ABSTRACT

This study aims to examine the value relevance of intangible assets, including goodwill and other identifiable intangible assets, also the association with their value reliability. It test in the pre- and post-adoption periods of International Financial Reporting Standards (IFRS), to see the effect of IFRS adoption on value relevance of intangible assets.

This study used puposive sampling method in 110 company with criteria as follows : (1) Companies listed and actively traded on Indonesia Stock Exchange (IDX); (2) Published financial statement between 2009-2014; (3) Reporting intangible assets, both goodwill and other identifiable intangible assets. The sample tested with two models based on Ohlson theory (1995) to see the value relevance and reliability. The analysis used in this study is multiple regression analysis.

The results show that intangible assets is value relevant, both goodwil and other intangibles. However, the value reliability haven't positif relationship with value relevance at all, just the other indentifiable intangibles that have the positif relationship. The change of reporting standards from GAAP to IFRS is positively and significant associated on the value relevant's improvement, both goodwill and other identifiable intangibles. Beside that, the relationship between the value relevance and the reliability of intangibles has changed in the post-adoption period.

Keywords : Intangible assets, Value relevance, Value reliability, International Financial Reporting Standards (IFRS)