

ABSTRACT

The objective of this study is to examine the value relevance of other comprehensive income using audit quality as moderating variable of all non-financial companies listed in Indonesia Stock Exchange. Value relevance in investment decision is measured by actual stock return and audit quality as moderating variable is measured by size of public accounting firm.

The population in this study consist of all non-financial companies listed firms in Indonesia Stock Exchange in year 2013 and 2014. Sampling method used is purposive sampling. A total sample of 151 companies were used in this analysis. The data is analyzed using multiple linear regression analysis.

The empirical results of this study show that only the value relevance of net income with moderation of audit quality that can be proven. Net income that moderated by audit quality is positively significant influenced on stock return. Meanwhile the value relevance of other comprehensive income with moderation of audit quality in investment decision-making can not be proven, the same results are also shown for the value relevance of non-securities component and securities component of other comprehensive income.

Keyword: value relevance, other comprehensive income, audit quality