

## **ABSTRACT**

*Statement of Financial Accounting Standards (PSAK) No.1 2015 concerning structured financial reporting of financial position and financial performance of an entity. There are several accounting principles and one of them is the principle of conservatism. The principle of conservatism (the principle of conservatism) is a principle of exclusion or modification in terms of these principles as a rule for the presentation of relevant and reliable accounting data. The principle of conservatism considers the compilation of choosing between two or more general accounting techniques needed, a preference to choose for the option that has the most unfavorable share ownership. Simultaneous and partial between foreign ownership, debt covenant and conservatism accounting.*

*In this study the independent variables are foreign ownership and debt covenant. The dependent variable in this study is accounting conservatism. foreign ownership and debt covenant of accounting conservatism in mining sector companies listed on the Stock Exchange in 2013-2017. The research hypothesis is the effect on the variable foreign ownership and debt covenant of accounting conservatism.*

*The population in this study were mining sector companies in 2013-2017. The sample selection technique uses purposive sampling and obtained 25 companies that are equipped with a period of 5 years obtained 125 samples observed. The data analysis model of this research is panel data regression using Eviews 9.0 software.*

*Based on the results of research, foreign ownership and debt covenant significantly affect accounting conservatism. While partially, the debt covenant variable has a positive effect on accounting conservatism. While foreign ownership variables do not affect accounting conservatism.*

*Furthermore, this research is a reference for further research and for further research to be able to add or use research samples with other company objects, not only in the mining sector. In addition, it is also recommended for future researchers to be able to rediscover the factors that can lead to accounting conservatism.*

*Keywords: Foreign Ownership, Debt Agreement, Accounting Conservatism.*

