

ABSTRACT

This study aims to compare the aggregate models and model disagregat in predicting future earnings. Components of accrual and cash flow components of operating activities will be made of modeling to predict fiture earning . Agregat model predict future earnings by net accrual component and net CFO, while disagregat models predict future earnings with accruals components and components of cash flow operating activities using the direct method.

This study uses secondary data on companies listed on the Indonesia Stock Exchange (BEI) in the year 2007-2010. The data were collected by purposive sampling method further data is used to make predictions on earnings in 2009 and 2010. The statistical method used was multiple regression and MAPE (Mean Average Percentage Error).

The results of this study indicate that both of models can predict for future earnings, but the models can not consistently explain future earnings. In a subsequent study is expected to use a better model that can explain and predict future earnings consistently.

Keywords: Cash Flows, Direct Method, Agregat Model, Disagregat Model