

ABSTRACT

This study examines the association between audit committee characteristics and accounting conservatism. The analysis used audit committee characteristics such as audit committee size, audit committee independence, audit committee experienced, audit committee financial expertise and audit committee meeting frequency.

The population in this study consists of all listed firms in Indonesia StockExchange in year 2013-2015. Sampling method used is purposive sampling. A total sample of 159 companies were used in analysis. The data is analyzed using multiple linear regression analysis.

The analysis showed that audit committee size, audit committee independence, audit committee experienced, and audit committee meeting frequency, are positively significant influenced on accounting conservatism. Meanwhile, audit committee financial expertise had no significant influences on accounting conservatism.

Keywords: Corporate governance, audit committee, conservatism, agency theory