

ABSTRACT

This study aimed to examine the impact of IFRS on the quality of financial statement information in Indonesia. This study was done by comparing before and after the implementation of IFRS in Indonesia on financial statement. This study hypothesized that there is increasing quality of financial statement information is observed from the increasing value relevance and the decreasing information asymmetry. In this study, value relevance of accounting information measured price model while information asymmetry is calculated using the ask-bid spread model.

The analytical method used is multiple linear regression analysis and Paired-Sample t-Test. While the auxiliary Adjusted R^2 of book value of equity and net income used for testing the increasing value relevance hypothesis and the mean difference of the bid-ask spread for testing the decreasing information asymmetry hypothesis. The population in this study includes all companies listed on the Indonesian Stock Exchange from 2009-2014. The sample were conducted by purposive sampling method. Total samples used were 34 companies listed in the Kompas100 Index.

The results of the analysis showed that IFRS significantly impacting to both of value relevance and information asymmetry. Furthermore, this study showed there is an increasing quality of financial statement information after the adoption of IFRS. This is evidenced by the increasing of the Adjusted R^2 as a proxy of value relevance after the implementation of IFRS and the decreasing of the mean difference of bid-ask spread as a proxy of information asymmetry after the adoption of IFRS.

Keywords: *IFRS, value relevance, information asymmetry*