

## **ABSTRACT**

*This research aims to analyze the factors that influence the selection of accounting conservatism. The accounting conservatism can be defined as an act of prudence in the company recognizes revenue and profit due to certain factors. This research uses six factors at once variables that alleged could affect the election accounting conservatism on the financial statements are leverage ratio, firm size, intensity of capital, managerial ownership, public ownership and growth opportunity.*

*This research used a purposive sampling method in the selection of the sample, the criteria of samples is a manufacturing company that has managerial ownership and public ownership and then listed on the Indonesia Stock Exchange (IDX) during the period 2009-2011. Based on these criteria, obtained samples as much as 108 companies during a three-year period of observation. But in the sample there is an outlier that must be removed from the sample research, as many as 20. So, the final number of samples that can be observed as many as 88 companies. This research was conducted with quantitative methods and analysis techniques used the multiple regression analysis and hypothesis testing using the test t test, f test and the determination of the coefficient.*

*The Results of this research showed not all factors contributing significantly to the selection of accounting conservatism in the financial statements. Only variable leverage ratio, capital intensity and growth opportunity that shows the results of the influential significantly to election of accounting conservatism.*

**Keywords:** *Accounting Conservatism, leverage ratio, firm size, intensity of capital, managerial ownership, public ownership, growth opportunity.*