

ABSTRACT

**THE EFFECT OF CORPORATE GOVERNANCE TO FINANCIAL
RESTATEMENT
(Empirical Study In Companies Listed On IDX)**

by:

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Using independent variable institutional ownership, managerial ownership, independent commissioner, audit committee, and BIG4, this research wanted to see the influence of corporate governance to financial restatement. By using sample of financial report from 2010 until 2012, this research found that institutional ownership is significant but opposite with the analyzed hypothesis. And the other independent variable is not significant with financial restatement. This founding may happened because the sample used in this research was not separated between the restated company because of error correction and because of the changes in accounting method that happened because the changes in accounting standard.

Keywords: Corporate Governance, Financial Restatement.