

**THE EFFECT OF INDEPENDENT COMMISSIONER BOARD
MEMBER, COMMISSIONER BOARD SIZE, AUDIT COMMITTEE,
CONCENTRATED OWNERSHIP AND CULTURE TOWARD
EARNINGS MANAGEMENT**

A THESIS

**Presented as Partial Fulfillment of the Requirements
for the Degree of Sarjana Ekonomi (S1) in Accounting Program
Faculty of Economics University of Atma Jaya Yogyakarta**



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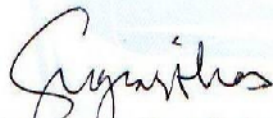
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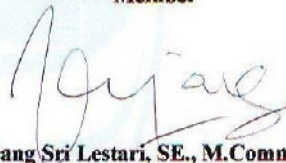
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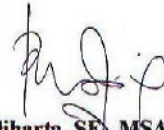


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**hereby declare that I fully knowledge that my writings does not contain
others' or part(s) of others' writings, except for those that have been cited
and mentioned in the references.**

Yogyakarta, November 2011



Ketut Gde Davin Prasada Bagiada

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Abstract

Earnings management is act of a manager that report earnings which can maximize personal interest or company interest by using accounting policy method (Scott, 2000). Manipulative behavior done by manager emerged from interest conflict and it can be minimized through a monitoring mechanism which aims to align considerable interests. Monitoring mechanism can be in form of independent commissioner boards proportion, commissioner boards size, audit committee, concentrated ownership and culture.

The research aims to test effect of independent commissioner board proportion, size of commissioner board, audit committee, concentrated ownership and culture toward the earnings management.

Result show that independent commissioner boards proportion does not negatively affect earnings management, commissioner boards size does not negatively affect earnings management, audit committee does negatively affect earnings management, concentrated ownership does negatively affect earnings management and culture does affect earnings management.

Keywords : Earnings management, independent commissioner boards proportion, commissioner boards size, audit committee, concentrated ownership, culture.