

## **ABSTRACT**

Murni, Dini Ainil. 2013, THESIS. Tittle: “The Influence of Good Corporate Governance to Earnings Management Practices on Islamic Banks in Indonesia ”  
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Key Words : Good Corporate Governance, Earnings Management, Islamic Bank

This study aimed to determine the influence of good corporate governance mechanisms proxied by the board of commissioner size, the number of the board of commissioners meeting, the independent commissioner composition, the independent audit committee composition, the number of the audit committee meeting, institutional ownership and managerial ownership to earnings management practices. Earnings management is measured using discretionary accruals.

The sample are 24 Islamic banks in Indonesia, which it has published the annual report and partial report in 2010 and 2011. This study use multiple linear regression analysis.

The results show that the board of commissioner size, the number of the board of commissioners meeting, the independent commissioner composition, the independent audit committee composition, the number of the audit committee meeting, institutional ownership and managerial ownership have no significance effect on earnings management. It indicates that good corporate governance mechanism failed to minimize earnings management on Islamic Banks in Indonesia.