

ABSTRACT

This research aim was to analyzing earning management effect concerning *return* of share for *go public* manufacture company at Jakarta Bursary Effect which audited by both large scale and small-scale accountant company and to analyze differential between *return* of BEJ which audited by both large scale and small-scale accountant company.

These research sampling about 59 manufacture companies which *go public* at Jakarta Bursary Effect, by pooling data method (2004 – 2006), therefore sampling amount (n) = 177. Data collection used *purposive sampling* method that is data takes by required criteria.

Research results that obtained partially (individual) not contained significant influence of earning management to share return, both company which audited by Large or Small KAP. This matter indicated that both large and small of earning management executed by company management party have not significant influence to increment of company share return. In Chow Test get the F value about 12,10 much larger than table F of significance standard 5 % about 7,88 therefore there were the differential significant result of share *return* which audited by both Large or Small KAP. Preference of earning management action (accrual discretionary level) at company which audited by Large KAP about 0,0031 while profit management action (accrual discretionary level) at company which audited by Small KAP about 0,0049 its shows that company which audited by Large KAP was smaller to executed earning management that company which audited by Small KAP.