have an influence on Firm value.

3. Method

The population of this study is company sector energy listed on the Indonesian Stock Exchange in the 2018-2023 period. Samples are selected use purposive sampling method with criteria as following:

1) Energy Sector Companies listed on the Indonesia Stock Exchange during the 2018-2023 period.

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2) This Energy Sector Company provides and publishes a complete annual report, corporate governance and social responsibility for the 2018-2023 period.
3) Companies that do not have complete data for each variable will be removed from the sample.

From the sample selection results, there were 30 companies that met the criteria. The data was then analyzed using Eviews version 10 statistical software. There are three types of variables in this research, namely the dependent variable in the form of Firm Value. The independent variables are Corporate Social Responsibility and Good Corporate Governance. The moderating variable is Audit Quality.

This research using two methods regression for data testing: multiple linear regression and Moderated Regression Analysis (MRA). Second method this used for test influence variable independent to variable dependent, which is moderated by the variable moderation, with scale interval measurement or ratio in linear equations. Regression model used is as following:

First Regression Model Equation:

$$Y = \alpha + \beta_1 X + \beta_2 X_2 + \varepsilon$$

Second Regression Model Equation:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + Z + \beta_3 * X_3 + \beta_4 * X_4 + \varepsilon$$

Information:

Y : Variable Dependent (Firm Value)
α : Constant
$\beta_1 X_1$: Variable Independent 1 (Corporate Social Responsibility)
$\beta_2 X_2$: Variable Independent 2 (Good Corporate Governance)
Z : Variable Moderation (Audit Quality)
$\beta_3 X_3$: Variable Interaction 1
$\beta_4 X_4$: Variable Interaction 2
ε : Error Term

4. Results and Discussion

4.1 Descriptive Statistics

The purpose of descriptive statistics is to provide an overview of the characteristics of the research variables consisting of moderating audit quality The relationship between Corporate Social Responsibility and Good Corporate Governance on Firm value.

Table 1. Descriptive Statistics

	N.P	CSR	GCG	KA
Mean	0.962757	0.914222	0.949382	0.109435
Median	0.753250	0.960000	0.956800	0.088900
Maximum	6.747000	1,000000	0.994600	0.222200
Minimum	-2.053500	0.440000	0.810800	0.005600
Std. Dev.	0.942724	0.109043	0.029902	0.074001
Skewness	2.586063	-2.264631	-1.854737	0.338594
Kurtosis	15.82052	9.926285	7.249118	1.742089
Jarque-Bera	1433.374	513.6573	238.6140	15.30693
Probability	0.000000	0.000000	0.000000	0.000474
Sum	173.2962	164.5600	170.8887	19.69830
Sum Sq. Dev.	159.0823	2.128391	0.160050	0.980236
Observations	180	180	180	180

Source: Eviews data processing ver-10 (2024)

From the results of descriptive statistics, the analysis is as follows:

1) The results of descriptive statistics for the Firm value variable show that the minimum value is -2.053500 owned by PT. Apexindo Pratama Duta Tbk in 2018, while the maximum value of 6,747,000 is owned by PT. Bayan Resources Tbk in 2018. The average value (mean) is 0.962757 with a standard deviation of 0.942724. A standard deviation that is lower than the mean value indicates that the Firm value data has an unbiased level of distribution and is homogeneous in nature, indicating not high fluctuations. In other words, a standard deviation of 0.942724 indicates that the values in Firm value vary quite a bit around the average value of 0.962757.
2) The results of descriptive statistics for the Corporate Social Responsibility variable show that the minimum value of 0.44000 is owned by PT. Indika Energy Tbk in 2018 and 2019, while the maximum value of 1,000,000 is owned by many companies such as PT. Buana Lintas Lautan Tbk, PT. Bumi Resources Tbk, PT. Bayan Resources Tbk, PT. Exploitation Energy Indonesia Tbk, PT. Darma Henwa Tbk, PT. Delta Dunia Makmur Tbk, PT. Dian Swastasika Sentosa Tbk, PT. Sumber Energi Andalan Tbk, PT. Mitrabahtera Segara Sejati Tbk, PT. Samindo Resources Tbk, PT. Perusahaan Gas Negara Tbk, PT. IMC Pelita Logistik Tbk, PT. Bukit Asam Tbk, PT. Petrosea Tbk, PT. Rukun Raharja Tbk, PT. Radiant Utama Interinsco Tbk, PT. Sillo Maritime Perdana Tbk, PT. Golden Eagle Energy Tbk, PT. Transcoal Pacific Tbk, PT. TBS Energi Utama Tbk, PT. Trans Power Marine Tbk and PT. Wintermar Offshore Marine Tbk from 2020 to 2023. The average value (mean) is 0.914222 with a standard deviation of 0.109043. A standard deviation that is lower than the mean value indicates that the Corporate Social Responsibility data has an unbiased distribution level and is homogeneous in nature, indicating not high fluctuations. In other words, the standard deviation of 0.109043 indicates that the values in Corporate Social Responsibility vary quite a bit around the average value of 0.914222.
3) The results of descriptive statistics for the Good Corporate Governance variable show a minimum value of 0.810800 owned by PT. Adaro Energy Indonesia Tbk in 2019. The maximum value is 0.994600 owned by PT. Darma Henwa Tbk and PT. Energi Mega Persada Tbk in 2018 with an average value of 0.949382 and a standard deviation of 0.029902. If the standard deviation is lower than the mean value, this means that the quality of the Good Corporate Governance data has an unbiased level of data distribution, and reflects the nature of the data being homogeneous or having a data distribution that does not have high fluctuations. In other words, in Good Corporate Governance, the standard deviation of 0.029902 indicates that the values in Corporate Value for the companies analyzed vary quite a bit around the average value of 0.949382.
4) The results of descriptive statistics for the Audit Quality variable show a minimum value of 0.005600 owned by PT. Energi Mega Persada Tbk in 2023 and PT. Radiant Utama Interinsco Tbk in 2019. Maximum value of 0.222200 owned by PT. Adaro Energy Indonesia Tbk, PT. Bayan Resources Tbk, PT. Indo Tambangraya Megah Tbk, PT. Mitrabara Adiperdana Tbk, PT. Samindo Resources Tbk, PT. Perusahaan Gas Negara Tbk, PT. IMC Pelita Logistik Tbk, PT. Bukit Asam Tbk in 2018, 2019, 2020, 2021, and 2023 with an average value of 0.109435 and a standard deviation of 0.074001. If the standard deviation is lower than the mean value, this means that the quality of the Audit Quality data has an unbiased level of data distribution, and reflects the homogeneous nature of the data or has a data distribution that does not

have high fluctuations. In other words, in Audit Quality, the standard deviation of 0.074001 indicates that the values in Enterprise Value for the companies analyzed vary quite widely around the average value of 0.109435.

4.2 Panel Data Regression Estimation

Table 2. Conclusion of Equation Model Test

No	Method	Testing	Results
1	Test Chow Test	Common Effect Vs Fixed Effect	Common Effects
2	Hausman Test	Fixed Effects Vs Random Effects	Random Effects
3	Lagrange Multipliers	Common Effect Vs Random Effect	Random Effects

Source: Eviews data processing ver-10 (2024)

Based on table 1 test results can concluded that the Chow test results show that the Fixed Effect Model is better, while the Hausman test shows that the Random Effect Model is more appropriate. The Lagrange Multiplier test carried out also shows that the Random Effect Model is better. Therefore that is, the selected model For test regression This is the Random Effect Model.

4.3 Classic Assumption Test

4.3.1 Normality Test

The normality test is used to determine whether the regression model has a normal distribution (distribution) of data or not. The following are the results of the normality test in this study:

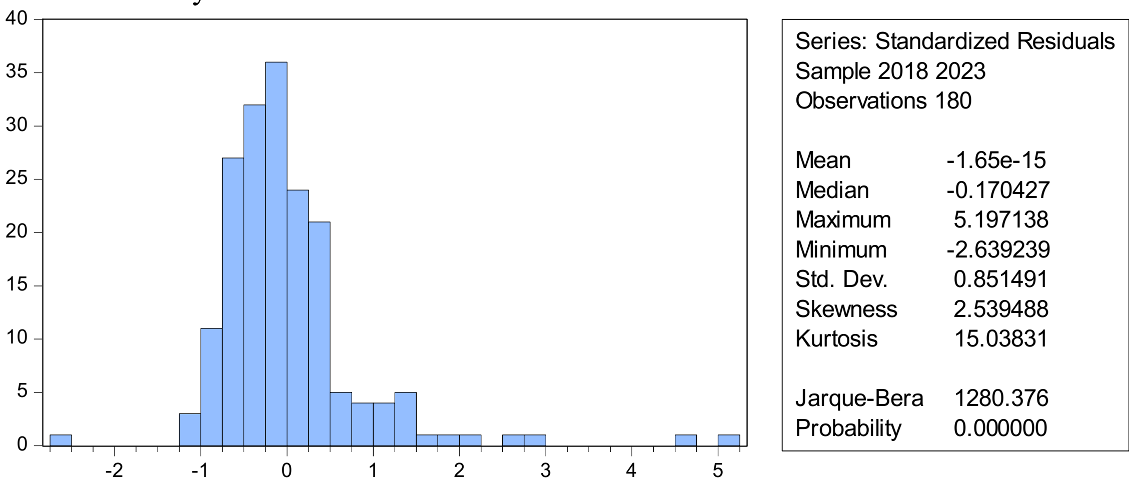

Figure 2. Normality Test

Source: Eviews data processing ver-10 (2024)

Based on Figure 2, normality test results in the histogram graph above is known Jarque-Bera value is 1280.376, while probability value 0.00000 which is smaller from significance 0.05. So that can conclude that the data in this study No distributed normally. If the normality test shows abnormal data, the Central Limit Theorem can apply. With amount observation more of 30, normality test can ignore. Normality test only required for observation not enough from 30 for ensure the error term is close normal distribution. With more of 30 observations, the distribution of the sampling error term is approaching normal (Gujarati & Porter, 2009).

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4.3.2 Multicollinearity Test

In this research, multicollinearity identified through mark correlation between variable. According to Ghozali (2018:71), correlation above 0.8 between CSR and GCG variables show exists multicollinearity.

Table 3. Multicollinearity t test

	CSR	GCG
CSR	1,000000	0.033134
GCG	0.033134	1,000000

Source: Eviews data processing ver-10 (2024)

Based on Table 4 results testing multicollinearity, results testing multicollinearity, then if seen from the results of the research above No There is correlation between high independent variables above 0.80, so can concluded that No there is symptom multicollinearity between Corporate Social Responsibility and Good Corporate Governance variables.

4.3.3 Heteroscedasticity Test

Table 3. Heteroscedasticity Test

F-statistic	0.302618	Prob. F(2.177)	0.7393
Obs*R-squared	0.613397	Prob. Chi-Square(2)	0.7359
Scaled explained SS	4.569858	Prob. Chi-Square(2)	0.1018

Source: Eviews data processing ver-10 (2024)

Based on the test results in table 3, there is no heteroscedasticity problem because the F-statistic probability value of 0.7359 is greater than the significance level of 0.05 (0.7359 > 0.05). Thus, the residuals have homogeneous variance and the data is free from symptoms of heteroscedasticity.

4.3.4 Autocorrelation Test

Autocorrelation in this study was tested using the Durbin-Watson table as follows:

Table 4. Autocorrelation Test

Mean dependent var	0.310841
SD dependent var	0.584089
Sum squared resid	56.43879
Durbin-Watson stat	1.851060

Source: Eviews data processing ver-10 (2024)

Table 5. Durbin Watson Calculations

N	D	D.L	DU	4-DL	4-DU
124	2.0035	1.6577	1.7567	2, 2433	2, 3423

Source: Secondary processing data by the author

$$DU<DU<4\text{-}DU$$

$$1.7786< 1.8510< 2.2214$$

After the autocorrelation test is carried out using the Durbin Watson (DW) method and the criterion for no autocorrelation to occur is if DU < DW < (4-DU). Judging from the significance of 5% of the independent variable (k) = 2 and the number of samples (n) = 180, it is found that the dL value = 1.7337 and the Du value 1.7786. value 4 – Du = 2.2214. From the output presented in table 4.13, the DW (Durbin-Watson) value is 1.8510, and the criteria for a value that does not experience autocorrelation is 1.7786<

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1.8510< 2.2214. So, the results obtained are that there is no autocorrelation (Ghozali, 2016: 131).

4.4 Panel Data Regression Analysis

4.4.1 Multiple Linear Regression Analysis

The results of the Random Effects Model panel data regression before interaction on the moderating variable or analysis of the regression equation are displayed in the following table:

Table 6. Results of Regression Analysis Equation I

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-3.272315	2.003198	-1.633546	0.1041
CSR	0.303751	0.639842	0.474729	0.6356
GCG	3.532607	2.068975	1.707419	0.0495

Source: Eviews data processing ver-10 (2024)

Based on table 6, the first regression equation is obtained as follows:

$$Y = -3.272315 + 0.303751 \text{ X } 1 + 3.532607 \text{ X } 1 + \varepsilon$$

Based on the results of the regression test above, it can be concluded that,

1) The constant value of -3.272315 indicates that if the CSR and GCG variables are considered non-existent, there will be a decrease in Firm value of -3.272315.
2) The regression coefficient value for Corporate Social Responsibility is 0.303751, meaning that if there is a change in 1 CSR unit, there will be an increase in Firm value of 0.303751.
3) The regression coefficient value for Good Corporate Governance is 3.532607, meaning that if there is a change in 1 unit of GCG, there will be an increase in Firm value of 3.532607.

4.4.2 Moderated Regression Analysis

The results of the Random Effects Model panel data regression after there is interaction with the moderating variable or analysis of the regression equation are displayed in the following table:

Table 7. Results of Moderated Regression Analysis

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-4.926860	3.737441	-1.318244	0.1892
CSR	3.666001	1.083037	3.384926	0.0009
GCG	1.999094	3.855272	0.518535	0.6047
KA	19.08504	24.68266	0.773217	0.4404
CSR*KA	-34.28447	9.043336	-3.791131	0.0002
GCG*KA	19.25777	25.88818	0.743883	0.4580

Source: Eviews data processing ver-10 (2024)

Based on table 7, the second regression equation is obtained as follows:

$$Y = -4.926860 + 3.666001$$

The interpretation of the panel data random effects model regression results from the second equation is:

1) Constant value of -4.926860 shows If CSR and GCG variables are considered No There is so will experience decrease in Firm value -4.926860.
2) Coefficient value regression for Corporate Social Responsibility of 3.666001 meaning that If There is change of 1 CSR unit then will experience increase in Firm value of 3,666001.

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3) N coefficient value regression for Good Corporate Governance of 1.999094 meaning that If There is change of 1 GCG unit then will experience increase in Firm value of 1.999094.
4) Coefficient value regression For Audit Quality of 19.08504 means that If There is change of 1 unit Audit Quality then will experience increase in Firm value of 19.08504.
5) The probability value shows the number 0.0002 is smaller from mark significance 0.05 which means Audit Quality can moderate the influence of Corporate Social Responsibility on Firm value. Then, results the interaction of Corporate Social Responsibility and Audit Quality has mark coefficient of -34.28447, which means that Audit quality moderates However weaken positive CSR relationship to mark company. This matter shows that an increase of 1 CSR unit in the interaction of CSR and Audit Quality will reducing Firm value by -34.28447.
6) The probability value shows the figure 0.4580 is bigger from mark significance 0.05 which means Audit Quality does not moderate the relationship between Good Corporate Governance and Firm value.

4.5 Hypothesis Test

4.5.1 F Test Results

To find out whether all the independent variables included in the model have a joint influence on the dependent variable by using this test

Table 8. F Test Results

R-squared	0.575799	Mean dependent var	0.310841
Adjusted R-squared	0.460045	SD dependent var	0.584089
SE of regression	0.566282	Sum squared resid	56.43879
F-statistic	4.811600	Durbin-Watson stat	1.851060
Prob(F-statistic)	0.003027		

Source: Eviews data processing ver-10 (2024)

From the data in table 8, you can see that mark probability F-statistic < value significance 5% (0.003027 < 0.05). So, you can take conclusion that H1 is accepted which is meaningful that Corporate Social Responsibility has an influence on Firm value and H2 is accepted as meaningful that Good Corporate Governance has an influence on Firm value.

4.5.2 T Test Results

Decision making to answer the research hypothesis is carried out by comparing the probabilities with the degrees of freedom used. The results of the hypothesis test are displayed in the following t test:

Table 9. T Test Results

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-3.272315	2.003198	-1.633546	0.1041
CSR	0.303751	0.639842	0.474729	0.6356
GCG	3.532607	2.068975	1.707419	0.0495

Source: Eviews data processing ver-10 (2024)

Based on table 9 can see that:

1) The Corporate Social Responsibility variable does not influential on Firm value, p This Can seen from value in the distant CSR table more big amounting to 0.6356 of

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mark α 0.05. So, Hypothesis 1 is not answering that Corporate Social Responsibility has an influence on Firm value.

2) The Good Corporate Governance variable has an influence positive on Firm value, p This Can seen from values in the GCG table that are far away more small amounting to 0.0494 of mark α 0.05. So, Hypothesis 2 can be answering that Good Corporate Governance has an influence on Firm value.

4.5.3 Coefficient of Determination

Table 10. T Coefficient of Determination

R-squared	0.575799
Adjusted R-squared	0.460045
SE of regression	0.566282
F-statistic	4.811600
Prob(F-statistic)	0.003027

Source: Eviews data processing ver-10 (2024)

Based on the results of table 12 show that results testing coefficient The adjusted R Square determination is 0.460045 which means that 46% of the Firm value can be explained by the variables Corporate Social Responsibility, Good Corporate Governance, and Audit Quality studied, meanwhile the remaining 54% is explained by other variables outside the research.

4.6 Discussion

H1 shows that Corporate Social Responsibility Variable No influential on Firm value. The Corporate Social Responsibility coefficient value is recorded amounting to 0.303751 with mark significance 0.6356, which is bigger from α 0.05. This research different with findings of Riyadh et al. (2022), which states that CSR is related positive with mark company, because high CSR disclosure increase mark company. Signal theory explain that CSR reduces risk finance and improve mark company because investors responded positive CSR disclosure, which reflects management ethical and prospective period good length. In contrast, Sastrawan et al. (2022) and Hermawaty & Sudana (2023) found that CSR does not influence mark company, because If CSR disclosure only considered as obligation or minimum standards, benefits the signal reduce. Researcher guess that in the sector energy, CSR disclosure is required by Law no. 40 of 2007, so investors consider all company Certain disclose CSR, so No influence mark company. Although regulation 16/SEOJK.04/2021 encourages more CSR disclosure detailed, only 62% of companies sector appropriate energy disclose CSR report between 2018-2023. For ensure CSR disclosure has an impact positive, company must convince investors that their CSR activities quality high and giving impact real for society and the environment, so become an integral part of business strategy ongoing influence performance finance period long.

This research show that Good Corporate Governance (GCG) has influence positive to mark company, in line with research by Yulianti (2019), Bawai & Kusumadewi (2021), Wahyudi et al. (2021), as well Novitasari & Kusumowati (2021). GCG, which includes transparency, accountability, responsibility responsibility, independence, and fairness, help company reach continuity period length, increase reputation, interesting investment, and reduce risk. Agency theory explain that GCG reduces potency conflict interest between holder shares and management with strengthen supervision and transparency. High score in the ASEAN Corporate Governance Scorecard (ACGS)

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reflects commitment to good governance practices and improve investor confidence. Effective GCG implementation No only fulfil regulations but it also works as a strategy for increase performance company and reduce gap interest between holder shares and management, which in turn increase mark company.

H3 shows that Audit Quality can moderate However weaken connection positive Corporate Social Responsibility on Firm value. Assess the result Audit Quality MRA coefficient can be moderate However weaken connection positive the relationship between Corporate Social Responsibility and Firm value. This research show that although high audit quality important for compliance and transparency, p the No significant influence decision company in maintain or increase mark they through Corporate Social Responsibility (CSR). This is contradictory with research by Budiman et al. (2021) who found that audit quality matters positive and significant to mark company. By general, high audit quality ensure report free finances from material errors and improve investor confidence, that's all support enhancement mark company. Stakeholder theory interest emphasize importance manage connection with various holder interest through audit quality and CSR. However, findings show that high audit quality precisely weaken connection between CSR and values company, so company tend maintain mark they in a way independent from level or the quality of CSR implemented. Despite strict audits can reveal weakness in CSR implementation, constant audit quality important for transparency, management risk, and improvement investor confidence, which contributes to value more companies tall.

H4 shows that Audit Quality does not can moderate the relationship between Good Corporate Governance and Firm value. Assess the result MRA Audit Quality coefficient is 19.08504 with The Sig value is more than 0.4580 big from α 0.05. More companies prioritize needs and hopes holder interest others (such as regulators, society, and customers) in sustainability report disclosure rather than response from financial markets. This is appropriate with stakeholder theory suggests that company must notice interest all holder interests, not only holder share. Study This show that credibility from a good audit No Enough For influence market perception of mark company if governance company Already considered well, contradictory with research by Nurasiah & Riswandari (2023) which shows that audit quality matters positive to mark company. Management company often choose service accountant from the Big 4 Public Accounting Firm (KAP) for give confidence will quality report finance they. However, the research results of Rianti et al. (2021) and Yolandita & Cahyonowati (2022) show that audit quality does not always influential positive to mark company. In Stakeholder Theory, the company must manage connection with various holder interest like holder shares, employees, and customers for create mark for all party. Effective Good Corporate Governance (GCG). Already Enough For fulfil need holder interests, so addition influence from audit quality possible considered excessive. Although high audit quality still important for ensure accuracy and reliability information finances, contribution to enhancement mark company Possible No significant if GCG already strong. Big 4 firms, such as PWC, Ernst & Young, and Deloitte, deliver confidence addition to holder interest through quality audits high, which supports principal transparency and accountability in GCG. With so, though audit quality does not moderate connection between GCG and value company, good audit still strengthens trust holder interests and shows commitment company to GCG principles, strengthen perception positive and committed real to transparency and accountability.

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5. Conclusion

This research aims to measure audit quality moderating the relationship between corporate social responsibility and good corporate governance with firm value carried out in energy sector companies listed on the Indonesia Stock Exchange (BEI) in 2018 - 2023. Based on the research that has been conducted it can be concluded that:

1) It is statistically proven that Corporate Social Responsibility has no effect on Firm value. High or low CSR disclosure has no effect on increasing firm value. CSR disclosure does not increase firm value because investors view CSR as a marketing tool or regulatory compliance without a real impact on financial performance. The reputational benefits of CSR also take a long time to become apparent, and investors who focus on short-term results tend not to factor CSR into their assessments.
2) It is statistically proven that Good Corporate Governance has a positive effect on Firm value. GCG disclosure, which is reflected in a high ACGS score, can provide significant added value for the company. This increases global investor confidence and can lead to increased firm value. Strong governance practices not only comply with regional standards but also improve investor perception and a company's financial performance over the long term.
3) It is statistically proven that Audit Quality can moderate by weakening the positive relationship between Corporate Social Responsibility and Firm value. While high audit quality is important for compliance and transparency, it does not significantly influence a company's decision to increase firm value through CSR. Companies tend to maintain firm value regardless of CSR evaluation or audit quality carried out by KAP.
4) It is statistically proven that Audit Quality does not moderate the relationship between Good Corporate Governance and Firm value. If GCG is implemented well and meets stakeholder needs, the additional influence of Audit Quality may be considered redundant because strong GCG is sufficient to maintain stakeholder trust and satisfaction.

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