ABSTRACT

Research on the relationship between institutional ownership, the size of the board of commissioners and the frequency of meetings of the board of commissioners to income smoothing has been extensively researched, but the relationship between institutional ownership, the size of the board of commissioners and the frequency of meetings of the board of commissioners to income smoothing and which will ultimately affect the information on the stock price rarely studied. This study examines the relationship between institutional ownership, the size of the board of commissioners and the frequency of meetings of the board of commissioners to information of the stock price through income smoothing as a variable intervening.

This study aims to obtain empirical evidence and analyze the impact of institutional ownership, the size of the board of commissioners, the frequency of meetings of the board of commissioners to income smoothing which will be analyzed its impact on the stock price information. The type of company and time range used in this research is a manufacturing company and the time range is from 2012-2016. The type of data used is secondary data obtained from the financial statements of manufacturing companies listed on the Indonesia Stock Exchange (BEI).

The results of the regression show that only two of the four hypotheses received from 25 sample companies and 125 data. The size of the board of commissioners and the frequency of meetings of the board of commissioners shows significant results to the income smooting in the financial reporting of a manufacturing company with different error rates while institutional ownership does not show significant results to income smoothing in a company's financial reporting. Variable income smoothing does not have a significant effect on stock price information.

Keywords : *Coorporate Governance, Income Smoothing, Information of the Stock Price*