**A proposed Model for Measuring the Impact of Cash Holdings and Disclosure of Corporate Social Responsibility on Continuity of the Firm**

**(An Applied Study)**

|  |  |  |
| --- | --- | --- |
| Prof. Dr.  Mostafa Rashed Al-Abbady  Professor of Auditing,  preceding Dean of the  Faculty of Commerce,  Benha University | Prof. Dr.  Mohamed Ali Mohamed Wahdan  Professor of Auditing,  Dean of the Faculty of Commerce,  Menoufia University | Mai Abdel Fattah Afifi  Assistant Lecturer,  Department of Accounting  (English section) |

**A proposed Model for Measuring the Impact of Cash Holdings and Disclosure of Corporate Social Responsibility on Continuity of the Firm**

**(An Applied Study)**

|  |  |  |
| --- | --- | --- |
| Prof. Dr.  Mostafa Rashed Al-Abbady  Professor of Auditing,  preceding Dean of the  Faculty of Commerce,  Benha University | Prof. Dr.  Mohamed Ali Mohamed Wahdan  Professor of Auditing,  Dean of the Faculty of Commerce,  Menoufia University | Mai Abdel Fattah Afifi  Assistant Lecturer,  Department of Accounting  (English section) |

Abstract

The research seeks to analyze and explain the impact of the cash holdings and disclosure of Corporate Social Responsibility (CSR)on the continuity of the firm.

The research depends on a sample of 70 non-financial firms listed in the Egyptian stock Exchange during the period from 2018 to 2021 and analyzes the elements that lead to discrepancies among firms as well as showing the impact of cash holdings and disclosure of CSR on the continuity of the firm.

The findings of the research indicate that the cash holdings has a positive and outstanding impact on continuity of the firm (according to the Altman model and the non-financial measures), and disclosure of CSR has a positive and statistically significant impact on the continuity of the firm (according to the Altman model - according to the non-financial measures)..

Therefore, the research recommends motivating the Egyptian firms to increase the level of disclosure of CSR, and to issue an independent accounting standard that regulates disclosure of CSR. In addition, the firm should try to determine the appropriate level of cash holdings, because it has an impact on the firm’s performance and the continuity of its activity in the future.

The research contributes to the accounting literature by studying the factors that affect the continuity of the firm, which are cash holdings policy and disclosure of CSR. Moreover, this research indicates that non-financial variables, such as corporate governance mechanisms and audit variables of the firm besides financial variables play a vital role in enhancing the prediction of continuity of the firm.

**Keywords:** (cash holdings, disclosure of CSR**,** continuity of the firm).

**نموذج مقترح لقياس أثر سياسة الأحتفاظ بالنقدية والإفصاح عن المسئولية الأجتماعية على استمرارية المنشأة**

**(دراسة تطبيقية)**

|  |  |  |
| --- | --- | --- |
| **أ.د/ مصطفى راشد العبادي**  أستاذ المراجعة والعميد السابق  كلية التجارة- جامعة بنها | **أ.د/ محمد على محمد وهدان**  أستاذ المراجعة  وعميد كلية التجارة - جامعة المنوفية | **مى عبدالفتاح عفيفى**  مدرس مساعد بقسم المحاسبة |

**ملخص البحث**

يهدف البحث الى تحليل أثر كلا من سياسة الأحتفاظ بالنقدية والإفصاح عن المسئولية الاجتماعية على استمرارية الشركة.

يعتمد البحث على عينة مكونة من 70 شركة مساهمة غير مالية مدرجة بالبورصة المصرية خلال الفترة من 2018 إلى 2021 ،ويحلل العناصر التي تؤدي إلى التباينات بين شركات العينة بالإضافة إلى إظهار أثر سياسة الأحتفاظ بالنقدية والإفصاح عن المسئولية الاجتماعية على استمرارية المنشأة.

تشير نتائج البحث إلى أن الاحتفاظ بالنقدية له أثر إيجابي على استمرارية المنشأة (وفقا لنموذج ألتمان والمقاييس غير المالية)، كما أن الإفصاح عن المسئولية الاجتماعية له أثر إيجابي على استمرارية المنشأة (وفقا لنموذج ألتمان – وفقا للمقاييس غير المالية).

ولذلك يوصي البحث بتحفيز الشركات المصرية على زيادة مستوى الإفصاح عن المسئولية الاجتماعية، وإصدار معيار محاسبي مستقل ينظم الإفصاح عن المسئولية الاجتماعية، وبالإضافة إلى ذلك يجب على الشركات أن تحاول تحديد المستوى المناسب من الاحتفاظ بالنقدية، لما له من تأثير على أداء الشركة واستمرارية نشاطها في المستقبل.

يساهم البحث في الأدبيات المحاسبية من خلال دراسة العوامل التي تؤثر على استمرارية الشركة والتي تتمثل في سياسة الاحتفاظ النقدية والإفصاح عن المسئولية الاجتماعية للشركات. علاوة على ذلك يشير هذا البحث إلى أن المتغيرات غير المالية مثل آليات حوكمة الشركات ومتغيرات المراجعة للشركة إلى جانب المتغيرات المالية تلعب دوراً حيوياً في تعزيز التنبؤ باستمرارية الشركة.

**الكلمات المفتاحية**: (الاحتفاظ بالنقدية، الإفصاح عن المسئولية الاجتماعية للشركات، استمرارية الشركة).

1. **Introduction**

The firm continuity prediction is of extremely importance to several stakeholders of the firm. For the interest of the firms’ stakeholders, the auditors need to maintain security over the continuity of their clients for the prospective future and fairly present their professional opinion in the audit report attached to each of their client’s financial statements.

The success of the business operation in a firm is reflected on how long the firm can sustain the business continuity and how long the firm can compete with other competitors in the same industry. Going concern is an opinion expressing doubt on a firm's capability to defend its life sustainability, which is estimated not to last, so when a firm is faced with a situation suddenly, it can be said that it is in trouble (Nurbaiti &Yanti, 2022, P.370).

International Accounting Standard 1 (IAS 1,2021) requires the management to make an evaluation of a firm’s ability to continue as a going concern. If management has significant concerns about the firm’s ability to continue as a going concern, the uncertainties must be reported. In addition (ISA 570, 2015) requires the auditors to make their judgment concerning the appropriateness of the managers’ use of going concern assumption in the preparation of the financial reports and in determining if there is a significant doubt on the firm’s ability to continue as a going concern. The cessation of a firm as a going concern is assessed by investigating the occurrence of bankruptcy, which is the extreme form of financial difficulties that the firms may face soon.

Bankruptcy is frequently used in extant literature as a measure of firm’s inability to continue as a going concern, the literature concentrates on financial ratios analysis as well as there is a growing demand for the inclusion of non-financial information (e.g., Corporate Governance mechanisms and Audit variables) in corporate bankruptcy prediction.The factors that have an impact on firm continuity needed to be studied, suchas cash holdings and disclosure of CSR.

Cash is of the most importance instruments of investment policy in businesses regardless their size and legal status. Cash is also considered a source of confidence in transactions and represents an integral part of total assets of any firm. Thus, stakeholders whether from the inside, such as management and employees, or from outside, such as investors, lenders, regulators and others pay great attention to the efficiency of management of the firm in the development of cash holdings policies (Das, 2015, P.52).

Nowadays, disclosure of CSR is one of the most investigated topics in the economic literature as it may affect the performance of the firms. Moreover, disclosure on the social, environmental, and economic would protect the firms against the negative external factors and satisfy society which reflects on the reputation and performance of firms and their ability to continue and grow (Bashatweh & AlMomani, 2020, p. 239). Therefore, CSR disclosure is a prove of the fact that a firm is established not only to maximize its profits, but also to have a long-term goal to keep its business going (Isnalita & Narsa, 2017, p. 10.)

Accordingly, this study explores the impact of both the cash holdings policy and disclosure of CSR on the continuity of the firm

1. **Conceptual Framework:**

The main objective of this section is to introduce the conceptual framework of the continuity of the firm, cash holdings and the disclosure of CSR. Further, measuring the impact of cashholdings and disclosure of CSR on continuity of the firm and finally, providing a proposed model to measure the impact of both cash holdings policy and disclosure of CSR on the continuity of the firm in the future.

**2.1 Theoretical Background of continuity of the firm**

Continuity of the firm can be presented from the following points

**2.1 .1 Definition of continuity of the firm (going concern)**

The continuity of the firm can be defined from several aspects as follows:

Continuity of firm (going concern) according to (Rahayu, 2007, p.3) "is a comprehensive concept in which consists of two major parts; Firstly, continuity as a concept reflects the firm’s ability in defending long-term viability. Secondly, continuity as audit opinion shows that the auditor owns the disbelief as regards to the firm’s capability in abiding the business in the future".

On the other hand, continuity (*going concern)* " is an accounting term for a firm that has the resources needed to continue operating indefinitely until it provides evidence to the contrary. This term also refers to a firm's ability to make enough money to practice their activities or to avoid bankruptcy. If a firm is not continuity, it means it's gone bankrupt and its assets were liquidated'' (Ramadhani & yowati, 2020, p. 75).

Moreover, the Standard IAS 1 defines going concern by explaining that financial statements are prepared on a going concern basis unless management either intends to liquidate the firm or to cease trading, or has no realistic alternative but to do so (IAS1, 2021).

**2.1.2 Events or conditions that may cast significant doubt about on the firm’s ability to Continue**

ISA 570 identifies a series of factors that, individually or collectively may cast significant doubt on the firm’s ability to continue as a going concern. The standard distinguishes between financial factors, operating factors, and other factors in table No.1 .

**Table No.(1) Factors that may cast doubt about on the   
firm’s ability to continue**

|  |  |
| --- | --- |
| **Financial** | * Net liability or net current liability position. * Adverse key financial ratios. * Indications of withdrawal of financial support by creditors. * Arrears or discontinuance of dividends. * Inability to pay creditors on due dates * Change from credit to cash on delivery transactions with suppliers. |
| **Operating** | * Loss of a major market, key customer(s), franchise, license, or principal supplier(s). * Loss of key management without replacement. * Shortages of important supplies. * Management intentions to liquidate the entity or to cease operations. |
| **Others** | * Noncompliance with capital or other statutory requirements. * Changes in law or regulation or government policy expected to adversely affect the entity. * Uninsured or underinsured catastrophes when they occur. * Pending legal or regulatory proceedings against the entity that may, if successful, result in claims that the entity is unlikely to be able to satisfy. |

**Source**: ISA570 ,2015

**2.1.3 Models to predict continuity of the firm**

Bankruptcy is frequently used in extant literature as a measure of firm’s inability to continue as a going concern although firms cease to be going concern in more ways than bankruptcy. (Bellovary, et al., 2007, p. 12). A firm’s continuity or bankruptcy can be predicted by using statistical models based on financial ratios such as the model Z-Score, Springate, and Zmijewski (Sinarti& Sembiring, 2015, p. 354) orusing a comprehensive model that includes financial ratios and nonfinancial variables to predict continuity of the firm as follow (Rahayu, 2007, p. 4; Susanti, et al., 2020. pp. 45-52).

**2.1.3.1 Financial Ratios a common prediction technique**

Financial ratios analysis categorizes the ratios into groups that provide information about different aspects of a firm’s funds and operations .These percentages can be divided into the following groups as follows (Lin, et al., 2014, p. 2474; Ali,2019, p.32)

**1- Liquidity ratios** assess the ability of the firm to meet short term financial obligations when they due by using assets that are readily convertible into cash.

**2-Solvency ratios**give an image of a firm’s capability to generate cash flow and pay its financial obligations.

**3- Growth ratios**reflect the firm's rate of growth, as the firms facing bankruptcy tend to have lower growth ratios .

**4- Cash flow ratios** capture the level of cash flowing to the firm to meet its obligations.

**5- Operational ratios** evaluate how effectually a firm’s assets are utilized to achieve sales and assist to detect incompetence in different segments of operating activities.

**6- Profitability ratios** use margin analysis and demonstrate the firm ’s capability to convert revenues and capital invested to different kinds of profit.

**7- Leverage ratios** estimate how much debt funding a firm utilizes in its capital structure.

The study of (Liu, et al., 2022, p. 5) clarified that the information on financial performance is insufficient to evaluate future uncertainties caused by changes in the business environment. Therefore, the evaluation of non-financial variable is vital to evaluate firm performance.

**2.1.3.2 Non-Financial Variables in continuity Prediction**

The financial and non-financial are useful to evaluate firm performance, as the investor may consider them as supplementary information. The non-financial variables include, for instance corporate governance mechanisms, and audit variables as follows (Laitinen& Laitinen**,** 2020, p. 134)

**2.1.3.2.1 Corporate governance mechanisms**

Corporate governance mechanisms are currently one of the main factors for improving firms' resource management and economic efficiency including, a series of relations between firm management, the board of directors, shareholders, and other beneficiaries. Corporate governance mechanisms provide a regulatory structure for firm objectives and help the firm achieve its goals and monitor the performance (Khamiri, 2021, p. 58).

**2.1.3.2.2 Audit variables**

Auditing data can be used as non‐financial factors, such as type of auditor's opinion, the going concern opinion-generally issued when a firm's going concern status is in doubt, number of qualified auditor, auditor switching, and auditor size and tenure (Sánchez, et al., 2012, p. 151; Lizares & Bautista, 2021, p. 5).

Going-concern opinion is an auditor's opinion relating to the ability of the firm to continue efforts in a reasonable period which does not exceed one year after the date the audited financial statements. Issuance of going-concern audit opinion is very useful for users of financial statements to make the right decision in investing that will indirectly affect the audited firm (Junaidi, et al., 2012, p. 136; Putri, 2020, p. 27). In addition to an audit report with a modification regarding a going concern is an indication that in the auditor's assessment there is a risk that the audit will not stay in business (Putri, 2020, p. 28). Moreover, the prior opinions as one of the non-financial factors to predict the issuance of going-concern opinions, based on the logical reason that prior opinions could be as aim to predict the recent year of audit opinions with the assumption of reliability in audit processes (Rahayu & Akt, 2007, p. 8).

**2.2 Theoretical Background of Cash Holdings**

Cash holdings policy can be explained from the following points

**2.2.1 Cash Holdings from an accounting perspective**

The Egyptian accounting standards No. (4) for the year 2015with the title of the statement of cash flows in the paragraph (6) clarified that cash is cash in the fund and demand deposits and defined what cash equivalent as short- term, highly liquid investments that could be easily converted into specific cash amounts and the risk of it being subjected to change small.

In addition, financial theories view cash as a strategic asset that enables the firms to pursue innovations and respond to environmental uncertainty (Beuselinck & Du, 2016, p.100).

In perfect markets with no information asymmetry, taxes, and agency and transaction costs, firms have not need to hold cash, as there is no benefits or costs of allocating cash, but in the imperfect markets cash holdings are a strategic component of the business capital structure, so firms should decide on their optimal cash holdings level (Chireka & Fakoya, 2017, P.80).

**2.2.2 The cash holding motives and theories**

Firms are more likely to form accumulated cash balances for several motives in addition to several theories that tried to explain these motives while trying to maintain the optimum level of cash as follows

**2.2.2.1 Theoretical Motives for cash holdings**

There are market imperfections which imply different motives for corporate cash holdings as follows

**2.2.2.1.1 The transaction cost motive**

The transaction cost motive stats that a firm benefits from holding liquid assets because these provide away to save on transaction costs (Akhtar, et al., 2018, p.154): (i) cost of raising external finance, (ii) cost of liquidation assets.

**2.2.2.1.2 Precautionary Motive**

This motive highlights the importance of anticipating future necessities and investment opportunities (Chireka & Fakoya, 2017, p.82).Thus, under this motive, firms maintain cash as precaution to cover anticipated future necessities and new investment opportunities in time where external finance is costly or unavailable (Elsayed, 2018, p.1451).

**2.2.2.1.3 Agency motive**

This agency motive refers to the influence exerted on the cash holdings by the conflicted interests between agents’ shareholders and managers of firm (Zaitoun, 2019, p.305).

**2.2.2.1.4 Tax motive**

This motive conjectures that firms hold more cash if they expect an increase in their tax obligations.Tax burden is an important factor in determining the level of cash, firms subject to higher repatriation costs have greater cash holdings ([Bick](https://www.sciencedirect.com/science/article/abs/pii/S0882611017300433" \l "!), et al., 2018, p.99).

**2.2.2.1.5 Other Motives of cash holding**

Other than the four motives, prior studies (Akhtar, et al., 2017, p.155) have identified some other motives for the firm to hold cash, managers tend to retain more cash as a source of joy to obtain more private benefits, avoid opportunity cost, reduce financial constraint, signaling motive, and diversification motive.

**2.2.2.2 Theories of cash holdings**

There are theories related to cash holding can be summarized in three main lines (Weidemann, 2017, pp.10-12.).

* Some derive from the capital structure research (trade off theory/ target adjustment model, pecking order/ financing Hierarchy theory).
* Other put emphasis on information asymmetry (agency conflicts theories, free cash flow hypothesis, shareholder power hypothesis).
* Additional theories link cash holdings with different features of corporation (product market competition hypothesis, life cycle hypothesis.).

No theory alone can describe all observed corporate finance behaviors, even considering two theories at the same time may not be sufficient and lead to inconclusive explanations (Adair & Adaskou, 2015, pp.1-2). Consequently, these theories should be complementary because they can explain the behavior of firms in different situations (Serrasqueiro & Caetano, 2015, p.449).

**2.2.4 The impact of cash holdings policy on continuity of the firm:**

Cash holding is one of the financial decisions that attracts the attention of many accounting and financial studies due to its micro- and macro-economic consequences. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but is not limited to. Management may need to consider a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate (IAS 570,2015).

Cash holding has positive relationships to market performance; the reason is that cash holdings make a positive impact on shareholders, the firm has enough cash to meet his liabilities and the firm can get future opportunities to generate a good profit. The study of (Rocca & Cambrea, 2019, p. 30) shows a positive relationship between cash holding and firm performance, as the high cash holding helps the firms achieve high firm performance. Therefore, maintaining cash is closely associated with firms’ normal transaction and business operations, and if the level of cash holdings is too low, it would affect the long-term solvency of firms (Ahmed, et al., 2018, p. 57).

In contrast, (Chen, 2008, p. 430) found that managers of firms with substantial cash resources, operating in contexts underdeveloped in terms of finance and low investor protection with a high probability use that money for opportunistic purposes, resulting in inefficiency which will adversely affect the performance of the firm. In addition, correct decisions about the perfect capital structure through corporate governance have an important and practical significance for corporate growth. Improved corporate governance quality can deal with agency problems and make reasonable financing decisions to avoid bankruptcy (Zhou& Chen, 2021, p. 2).

Moreover, cash holdings do not only reduce the possibility of financial distress and the costs associated with it, but also improve the position towards desired investment activities and minimize the costs of being dependent on external funds (Angelovska & Valentinčič, 2020, P. 9).

Considering the information content of auditor going concern opinion for predicting corporate bankruptcy. The amount of cash holdings has an impact on the audit process. The study of (Mohammadi, et al., 2018, p. 19) indicated that firms with high cash holding rates and cash flows are accompanied by a similar rise in the effort exerted by the auditors to ensure the correctness and credibility of the disclosure in the financial report, and therefore the audit fees.

**2.3 Theoretical background of disclosure of CSR**

Disclosure of CSR can be discussed from the following

2.3.1 CSR from accounting perspective

Carrol differentiated between four of CSR: economic, legal, ethical, and discretionary expectation (or philanthropic) (Carroll, 1979a, p.500; Carroll, 1999b, pp.283).**Economic responsibility** is the first responsibility and gives priority to economic performance. The view in this case is that firm must be profitable and maximize shareholder’s returns. **legal responsibility** requires from all firms in the community to comply with the laws and regulations of society. Third is **ethical responsibility** represent the kinds of behaviors and ethical norms that society expects business to follow. Finally, there are **discretionary responsibility** which focuses on the firm’s activities related to donations to the community and it is a voluntary activity, such as making philanthropic contributions, and training the hard- core unemployed.

**2.3.2 Disclosure of CSR: theoretical perspective:**

Several theories have been identified in the literatures to explain disclosure of CSR as follows (Ali & Rizwan, 2013, pp.590- 609; Fernando & Lawrence, 2014, pp.149-178).

**2.3.2.1 Legitimacy theory**

According to this theory, disclosure of CSR is voluntary disclosure and can be used as tool by the firms to communicate information about their operations and activities to maintain their legitimacy. So, the report of CSR is considered as an implementation of a social contract between the firm and society, which improves the firm’s, reputation in the eyes of stakeholders and meets the needs of society.

**2.3.2.2 Stakeholders Theory**

This theory concerned with the relationship between a firm and its stakeholders. Stakeholder theory has been divided in to two branches (Sciarelli, et al., 2019, P.110)

1. The normative (ethical) branch of stakeholder theory: it means all the stake holders of the firm are treated equally in obtaining the social and environmental performance information without considering the element of power of each stakeholder, but different stakeholders have different expectations from the firm, so the manager following managerial branch of stake holders.
2. The managerial perspective of stakeholder theory: it takes in to account the interests of limited number of stakeholders, who have significant power to influence the firm. Thus, under managerial branch of stakeholder theory, social and environmental performance information is disclosed to the concerns of powerful stakeholders, such as government regulators and shareholders rather than all the stakeholders of the firm.

**2.3.2..3 Institutional theory**

This theory suggests that firms need to incorporate social norms and political influences of the hast country in to their corporate practices (Liao, et al., 2018, p.212). there are two dimensions under this theory, which explains the adoption of voluntary type of social and environmental disclosure as follows:

1. Isomorphism, which means the firm adapt institutional practices (e.g., disclosure of CSR) to look like another firm operating in the same field.
2. Institutional theory categorized stake holders according to their power in to three groups:

* Coercive (government, trade unions, customers associations, employees, and investors).
* Mimetic (multinational firms, competitors).
* Normative groups (CSR frame works, CSR standard setting institutions, and academic institutions).

**2.3.3 Methods of disclosing CSR**

The disclosure of CSR activities can be one of the following methods (Michalak, et al., 2016, p.273; Hörmanseder, et al., 2020, p.315)

* **First method**: presenting the information on the CSR activity as a supplement to the financial information ([general-purpose financial statements](http://www.investopedia.com/terms/a/all-purpose-financial-statement.asp)). This approach gives a comprehensive, an integrated picture of the overall performance of the firm, as the reports are prepared in a way that includes financial information along with the social information of the firm .
* **Second method**: disclosure of CSR activity in separate reports. This approach is based on the separation of CSR information and financial information, aswellas separate reports are prepared that reflect the social activity of the firm (disclosure of financial and non-financial information related to CSR)
* **Third method**: The disclosure of CSR information in the report of the board of directors, but the disadvantageous for this approach is that the financial reports are mixed and difficult to monitor.
* **Fourth method**: Disclosure of CSR information through the firm's websites

**2.3.4The impact of the disclosure of CSR on the continuity of the firm**

Firms distribute economic, social, and environmental benefits with in the corporate governance to the stakeholders .CSR integration plays a vital role in achieving better performance both financially and non-financially, as CSR integration has an impact on customers, employees, operational, building an environment of shared confidence that may help to improve employee motivation ,competitive advantages and firm performance, so combining both financial and non-financial aspects of performance are considered to be a multidimensional approach to performance, which presents a more accurate way to measure firm performance(Rinawiyanti,et al.,2022,p.8)

The empirical literature examines the direct relationship between disclosure of CSR and firm performance through the theory of  
stakeholder interaction. CSR have a positive impact for the firm, as the firm's CSR activities can enhance public trust either investors, customers, suppliers, and personnel who regulate possessions, and encourage them to buy the firm's products which is reflected on profitability and financial performance (Gea & Haryetti, 2019, p. 116; Huy & Phuc, 2020, p. 12). Furthermore, by implementing CSR, firm expected will gain social legitimacy and maximize strength finances in long term and the market will respond positively on firm that implement CSR (Yusrianti, et al., 2016, p.121).

Moreover, the insignificant association between CSR and profitability might signal that CSR initiatives are costly investments that do not allow for improving net income on the income statement, and the firms should try to translate CSR initiatives into higher levels of sales revenue to ultimately improve profitability by developing better customer and public relations (Uyar, et al., 2020, p. 210). Furthermore, the study of (Bae, et. al., 2019, pp. 1–5) found that CSR reduces losses in market share when firms are highly leveraged, so CSR helps highly leveraged firms to keep customers and guard against rivals’ predation.

**2.4 A proposed model**

The proposed model can be presented as follows

**2.4.1****A proposed model objectives**

The proposed model aims to measure the impact of the cash holdings policy and the disclosure of CSR on the continuity of the firms. To achieve this goal, several sub-goals are derived, the most important of which are the following:

* Determining the appropriate level of cash holdings and its impact on the continuity and survival of the firms.
* Determining how the firm discloses its CSR and its impact on its continuity.

**2.4.2. A proposed model Hypotheses**

The proposed model is based on a number of hypotheses that will be tested through the applied study.

**2.4.3 A proposed model determinants**

The proposed model deals with measuring the continuity of the firm in the light of the impact of the variables affecting the firm, such as the choice of cash holdings policy and disclosure of CSR as follows

1. Measuring the cash holdings policy in the light of the motives and theories explaining the cash holdings
2. Measuring firms' disclosure of their CSR and how to disclose, whether presenting the information on the CSR activity as a supplement to the financial information, disclosure of CSR activity in separate reports(disclosure of financial and non-financial information related to CSR), and disclosure of CSR information in the report of the Board of Directors or disclosure of CSR information through the firm's websites
3. Measuring the continuity of the firm, whether financial variables or non-financial variables according to events or conditions that may cast significant doubt about the firm’s ability to continue.

**2.4.4. A proposed model variables**

The researcher examines the independent variables of cash holdings and disclosure of CSR to determine their impact on the dependent variable (continuity of the firm), this indicates through an applied study.

**2.4.5. The main pillars of the proposed model that maintain the continuity of the firm**

The proposed model depends on studying the economic and social factors, such as the cash holdings policy and the disclosure of CSR and how to improve them in a way that leads to a positive impact on the firm’s performance and its continuity in performing its activities in the Egyptian business environment. **The proposed model can be indicated through the following figure:**

# **A Proposed Model**

Determinants

Variables

Main Pillars

Objective

Measuring the impact of cash holdings policy and disclosure of CSR on continuity of the firm

Appropriate cash holdings policy

Cash

holdings

CSR

Report

Disclosure

of CSR

- Models predicting as Altman

- Non-financial variable.

Report

Continuity of the firm

* Motives and theories of cash holdings.
* Theories of disclosure of CSR.
* Financial ratios and non-financial variable of continuity of the firm.

**Maintaining the continuity of the firm**

**Source**: prepared by researcher.

**Figure No.(1): A proposed model for measuring the impact of cash holdings policy and disclosure of CSR on continuity of the firm.**

**3. Literature Review and Hypotheses Development**

**3.1. The studies related to the impact of cashholdings** **on the continuity of the firm**

Firstly, the study of Ifada, et.al, 2020 aimed to examine the role of cash holding in mediating the effect of leverage on firm value. This study depends on a sample of 124 manufacturing firms with the criteria of manufacturing firms listed on the Indonesia Stock Exchange in 2016-2018, publishing financial reports, and having complete data related to research variables. The findings of the study showed that leverage had a significant negative effect on cash holding and cash holding had a significant positive effect on firm value. Leverage has no significant positive effect on firm value. So, cash holding is not able to mediate the effect of leverage on firm value.

**In the same context,** the study of Yun, et al., 2021 showed how the relationship between cash holdings and firm performance is moderated by several firm-specific factors such as state-ownership, corporate governance attributes, family ownership, and ownership concentration. By considering a sample of Chinese firms. The findings of the study provided strong evidence that the cash holdings and performance relationship is significantly moderated by firm-specific attributes. Specifically, this study documented that cash holdings improve the performance of firms having strong corporate governance. Furthermore, family ownership and ownership concentration negatively affect the relationship between cash and performance, while state-ownership positively moderates this relationship.

**In addition**, the study of Garavito & Chion, 2021 aimed to examine the relationship between cash holdings and expected return on equity in a sample of firms of Pacific alliance countries.it assured that there is a positive relationship between cash holdings and expected return on equity. Furthermore, there is a positive and statistically significant association relationship between cash holdings and systematic risk. In addition, the findings of the study suggested that firm liquidity contains underlying information that contributes to explain the expected return on equity, which, if ignored, can produce quite misleading results.

**3.2 The studies related to the impact of CSR disclosure on the continuity of the firm**

**Firstly,** the study of Bac& Thanh, 2020 aimed to present the relationship between CSR disclosure and two financial performance measures for the construction firms, Based on the methodology of an overview of the concept of CSR and the application of stakeholder background theory. The empirical results for the manufacturing industry indicated that CSR disclosure is significantly related to financial performance as measured by ROA and ROE. So, CSR disclosure has a positive and significant relationship with financial performance for construction firms as well.

**Similarity,** the study of Rahman & Chowdhury, 2020 aimed to investigate empirically the impact of CSR on financial performance in Bangladeshi listed pharmaceuticals companies. The study was conducted over the last nine years from 2008 to 2016, depending on sustainability indexes, content analyzes and the combination of accounting and economic means of measuring firm financial performance. The study found that CSR has a strong positive impact on firm financial performance in Bangladeshi Pharmaceuticals firms. The results also show moderation of earnings management on impact of CSR on financial performance. Meanwhile, the test results and analysis show that earnings management negatively affects the financial performance and proved significant

**In addition,** the study of Setiawan & Dewianawati, 2021 examined the effect of CSR on corporate business sustainability (Going Concern), using the primary data obtained through questionnaires distributed to respondents and also secondary data. The findings of the study concluded that the implementation of CSR has a positive effect on the sustainability of the company's business. CSR has a very strong influence on business sustainability. The better the implementation of CSR, the more beneficial it is for business sustainability**.**

In light of the findings provided in the previous literature, the following hypotheses are suggested:

* **H1:** There is a statistically significant impact of the cash holdings policy on the continuity of firm
* **H2:** There is a statistically significant impact of the disclosure of CSR on the continuity of the firm.

**4. Research Methodology**

The applied study depends on the followings

**4.1Research Sample**

The study sample consists of(70) firms distributed over several different economic and industrial sectors, and the percentage of each sector of the sample after excluding the financial sectors can be determined as follows:

**Table No. (2)**

**Sectors representing the study sample**

| **Percentage** | **No. of observations** | **No. of firms** | **Industrial sector** |  |
| --- | --- | --- | --- | --- |
| 1.43% | 4 | 1 | Trade and distributors | 1 |
| 24.29% | 68 | 17 | Real Estate | 2 |
| 15.71% | 44 | 11 | Basic resources | 3 |
| 4.29% | 12 | 3 | industrial products and automotive | 4 |
| 14.29% | 40 | 10 | Food and beverage | 5 |
| 7.14% | 20 | 5 | Textile, Garment, durable goods | 6 |
| 8.57% | 24 | 6 | building materials | 7 |
| 5.71% | 16 | 4 | Tourism and Leisure | 8 |
| 4.29% | 12 | 3 | Contracting, engineering construction | 9 |
| 5.71% | 16 | 4 | Health care and pharmaceutical | 10 |
| 4.29% | 12 | 3 | Transportation, shipping services | 11 |
| 4.29% | 12 | 3 | Communications, media, and information technology | 12 |
| **100.00%** | **280** | **70** | **Totals** | |

**4.2 Study variables**

Table No.(3) shows the methods of measuring the study variables through the following table

**Table No.(3)**

**Study variables and their measurement methods**

| Source of measurement | Data source | Independent/dependent | Method of measuring | Symbol | Variable |
| --- | --- | --- | --- | --- | --- |
|  | **First: the independent variable (First: Accounting Disclosure of Social Responsibility (CSR)** | | | | |
| Gea & Haryetti, 2019, P.120 ; Bac& Thanh, 2020, P.4 | Social responsibility reports (if it was available)  ), annual reports and corporate websites | **independent variable** | measuring the level of accounting disclosure of social responsibility, by the proposed index, and this index consists of (80) items classified into (5) groups that express the amount of disclosure of social responsibility (Appendix No.1) | **CSR** | **Level of Accounting Disclosure of Social Responsibility** |
| **Second: the independent variable (Cash holdings (CASH))** | | | | | |
| Rocca & Cambrea, 2019, P.31 | Annual report, foot notes | **independent variable** | Measuring the Cash holdings by dividing the item of cash and cash equivalents on the total assets of the firm to indicate the size of the firm’s cash balances | **CASH** | **Cash holdings** |
| **Third: the dependent variable firm Continuity (CO)** | | | | | |
|  | Annual report and supplementary notes of the financial statement | **dependent variable** | measuring the continuity of the firm using two types of measurements:  1-Measures based on financial ratios (Altman model)  2- non-financial measures: by preparing an index consisting of (10) items | **(CO)** | **firm Continuity** |
|  | **Fourth: control Variables (CV)** | | | | |
| Zaitoun, 2019, p.322;Susanti, et al. 2020, p.45; Averio, 202o, p.152 | Annual report and supplementary notes of the financial statement | **control variable** | the natural logarithm of total assets on the yearend | **FSIZE** | **firm size** |
| **control variable** | Measured by the ratio of the year's net profit before taxes to total assets. | **ROA** | **firm profitability** |
| **control variable** | measured by dividing the total liabilities by the total assets. | **LEV** | **financial leverage** |
| **control variable** | measured by the size of the audit office as a dummy variable that takes (1) if the audit office is one of the major auditing offices or one of the offices associated with the major offices, or (zero) otherwise | **AUDS** | **Audit office size** |

**4.3 Study models:**

The applied study depends on the following main models

**4.3. 1 Model (1)**

This model is covered by the first hypothesis of the research, which is: There is a statistically significant impact of the cash holdings policy on firm's continuity. **The first model of the study can be formulated through two mathematical equations:**

***Model (1/1)***

***CO-Altman Z-Score = β0+β1(CASH)+β2(FSIZE)+β3(ROA) +β4 (LEV)+ β5(AUDS) + εit***

***Model (1/2)***

***CO-******NONFINANCAIL = β0+β1(CASH)+β2(FSIZE)+β3(ROA) +β4 (LEV)+ β5(AUDS) + εit***

**Where: (*CO-Altman Z-Score*):** Dependent variable in 1st equation: firm's continuity by Altman Z-Score model. **(*CO-*** ***NONFINANCAIL*):** Dependent variable in 2nd equation: firm's continuity by non-financial measures. **(*CASH*):** the independent variable: the level of cash holdings. **(β0):** the constant value and expresses the continuity of the firm, which is not affected by independent variables**. (β1- β5):** regression coefficients for independent and control variables. **εit:** Amount of random error

**4.3.2 Model (2)**

This model covers the second hypotheses of research, which is: there is a statistically significant impact of the disclosure of CSR on the firm's continuity

**The second model of the study can be formulated through two mathematical equations:**

***Model (2/1)***

***CO-Altman Z-Score = β0+β1(CSR)+β2(FSIZE)+β3(ROA) +β4 (LEV)+ β5(AUDS) + εit***

***Model (2/2)***

***CO-******NONFINANCAIL = β0+β1(CSR)+β2(FSIZE)+β3(ROA) +β4 (LEV)+ β5(AUDS) + εit***

**Where: (*CO-Altman Z-Score*):** Dependent variable in 1st equation: firm's continuity by Altman Z-Score model. **(*CO-*** ***NONFINANCAIL*):** Dependent variable in 2nd equation: firm's continuity by non-financial measures. **(*CSR*):** the independent variable: disclosure of social responsibility. **(β0):** the constant value and expresses the continuity of the firm, which is not affected by independent variables**. (β1- β5):** regression coefficients for independent and control variables. **εit:** Amount of random error

**The figure No.(2): shows the firms Classification according to the level of cash holdings over the study years**

Chart, bar chart

Description automatically generated

Chart

Description automatically generated

**Figure No.(2): firms Classification according to the level of cash holdings over the study years**

**Moreover,the figure No.(3) shows the classification of the study sample firms accordings to continuity as follows:**

Chart

Description automatically generated

**Figure No.(3): Classification of the study sample firms accordings to continuity**

**4.4 Analysis the study hypotheses**

This can be through the followings

**4.4.1** **Analysis the first hypothesis**

Firstly, testing the relationship between the dependent variable (continuity of firm) and the independent variable, which is the cash holdings policy, a Correlation Analyze was conducted, and the tableNo. (4)shows the correlation of the variables of the first hypothesis, as follows

**Table No.(4)**

**Correlation relationship between the first hypothesis variables**

| **The dependent variable (firm continuity)** | | **Correlation coefficient** | **The independent variable** |
| --- | --- | --- | --- |
| **Non-financial measure** | **Altman model** |
| .560\*\* | .347\*\* | Correlation | CASH  Cash holdings policy |
| .000 | .000 | Sig. |
| \*\*. Correlation is significant at the 0.01 level (2-tailed). | | | |

Secondly ,testing the impact of the independent variable (cash holdings policy) on the continuity of the firm by the method of least squares to estimate the parameters of the regression model. The tableNo.(5) presents the results of the regression analysis, as follows

**Table No.(5)**

**Regression analysis for the first hypothesis variables**

| **Multicollinearity Test** | | **firm continuity** | | | | | | **Dependent**  **variable**  **Independent**  **Variable** | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **VIF** | **Tolerance** | **Non-financial measure** | | | **Altman model** | | |
| **significance level** | **T value** | **Regression coefficient (B)** | **significance level** | **Tvalue** | **Regression coefficient (B)** |
|  |  | .000 | 9.347 | .751 | .052 | 1.955 | 4.655 | regression equation constant | Constant |
| 1.162 | .861 | .000 | 10.014 | .399 | .000 | 3.731 | 4.404 | Cash holdings Policy | CASH |
| 1.319 | .758 | .831 | -.214 | -.001 | .557 | .588 | .066 | firm size | FSIZ |
| 1.542 | .648 | .001 | 3.481 | .185 | .000 | 6.887 | 10.818 | firm profitability | ROA |
| 1.396 | .716 | .084 | -1.735 | -.042 | .000 | -4.392 | -3.125 | degree of financial leverage | LEV |
| 1.520 | .658 | .000 | 5.943 | .069 | .000 | 8.375 | 2.897 | Audit office size | AUDS |
|  | | .534 | | | .603 | | | The model explanatory Coefficient value ( | |
|  | | 62.343 | | | 82.661 | | | F value | |
|  | | 0.000 | | | 0.000 | | | The model overall significance  (p value) | |
|  | | coefficient value (VIF) for all the independent variables is less than 10 | | | | | | Multicollinearity Test | |

Hence, a regression model for the impact of cash holdings on continuity can be formulated in the presence of the control variables with the following equations

**CO-Altman Z-Score = 4.655+4.404 (CASH)+**0.066(FSIZE)**+10.81(ROA) -3.12 (LEV)+ 2.89(AUDS) + εit**

**CO-** **NONFINANCAIL = 0.751+0.399 (CASH**)-0.001(FSIZE)**+0.185(ROA) -**0.042 (LEV)**+ 0.069(AUDS) + εit**

**4.4.2 Analysis the second hypothesis**

The relationship between the dependent variable (continuity of firm) and the independent variable, which is the disclosure of CSR can be measured by using a correlation analyze, and the table No.(6)shows the correlation of the variables of the second hypothesis, as follows.

**Table No.(6)**

**Correlation relationship between the second hypothesis variables**

| **The dependent variable (firm continuity)** | | **Correlation coefficient** | **The independent variable** |
| --- | --- | --- | --- |
| **Non-financial measure** | **Altman model** |
| .803\*\* | .683\*\* | Correlation | disclosure of social responsibility (CSR) |
| .000 | .000 | Sig. |
| \*\*. Correlation is significant at the 0.01 level (2-tailed). | | | |

Secondly, testing the impact of the independent variable (disclosure of CSR) on the dependent variable, which is the continuity of the firm by using the method of least squares to estimate the parameters of the regression model. The table No.(7) presents the results of the regression analysis, as follows

**Table No.(7) Regression analysis for the second hypothesis variables**

| **Multicollinearity Test** | | **firm continuity** | | | | | | **Dependent**  **variable**  **Independent**  **Variables** | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **VIF** | **Tolerance** | **Non-financial measure** | | | **Altman model** | | |
| **significance level** | **T value** | **Regression coefficient (B)** | **significance level** | **Tvalue** | **Regression coefficient (B)** |
|  |  | .000 | 5.482 | .399 | .474 | -.717 | -1.696 | regression equation constant | Constant |
| 1.587 | .630 | .000 | 15.991 | .602 | .000 | 8.061 | 9.861 | Disclosure of social responsibility | CSR |
| 1.585 | .631 | .116 | -1.576 | -.005 | .891 | .138 | .014 | firm size | FSIZ |
| 1.466 | .682 | .023 | 2.282 | .103 | .000 | 5.960 | 8.740 | firm profitability | ROA |
| 1.617 | .618 | .653 | .450 | .009 | .002 | -3.132 | -2.103 | degree of financial leverage | LEV |
| 1.587 | .630 | .005 | 2.862 | .029 | .000 | 6.814 | 2.239 | Audit office size | AUDS |
|  | | .671 | | | .663 | | | The model explanatory Coefficient value ( | |
|  | | 111.081 | | | 107.136 | | | F value | |
|  | | 0.000 | | | 0.000 | | | The model overall significance (P value) | |
|  | | coefficient value (VIF) for all the independent variables is less than 10 | | | | | | Multicollinearity Test | |

Hence, a regression model for the impact of disclosure of social responsibility on continuity can be formulated in the presence of the control variables with the following equations:

**CO-Altman Z-Score = -1.69+9.861 (CSR)+**0.014(FSIZE)**+8.74(ROA) -2.10 (LEV)+ 2.3(AUDS) + εit**

**CO-** **NONFINANCAIL = 0.399+0.602 (CSR)-**0.005(FSIZE)**+0.103(ROA) +**0.009 (LEV)**+ 0.029(AUDS) + εit**

**5. Conclusions, Recommendations and Future research**

**5.1Conclusions:**

The main objective of the research is to study the the impact of cashholdings and disclosure of CSR on firm continuity. The results revealed thatthe cash holdings has a positive impact on continuity of the firm (according to the Altman model and the non-financial measure), and disclosure of CSR has a positive impact on the continuity of the firm (according to the Altman model - according to the non-financial scale). Moreover,There is a positive relationship between (the firm's profitability, the audit office size) and firm's continuity, while the degree of financial leverage negatively affects the continuity of the firm, as well as there is no significant relationship between the size of the firm and its continuity.

**5.2 Recommendations:**

Considering the results that were reached in both the theoretical and applied study, the researcher recommends the following-

* Directing fir’ attention to the fact that the appropriate level of cash holdings always requires a balance between the benefits of cash holdings and the costs associated with it, as deviation from this level may affect the firm’s performance and the continuity of its activity in the future.
* Attention to the application of good corporate governance practices, as they contribute to reducing agency conflicts and improving the quality of information, which affects the firm’s cash holdings policy and obliges it to disclose CSR, which is positively reflected on the firm’s performance and continuity in the future.
* Directing the attention of the financial supervisory authority to increasedisclosure in the financial statements and obligate the firms to publish ethical reports such as CSR reports
* Directing the attention of the concerned authorities to invest in Egypt with more reform measures to improve the investment climate and simplify legislation, rules and legal procedures to attract investments and provide adequate protection for investors, this will reduce the accumulation of cash and increase the efficiency of the Egyptian capital market.

**5.3** **FUTURE RESEARCH:**

**This study could be extended in several ways;**

**First,** future research can examine the relationship between CSR and cash holdings and its impact on the efficiency of investment decisions.

**Second,** future research can investigate the impact of cash holdings and disclosure of CSR on firm continuity on financial sector.

**Third,** future research can explore the impact of financial constraints on the relationship between cash holdings and stock liquidity.

**Fourth**, future research can attempt to study economic policy uncertainty and CSR performance onthe firm continuity.

**Finally,** future research can use such integrated models as well as accounting analytics tools for prediction firm continuity.

**References**

Adair, P., & Adaskou, M. (2015). Trade Off Theory V. S. Pecking Order Theory and The Determinants of Corporate Leverage: Evidence from A panel Data Analysis Upon French SMEs (2002- 2010). **Cogent Economics & Finance**, 3, 1-13.

Ahmed, R., Qi, W., Ullah, S., & Kimani, D. (2018). Determinants of Corporate Cash Holdings: An Empirical Study of Chinese Listed Firms. **Corporate Owner Ship & Control,** 15(3), 57-65.

Akhtar, T., Tareq, M. A., Sakti, M. R. P., Khan, A. A. (2018). Corporate Governance and Cash Holdings: The way Forward, **Qualitative Research in Financial Markets**, 10(2), 152-170.

Ali, G. M. A. (2019). Developing an Integrated Accounting Model for Corporate Bankruptcy Prediction based on Financial and Nonfinancial Disclosures of Egyptian Firms, **Ph.D. Thesis** faculty of commerce, Alexandra university, 1-200, (In Arabic).

Ali, W., & Rizwan, M. (2013). Factors Influencing Corporate Social and Environment Disclosure (CSED) Practices in the Developing Countries: An Institutional Theoretical Perspective. **International Journal of Asian Social** **Science**, 3(3), 590- 609.

Angelovska, M., & Valentinčič, A. (2020). Determinants Of Cash Holdings in Private Firms: The Case of The Slovenian SMEs. **Economic And Business Review**, 22 (1), 5-36.

Bac, A. H., & Thanh, H. T. T. (2020). Corporate Social Responsibility Disclosure and Financial Performance of Construction Enterprises: Evidence from Vietnam, Work Paper, No. 250, 1-11, **Available at: ww.easychair.org.**

Bae, K. H., El Ghoul, S., Guedhami, O., Kwok, C. C. Y., & Zheng, Y. (2019). Does corporate social responsibility reduce the costs of high leverage? Evidence from capital structure and product market interactions. **J. Bank. Finance**. 100, 1-61. Available at SSRN: [https://ssrn. com/abstract=2959444](https://ssrn.com/abstract=2959444)

Bashatweh, A. D., & AlMomani, S. N. (2020). The Effect of Accounting Disclosure about Sustainability Reports on the Ability of Banks to Going Concern -Case Study of Arab Bank. **Business and Economic Research**, 10(2), 234-249.

Bellovary, J. L., Giacomino, D. E., & Akers, M. D. (2007). A Review of Bankruptcy Prediction Studies: 1930 to Present. **Journal of Financial Education**, 33, 1-42.

Beuselinck, C., &Du, Y. (2016). Determinants of Cash Holdings in Multinational Corporation's Foreign Subsidiaries: Us Subsidiaries in China. **Corporate Governance: An International Review**, 25(2), 100-115

Bick, P., Orlova, S., & Sun, L. (2018). Fair value accounting and corporate cash holdings. **Advances in Accounting**, 40, 98–110.

Carroll, A. B. (1979a). AThree-Dimensional conceptual Model of Corporate Performance. **Acandemy of management Review,** 4(4), 1979, 479-505.

Carroll, A. B. (1999b). Corporate Social Responsibility Evolution of A definitional Construct. **Business & Society,** 38 (3), 268-295.

Chen, Y. R. (2008). Corporate Governance and Cash Holdings: Listed New Economy versus Old Economy Firms. **Corporate Governance**, 16(5), 430-442.

Chireka, T., & Fakoya, M. B. (2017). The Determinants of Corporate Cash Holdings Levels: Evidence from Selected South African Retail Firms. **Investment Management and Financial Innovations,** 14(2), 79-93.

Das, S. (2015). Analysis of Cash Holding for Measuring the Efficiency of Cash Management: A Study on it Sector. **Management Science Letters,** 5**,** 51–58.

Egyptian Accounting Standards, Standard No. (4). Statement of Cash Flows. (2015) Ministry of Investment. Available **at: http://www. fr. gov. eg**, (In Arabic).

El-Sayed, M. S. H. (2018). The Impact of Ownership Structures Patterns on the Level of Cash Holdings: An Applied Study. **Journal of Accounting Thought**, Faculty of Commerce, Ain Shams University, 22(4), 1443-1523, (In Arabic).

Fernando, S., & Lawrence, S. (2014). A theatrical Framework for CSR Practices: Integrating Legitimacy Theory, Stake Holders Theory, and Institutional Theory. **The Journal of Theoretical Accounting,** 10(1) 149-178.

Garavito, J. V., & Chion, S. J. (2021). Relationship between cash holdings and expected equity returns: evidence from Pacific alliance countries. **Journal of Economics Finance and Administrative Science**, 26 (51), 77-93

Gea, Y & Haryetti, H. (2019). Effect of Corporate Social Responsibility (CSR) and Compensation for Performance Management Manufacturing Companies Listed in Indonesia Stock Exchange Year 2014-2018. **AFEBI Management and Business Review (AMBR)**, 4(2), 115-125.

Hörmanseder, S. M., Hummel, K., & Rammerstorfer, M. (2020) The information content of corporate social responsibility disclosure in Europe: **an institutional perspective, European Accounting Review**, 30(2), 309-348

Huy.P. Q., & Phuc, V. K. (2020). Does Strategic Corporate Social Responsibility Drive Better Organizational Performance through Integration with a Public Sector Scorecard? Empirical Evidence in a Developing Country. **Journal of Processes**, 8(596), 1-22, available at: [**www. mdpi. com/journal/processes**](http://www.mdpi.com/journal/processes)

Ifada, L. M., Indriastuti, M., &Hanafi, R. (2020). The Role of Cash Holding in Increasing Firm Value. **Jurnal Riset Akuntansi Kontemporer**, 12(2), 81-86.

International Accounting Standards Board (IASB). 2021.Presentation of financial statement, International Accounting Standard No.1.973-1024Availableat:[**https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards/english/2022/issued/part-a/ias-1-presentation-of-financial-statements.pdf?bypass=on**](https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards/english/2022/issued/part-a/ias-1-presentation-of-financial-statements.pdf?bypass=on)**.**

International Auditing and Assurance Standard Board (IAASB).2015. Going concern. International Standard on Auditing 570 revised. available at:[**https://www.ifac.org/system/files/publications/files/ISA-570-(Revised).pdf**](https://www.ifac.org/system/files/publications/files/ISA-570-(Revised).pdf)**.**

Isnalita, I & Narsa, I. M. (2017). CSR Disclosure, Customer Loyalty, and Firm Values (Study at Mining Company Listed in Indonesia Stock Exchange). **Asian Journal of Accounting Research,** 2(2), 8-14.

Junaidi, J., Triyatmi, C. S., & Nurdiono, N. (2012). Financial And Non-Financial Factors on Going-Concern Opinion.**Journal the Winners**, 13(2), 135-146.

Khamiri, N. G. (2021). The Relationship between Social Responsibility Disclosure and Cash Holdings. **Iranian Journal of Accounting, Auditing &Finance**, 58, 58-68.

Laitinen, E. K., & Laitinen, T. (2020). Why Does an Auditor Not Issue a Going Concern Opinion for a Failing Company? Impact of Financial Risk, Time to Bankruptcy, and Cognitive Style. **Theoretical Economics Letters**, 10, 131-153.

Liao, L., Lin, T., Zhang, Y. (2018). Corporate Board and Corporate Social Responsibility Assurance: Evidence from China. **JBUS Ethics,** 150, 211–225.

Lin, F., Liang, D., Yeh, C. C., & Huang, J. C. (2014). Novel feature selection methods to financial distress prediction. **Expert Systems with Applications**, 41(5), 2472-2483

Liu, Y., Kim, C. Y., Lee, E. H., & Yoo, J. W. (2022). Relationship between Sustainable Management Activities and Financial Performance: Mediating Effects of Non-Financial Performance and Moderating Effects of Institutional Environment. Sustainability 14(1168), 1-26, Available at: **https://doi. org/10. 3390/su14031168.**

Lizares, R. M., & Bautista, C. C. (2021). Corporate financial distress: The case of publicly listed firms in an emerging market economy. **J Int Financ Manage Account**, 32, 5-50.

Michalak, H. W., Macuda, M., & Krasodomska, J. (2016). Corporate Social Responsibility and accounting in Poland: A literature review, **Accounting and Management Information Systems**, 15(2), 255-303.

Mohammadi, M., Kardan, B., & Salehi, M. (2018). The relationship between cash holdings, investment opportunities and financial constraint with audit fees. **Asian Journal of Accounting Research**, 3(1), 15-27.

Nurbaiti, A., & Yanti, S. D. M. (2022). The Influences of Company’s Growth, Cash Flow, and Debt Default on the Acceptance of Going Concern Audit Opinions. **The Indonesian Journal of Accounting Research**, 25(3), 369 – 392

Putri, S. F. I. P. (2020). Factors Affecting Going Concern Audit Opinions. **American International Journal of Business Management (AIJBM),** 3(12), 27-35.

Rahayu, P& Akt, S.M. (2007). Assessing going concern opinion: a study based on financial and non-financial informations (empirical evidence of Indonesian banking firms listed on JSX and SSX). **Simposium Nasional Akuntansi X. Makassar**, 1-32

Rahman, M., & Chowdhury, S. (2020). Corporate Social Responsibility and Firm Financial Performance: Bangladeshi Listed Pharmaceuticals Companies**. Journal of Emerging Technologies, and Innovative Research (JETIR),** 7(1), 213-222.

Ramadhani, F. T., & yowati, W. A. S. (2020). Detection Of Going Concern Audit Opinion Based on Disclosure, Financial Condition and Opinion Shopping. **Jurnal Ilmiah Akuntansi Universitas Pamulang**, 8(1), 75-84.

Rinawiyanti ,E.D.,& Xueli ,H.,& As-Saber,S.N.( 2022). Integrating corporate social responsibility into business functions and its impact on company performance: evidence from the Indonesian manufacturing industry. Social Responsibility Journal, 19(7), pp.1-30

Rocca, M. L., & Cambrea, D. R. (2019). The effect of cash holdings on firm performance in large Italian companies**. J Int Financ Manage Account**, 30, 30-59.

Sánchez, C. P., Monelos, P. D. L., & López, M. R. (2012). A parsimonious model to forecast financial distress, based on audit evidence. **Fecha de aceptación**, 30(3), 151-173

Sciarelli, M., Tani, M., Landi, G., & Papaluca, O. (2019). The Impact of Social Responsibility Disclosure on Corporate Financial Health: Evidence from Some Italian Public Companies. **International Business Research,** 12(3), 109-122.

[Serrasqueiro](https://journals.vgtu.lt/index.php/JBEM/search/search?field=author&criteria=Z%C3%A9lia%20Serrasqueiro), Z., [&](javascript:void(0))  [Caetano](https://journals.vgtu.lt/index.php/JBEM/search/search?field=author&criteria=Ana%20Caetano), A. (2015). Trade Off Theory Versus Pecking Order Theory: Capital Structure Decisions in a Periphera Region of Portugal. **Journal of Business Economics and Management**, 16(2), 445–466.

Setiawan, E., & Dewianawati, D., (2021). The Effect of Corporate Social Responsibility on Business Sustainability (Going Concern) (Case Study at Pt. Telkom Surabaya). **Journal Industrial Engineering & Management Research (Jiemar),** 2 (2), 39-41.

Sinarti & Sembiring, T. M. (2015). Bankruptcy Prediction Analysis of Manufacturing Companies Listed in Indonesia Stock Exchange, 2nd Afap International Conference on Entrepreneurship and Business Management (Aicebm 2015), Universiti Teknologi Malaysia, Kuala Lumpur, Malaysia. **International Journal of Economics and Financial Issues**, 5, 354–359. Available at; https://www. econjournals. com/index. php/ijefi/article/view/1475

Susanti, N., Sunarsi, D., & Latifa, I. (2020). The Effects of Profitability, Leverage, and Liquidity on Financial Distress on Retail Companies Listed on Indonesian Stock Exchange. **Jurnal Ilmiah Ilmu Administrasi Publik**, 10(1), 45-52

Uyar, A., Kilic, M., Koseoglu, M. A., Kuzey, C., & Karam, A. S. (2020). The link among board characteristics, corporate social esponsibility performance, and financial performance: Evidence from the hospitality and tourism industry. **Elsevier in Tourism Management Perspectives**, [35](https://www.sciencedirect.com/journal/tourism-management-perspectives/vol/35/suppl/C), 1-42 available online: [https://doi. org/10. 1016/j. tmp. 2020. 100714](https://doi.org/10.1016/j.tmp.2020.100714).

Weidemann, J. F. (2017). How to Induce Persistent, Value- Increasing, Cash Holding Policies: The Effect of Long- term Incentives, 1-59. Available at: [**https://ssrn. com/abstract-3090907**](https://ssrn.com/abstract-3090907)

Yun, [J.,](https://www.tandfonline.com/author/Yun%2C+Jiang)  Ahmad, [H.,](https://www.tandfonline.com/author/Ahmad%2C+Hassan)  Jebran, [K.,](https://www.tandfonline.com/author/Jebran%2C+Khalil)  & Muhammad, [S](https://www.tandfonline.com/author/Muhammad%2C+Sher). (2021). Cash holdings and firm performance relationship: Do firm-specific factors matter? .**Economic Research-Ekonomska Istraživanja**, 34(1), 1283–1305.

Yusrianti, H., Habsari, T.N.,& Prukumpai, S.(2016). The Effect of Financial and Non-Financial Variables to Firm. **Journal Akuntansi dan Investasi**, 17 ( 2), 118-131.

Zaitoun, M. K. G. K. (2019). The impact of social responsibility disclosure on the value and level of cash Holdings: An applied study on companies listed on the Egyptian Stock Exchange. **Journal of Accounting Research**, Faculty of Commerce, Tanta University, 2, 293-345, (In Arabic).

Zhou, M., Li, K., & Chen, Z. (2021). Corporate governance quality and financial leverage: Evidence from China. **International Review of Financial Analysis,** 73, 1-13.