

ABSTRACT

This study aims to understand the factors that expected influential to conservatism accounting. The factors that considered able to affect the application of conservatism accounting in a company, namely debt covenant, the ownership structure managerial, growth opportunities, bonus plan, and financial distress. The application of the concept of conservatism basically have been replaced with the concept of prudence but, has not been realized thoroughly because there are still in sak that allows enactment of this concept. To research this sample used constitute a whole manufacturing companies who enrolled in the indonesia stock exchange (IDX) in the period 2013-2015. While, the kind of data that used to research this is data secondary, namely data from the financial reports derived from the annual report of company. Manufacturing companies were chosen based on the criteria which had been made so only by the company meet the criteria to be elected (purposive sampling).

The result of this research stated that to the independent variable debt covenant, the ownership structure managerial, and the financial distress impact on conservatism accounting. While, for two other variables growth opportunities and a bonus plan do not affect in significant impact on accounting conservatism.

Keywords: accounting conservatism, debt covenant, the ownership structure managerial, growth opportunities, bonus plan and the financial distress