

ABSTRACT

This research was done in order to analyze the effect of independent board of commissioners, audit committee, institutional ownership, audit quality and leverage to earnings quality with company size as moderation variable. The earnings quality is a profit that correctly and accurately describes the profitability of the company's operations. This leads to earnings that are considered to have information that can be used to analyze shares issued by the issuer.

The population in this study are all companies that list in Indonesia Stock Exchange period 2014-2015. Sampling was done by using purposive sampling method, and the number of samples were 187 companies. Methods of data collection is done by collecting data derived from Indonesia Stock Exchange and Indonesian Capital Market Directory (ICMD). Technique of data analysis in this research is Moderated Regression Analysis (MRA).

The results of hypothesis testing of this study indicate that the board of independent commissioners, audit committee, institutional ownership, have a positive and significant impact on earnings quality. Leverage has a significant negative effect on earnings quality and audit quality has no effect on earnings quality. While the interaction of independent board of commissioners and company size, audit committee audit and firm size, and leverage and firm size have a negative and significant effect on audit quality. The interaction of institutional ownership and firm size has a positive and significant effect. However, audit quality and firm size interactions have no significant effect. The value of coefficient of determination shows that simultaneously together independent board of commissioner, audit committee, institutional ownership, audit quality, leverage and company size contributes to dependent variable equal to 6.8% while the remaining 93.2% is influenced by other factors outside model .

Keywords: independent board of commissioners, audit committee, institutional ownership, audit quality, leverage, firm size, earnings quality