

# UNIVERSITAS INTERNASIONAL BATAM

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*Undergraduate Thesis  
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## **ANALYSIS OF FACTORS AFFECTING EARNINGS QUALITY IN INDONESIAN STOCK EXCHANGE COMPANIES IN 2013-2017**

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### *Abstract*

*This study aims to determine the impact of factors affecting earnings quality. The author uses earnings quality as the dependent variable and the independent variable uses board independence, leverage, free cash flow, investment opportunities, auditor size, and firm size. Counted 398 companies registered in Indonesia using purposive sampling as a research sample.*

*There are 1990 sample data from 398 companies found on the IDX or commonly called the IDX for 5 years. Data were obtained from 2013 to 2017. However, there were 27 outlier data, and the total data processed was 1963 samples. These results state that free cash flow and investment opportunities have a significant negative relationship and firm size has a significant positive relationship on earnings quality, while board independence, leverage and auditor size have no effect on earnings quality.*

**Keywords:** *independent commissioners, earnings quality.*