

ABSTRACT

Intellectual capital become an important capital for the company in developing its business. This study is the incorporation of several studies that Bozzolan, et al (2003), Woodcock and Whiting (2009) and Mangena, et al (2010). The differences of this study with previous studies is to examine some of the factors that influence intellectual capital disclosure as well as researching the benefits of disclosure are made. Besides that the object of research is the real estate and property company listed on Indonesian Stock Exchange. The purposes of this study are to examine the effect of the firm size, leverage, and auditor type on intellectual capital disclosure and examine the effect of intellectual capital disclosure on cost of equity capital.

The research used a population of real estate and property listed from BEI. Number of population is 40 companies. The research used secondary data from annual report of 2009-2011 and IDX Fact book 2010-2012. The analysis method used is multiple linear regression and simple linear regression. Multiple linear regression use to examine some of the factor that influence intellectual capital disclosure, and simple linear regression use to examine affect intellectual capital to cost of equity capital.

The results showed that simultaneously firm size, leverage, and auditor type has significant on intellectual capital disclosure of 30,8%. Individually testing showed firm size has positive effect and significant on intellectual capital disclosure. Leverage and auditor type has no effect on intellectual capital disclosure. Intellectual capital disclosure has a negative effect and significant on cost of equity capital. This proves that large companies tend to have high capital costs can decreased cost of equity capital through increased intellectual capital disclosure.

Key words : firm size, leverage, auditor type, intellectual capital disclosure, cost of equity capital.