

## **ABSTRACT**

### **ANALYSIS OF FACTORS AFFECTING THE IMPLEMENTATION OF ACCOUNTING CONSERVATISM**

**By**

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This study aimed to analyze the factors that affect the application of accounting conservatism. The independent variables in this research are leverage ratio, firm size, institutional ownership and management ownership. The dependent variable in this research is accounting conservatism. Samples of 19 companies are chosen for each period during the year 2010-2013 to form a total of 76 observations. This research adopts multiple linear regression method using SPSS as an analytical tool.

The results show that firm size, institutional ownership and management ownership has no effect on accounting conservatism, while the leverage ratio positively and significantly affects accounting conservatism.

**Key Words: Accounting Conservatism, Leverage Ratio, Firm Size,  
Institutional Ownership And Management Ownership**