

## **ABSTRACT**

*The purpose of this study is to examine the effect of firm size, leverage, declining cash flows from operations, fixed asset intensity and firm growth on selection fixed asset revaluation model. Accounting standards provide flexibility to companies in choosing accounting methods. Based on PSAK 16, company can choose cost model or revaluation model to fixed asset measurement after initial recognition.*

*The population in this study is non financial companies listed on the Indonesia Stock Exchange between the period 2012-2015. Based on the purposive sampling method, this study obtained 92 companies as samples. The data were analyzed using logistic regression.*

*The result shows that leverage and firm growth has a positive significant effect on selection fixed asset revaluation model. The result indicating that firms with larger leverage and growth tend to choose fixed asset revaluation model for reduce contracting costs and information asymmetry. However, firm size, fixed asset intensity and declining cash flows from operations does not significantly effect on selection fixed asset revaluation model.*

*Keywords: Fixed asset revaluation model, firm size, leverage, declining cash flows from operations, fixed asset intensity, firm growth*