

ABSTRACT

The purpose of this research is examining the influences of the adoption of IFRS-based accounting standards toward companies earnings quality. The companies earnings quality is proxied through earnings management by modified jones model, earnings management by kasznik model, and value relevance of earnings.

The population in this study, consist of all listed firm in Indonesia Stock Exchange in 2004-2014. The sampling method in this research is purposive sampling. Criteria for firm is a manufacturing company and it must have complete data and support the implementation of research. Total sample in this study is 682 data and analysis technique that used is OLS regression.

The empirical result of this study show that the adoption of IFRS is not influence to earnings management. But, the adoption of IFRS is associated with value relevance of earnings or earnings reported during the period after IFRS adoption is more value relevant.

Keyword: IFRS, earnings management by modified jones model, earnings management by kasznik model, value relevance of earnings.

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