

## **ABSTRACT**

*The aimed of this study was to examine the influence of size of company, profitability, financial leverage, accountant public office classification, and liquidity toward income smoothing practice among list manufacture companies at Indonesia Stock Exchange on period 2007-2010. The factors being examined were size of company, profitability, financial leverage, auditor reputation, and liquidity. Index Eckel is used to determine the income smoothing practice*

*The study was using 80 manufacture company listed in Indonesia Stock Exchange, with a period between 2007-2010. The hypothesis were twsted using binary logistic regression to examine the influence size of the company, profitability, financial leverage, audit reputation, and liquidity toward income smoothing practice.*

*The result of this study showed that some of the listed manufacturers on Indonesia Stock Exchange committed income smoothing practice. Financial leverage, and liquidity has significant influence to income smoothing. Size of the company, profitability, and auditor reputation did not have influence to income smoothing.*

**Keywords :** *size of company, profitability, financial leverage, accountant public office classification, liquidity and income smoothing*