

## ABSTRACT

Sugiarti, Nanik. 2013, THESIS. Title: “The Influence of Firm Characteristics and Earning Management on the Disclosure Completeness of Annual Financial Statement (Empirical Study on Companies Listed in LQ45 in 2008-2011)”

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Keyword : Firm Characteristics, Earning Management, and Disclosure Completeness of Annual Financial Statement

This study aims to analyze the influence of firm characteristics and earning management on the disclosure completeness of annual financial statement of companies listed in LQ45 in 2008-2011. The characteristics of the companies are represented by seven independent variables, one earning management variable, and the disclosure completeness of annual financial statement as the dependent variables.

The data from this study are obtained from financial statements and annual reports of the companies listed in LQ45 in 2008-2011 drawn from the Indonesia Stock Exchange and Indonesian Capital Market Directory (ICMD). The population of this study are 79 companies listed in LQ45 during 2008-2011. The samples are determined through purposive sampling method. The type of data are secondary data in the form of companies' annual financial statement. This study employs a multiple regression analysis using the computer program of SPSS version 15.

The result of this study indicates that liquidity ratios, leverage ratios, profitability ratios, firm size, corporate status, firm age, the proportion of public stock ownership, and earning management simultaneously have a significant effect on the disclosure completeness of companies' annual financial statement. Partially, only leverage ratios, profitability ratios, firm size, and firm age that have a positive influence on the disclosure completeness of companies' annual financial statement.