

ABSTRACT

Earnings management is an enterprise management effort to intervene or influence financial information contained in financial statements which is used to trick investors who want to know the performance and financial condition of the company.

This study aims to examine the effect of audit quality, firm size, and leverage on earnings management at mining companies listed in Indonesia Stock Exchange (IDX) in 2014-2016.

The population in this study is a group of mining companies listed on the Indonesia Stock Exchange (IDX) in 2014-2016. The selected sample is based on purposive sampling of 17 companies. The data collected is secondary data with documentation technique. Data analysis techniques are panel data regression, which is a combination of time series and cross section data.

The result of this research shows that partially audit quality has significant effect to earnings management, firm size has significant effect to earnings management, and leverage does not have significant influence to earnings management.

Simultaneously independent variables audit quality, firm size, and leverage have a significant influence on the dependent variable earnings management.

Keyword: Audit Quality, Company size, Leverage, Earning Management