

ABSTRACT

This study aims to obtain empirical evidence about the influence corporate governance mechanism which consists size of board commissioner, proportion of independent board commissioner, the number of board commissioner annual meetings, audit committee and the number of audit committee annual meetings on accounting quality.

The population of this research was all companies listed in Indonesia Stock Exchange (ISX) 2009-2010 and 2013-2014. Sample of this research was all of manufacture company which listed at Indonesia Stock Exchange (ISX) 2009-2014. The total samples were 31 companies and 124 observations of annual report. Data Analysis was performed with hypothesis testing used multiple regression analysis. Statistic program in this study used Eview8.

The result of this research showed that only the number of board commissioner annual meetings and audit committee has negative impact and significant to earning management in pre-convergence IFRS and other independent variabel has not significant influence on earning management. In post-convergence IFRS, all independent variable has not significant influence on earning management. However, accounting quality has been increased by IFRS convergence in Indonesia. This research showed that practice of corporate governance was still minimize to control the practice of earnings management.

Keywords: Corporate Governance mechanism, IFRS, Accounting Quality, Earning Management