

ABSTRACT

ANALISIS OF EARNINGS MANAGEMENT PRACTICES BEFORE AND AFTER FULL ADOPTION OF IFRS

By

DENI RAHMAWATI

This study was aims at identifying and examining empirically the differences between earnings management before and after the adoption of IFRS on the banking companies listed in Indonesia Stock Exchange by using a variable that is proxied by discretionary accruals.

Sampling was conducted by using purposive sampling method, and acquired 27 companies that meet the criteria in the study. Period used in this study is the year 2008 - 2012, so the overall observation data around 54 data. The tests was performed by different test analyzes paired sample T-test, where previously was performed by classical assumption to test the feasibility of the research data.

The results of the hypothesis testing in this study shows statistically that by using the adoption of IFRS in Indonesia does not guarantee the existence of differences in earnings management practices.

Keywords: adoption of International Financial Reporting Standards (IFRS), analysis, earnings management