The Impact of Non Linier of Prudence to Relationship of Audit Committee Mechanism on Income Smoothing

Kaslim Sugiono[1], Iskandar Muda[2], Sirojuzilam Hasyim[3]

[1,2,3]Universitas Sumatera Utara
Email: kaslimsugiono@gmail.com

Received: 07.04.2024 Revised : 19.05.2024 Accepted: 24.05.2024

ABSTRACT
The purpose of this research is to obtain empirical certainty about the relationship between the audit committee mechanism and income smoothing, and the audit mechanism in this research is seen from its size, independence, expertise, and the number of meetings held by the audit committee during one financial reporting period. Because previous research still shows inconsistent results, this research adds prudence as a moderating variable. Taking research samples using the purposive sampling method, namely companies depending on LQ-45 for the period August 2023, with the year of observation from 2018 - 2021. The existence of a moderating variable requires researchers to use Moderated Regression Analysis. Before being regressed, the model was declared not subject to the three classical assumption tests. Thus, the empirical evidence that can be provided is that the size of the audit committee has a significant negative effect on income smoothing, while independence, expertise and meetings have no effect on income smoothing. Prudence only strengthens the relationship between audit committee size and independence on income smoothing and is unable to moderate the relationship between expertise and number of meetings on income smoothing.

Keywords: Audit committee mechanism; Income smoothing; Prudence

INTRODUCTION

Companies use returns as a parameter to assess management performance, because in principle profits contain financial report information that describes the general condition of the company. Profit is one of the factors that is paid attention to by external parties, especially readers of financial reports who use these reports as decision makers related to the company concerned. Profit is also recognized as an advantage by various parties such as accountants, investors, creditors as well as management and this factor is the reason for the information gap on returns. presented in the annual report and the actual return that occurs. This tends to make company management carry out earnings management on its financial reports, especially in terms of profits so that the financial reports presented look stable.

Income smoothing which is often also referred to as income smoothing, is part of earnings management and this type of beautification of financial reports is often considered normal and even natural for a company, because this is done as a deliberate action to reduce fluctuations in the value of profits (Beidleman, 1973). Mahmud (2012) explains that what is meant by income smoothing is one of the activities for managing company profits by making the profit value every year as if it does not change or even though there is an increase or decrease, it does not cause a fluctuation curve so as to give a better impression of the company's profits. in the eyes of the general public. Maotama and Astika (2020) say that if seen in general, what is meant by income smoothing is an action taken by company managers to show profits that tend not to increase or decrease too significantly. The manager deliberately shows stagnant profits in each annual report. Sometimes what underlies this is that managers want personal satisfaction (moral hazard) which can be shown to company owners because they can increase the value of the company by showing that the company has a small risk in the eyes of the public.

LITERATURE REVIEW

Of all the existing types of earnings management, income smoothing is considered the most popular type of earnings management because to carry out income smoothing the manager still has to pay attention to the comparison of past, present and future earnings, so that realized earnings are often used to predict returns. in the future.

Agency Theory

A relationship shared by several parties, where the first party is an individual who acts as part of the principal and the second party acts as an agent in providing services and provides delegation from the first party to the second party to make decisions on behalf of the first party based on (nexus of contracts). This requires uniform vision and mission between the first and second parties, and in this relationship requires the second party to make periodic reports about the first party's business which must be managed by the second party (Lubis, 2017). To show how the second party carries out the company's operations, the second party summarizes it in a period report or annual report which will be submitted to the first party at the end of each reporting period. This theory aims to bridge an efficient relationship between the principal and the agent. This contract contains rules regarding methods for sharing profits, both regarding profits, returns and risks which will later be agreed upon by both parties.

Prospect theory

This prospect theory is the basis for the reasons for individual behavior in making decisions when faced with uncertain conditions. The origin of this theory comes from Kahneman and Tversky (1979), because human behavior is considered inappropriate and contradictory when making decisions (Hasan, 2019). The same research subject, when faced with several choices, will ultimately form a different decision. This behavior is called risk aversion and risk seeking behavior (Kahneman and Tversky, 1979). This theory is used to examine phenomena regarding human behavior in various aspects of life, and is also devoted to matters connected with the need to make unreasonable decisions. Apart from that, this theory also acts as a measurement perspective on the behavior of individuals who are members of an organization to determine their final attitude, namely making decisions (Mahastanti and Wiharjo, 2012).

Audit Committee Mechanism

In the 1930s the United States introduced the concept of audit committees. Then in the 1970s, the NYSE (New York Stock Exchange) required the existence of an audit committee, and used it as a requirement for recording financial reports, and this was followed by various countries regarding the provisions of the audit committee mechanism. In line with this tendency, this has become a requirement in Indonesia to implement GCG guidelines (Toha, 2004, Mardiah, 2018). SE issued by Bapepam with Number SE-03/PM/2002 (public) and Also the Decree of the Minister of BUMN Number KEP-103/MBU/2022 (BUMN) regulates the existence of an audit committee. In this regulation there are things that indicate that the audit committee members must consist of a minimum of t3 (three) people and the chairman must be a commissioner with the provision that the other two external parties have backgrounds, namely experts in accounting and finance. This is also reinforced by the KNKG (2006) which provides an explanation that the number of audit committee members must be adjusted to the operational complexity of a company but must still maintain its effectiveness in making decisions.

Size of Audit Committee

Audit committee members consist of a minimum of one independent commissioner and a minimum of two other external members, this is regulated by POJK Number: 55/POJK.04.2015 where the regulation states that the minimum number of members is a prerequisite for the audit committee's duties to be more effective (Dezoort in Ika and Ghazali, 2012). Apart from these regulations, the Decree of the Directors of PT BEI Number Kep-339/BEI/07/2001, part C also states that the audit committee has a minimum of 3 members. This was added by Sutojo (2005) who stated that the audit committee members must consist of 5 five people with a term of office of five years, and two of the members are not public accountants. The chairman and committee members may not receive any form of return from a public accounting company except pension money.
H1. Audit committee size has a negative effect on income smoothing.

Independence of Audit Committee

NASDAQ sets the standard that an effective audit committee consists of a minimum of 3 people, and the three members do not have a binding relationship with the company because this will affect their independence when supervising the company's operations. Response to the SEC's request to increase the effectiveness of the audit committee in terms of company management to comply with GCG. Independence in behavior is a form of audit committee independence in company activities (Basri, 2019). A proper audit committee must be independent when carrying out its duties without being influenced by company management or other parties to achieve credibility in the eyes of the public, especially shareholders. This independence is closely related to morality as the basis of integrity, besides that the existence of an audit committee is considered a liaison or communication channel for external and

internal parties as well as functioning as supervision (which is reflected in the internal auditor) (Habbe et al., 2019).
H2. Audit committee independence has a negative effect on earnings management.

Audit Committee Expertise
OJK issued regulations regarding audit committee members in a company which are presented in Number: 55/POJK.04.2015 which clearly states that it is mandatory for each audit committee in a company to have at least one member with an accounting or financial background. In this way, it is hoped that these members will be able to identify or provide statements that are more relevant to management regarding ensuring the quality of the financial reports presented, including the accuracy of the annual report time period, because reporting delays will affect the company's performance in the eyes of the public. Decree of the Chairman of Bapepam No. Kep-29/PM/2004 on September 24 2004 regulates the requirements for audit committee independence, namely having at least one member with accounting or financial expertise. If you look at the GCG guidelines, they are almost in line with the rules set by the OJK where GCG requires balance in terms of experience and appearance of an individual who is an audit committee member with a broader background in finance and accounting. The audit committee can better assess whether the company's financial reports have been presented correctly and appropriately.
H3. Audit committee expertise has a negative effect on earnings management.

Number of Audit Committee Meeting
POJK Number: 55/POJK.04.2015 states that in order for a company's audit committee to run effectively, it is best to hold regular meetings at least once every three months. Therefore, it can be concluded that effective audit committee meetings are held 4 times in one reporting period. The main objective of the audit committee in holding this meeting is to communicate the results of its supervision periodically in a more formal manner, as well as ensuring that the company's operations are in accordance with GCG principles in each quarterly report, providing assurance that the company follows the code of conduct, monitoring the company's operations regularly. periodically so that when violations of statutory regulations occur they can be identified early, as well as requiring the company's internal auditor to make written quarterly financial reports on the conformity of the company's financial statements with generally accepted accounting principles and if there are findings presented at the meeting an evaluation report is made on the findings. at the next meeting before the reporting period ends (Putra, 2010).
H4. The number of audit committee meetings has a negative effect on earnings management.

Income Smoothing
Income smoothing or income smoothing is an action by company management that shows calm company profits, in other words the profits listed in the financial statements show good quality because these profits do not experience significant increases or decreases but are calm, thus depicting stable company performance (Yosvid, 2020). Income smoothing can be seen in the profits listed in the annual report, where this annual report is a communication tool that can be used as a communication bridge between the company's internal and external companies. Financial reports contain all forms of information needed by users of financial reports.

Prudence
Prudence or caution is a phenomenon where individuals in making decisions ultimately have different responses even though the problem they are going through is the same problem in a different format (Kuhberger, 1998; Levin et al.; 1998). Prospect theory from Kahneman and Tversky (1979) explains that in cognitively ambiguous conditions individuals are required to make decisions in conditions of uncertainty that are definitely at risk. These individuals are divided into two criteria, individuals who dare to take risks and individuals who refuse to take risks. In prospect theory, it has been explained that individuals place a higher value on outcomes under more uncertain or risky conditions. So this tendency creates positive farming conditions which encourage individuals to manipulate profits on financial reports. The existence of this theory is used as a controlling framework for the nature of market phenomena, where the final decision will be influenced by prudence which is used as a moderating variable in this research.
H5. Prudence strengthens the relationship between audit committee size and income smoothing.
H6. Prudence strengthens the relationship between audit committee independence and income smoothing.
H7. Prudence strengthens the relationship between audit committee expertise and income smoothing.

H8. Prudence strengthens the relationship between the number of audit committee meetings and income smoothing.
The conceptual framework of the study can be reviewed in the figure below.

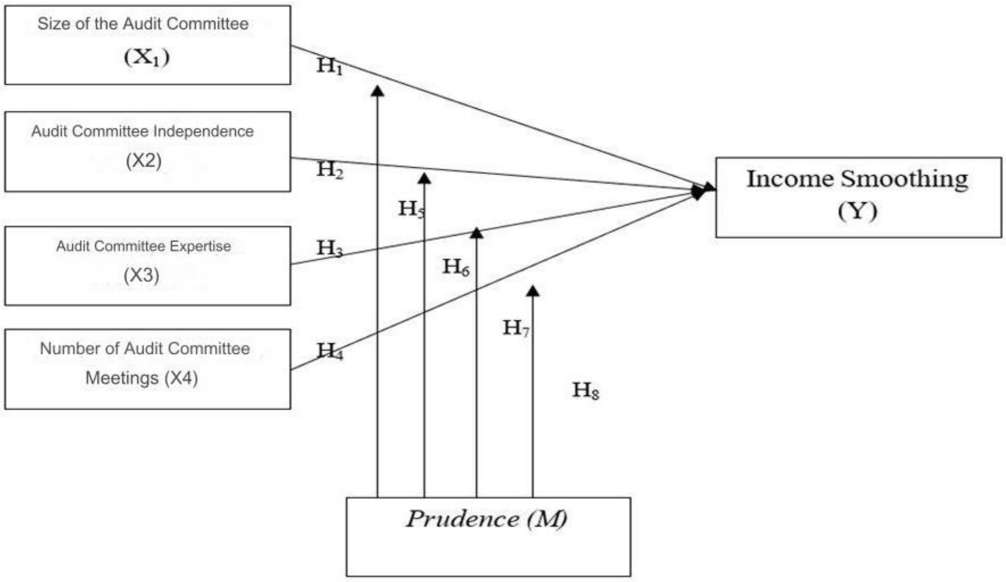

Figure 1. Conceptual Framework

METHODS
Researchers in this study used a casual effects type of research. This research tests the influence of phenomena or facts by considering theory and looking for truthful information in fact to explain what factors influence this phenomenon (Priyono, 2016: 33).

METHODOLOGY
Moderated Regression Analysis is used as a technique for analyzing the data that has been collected, and in analyzing the data it is processed using SPSS version 23 software. The use of MRA is considered an analytical approach to maintain sample integrity and provide a basis to help control over the moderator (moderation) variables used in this research (Ghozali, 2016). The reason for choosing this technique is because of the use of moderating variables which will strengthen or weaken the direct influence of the independent and dependent variables.

Data Analysis
The descriptive test must be carried out first before analyzing with other methods because through this descriptive test the researcher obtains information about the characteristics of all the variables used in the research. According to Sugiyono (2017), researchers must carry out descriptive statistical tests before carrying out other tests, so that the data used by the researcher can be seen as the basis for the research and also the researcher obtains a more informative explanation about the data that will be used in the research so that later the explanation can be used as a basis for justification after it comes out. research results using predetermined data analysis techniques.
Testing classical assumptions is the next stage that researchers must carry out, before researchers carry out data processing with the MRA test. The reason researchers have to carry out this test is to obtain certainty that the equations used in this research do not have the same estimates as previous studies, so that the results are unusual estimates. This testing is divided into four parts:

1. Test Normality

Ghozali (2016) believes that normality testing is carried out to see the residual value of the data used by researchers. To ensure that the data used has normal residual values, this normality test is carried out to ensure that all data from the sample used in this research is definitely normally distributed to ensure that the regression model used is the right regression model. Test the normality of the data using graphic analysis and the Kolmogorov o Smirnov statistical test (KS). The data used can be said to have a normal residual value indicated by Asymp.sig (2-tailed) more than (>) 0.05.

2. Multicollinearity Test

The results of this test are used as an intermediary in seeing correlations that may occur between variables in the research (Ghozali, 2016). The basis for assessing whether data is said to be free from multicollinearity is if the test results comply with the criteria, namely tolerance <0.10 with VIF>10. If the results of data processing do not meet these requirements, it means that the relationship between the independent and dependent variables used in the research experiences a high correlation or there is interference in the relationship between the influence of the two variables.

3. Autocorrelation Test

The reason this research must be tested for autocorrelation is because the data used is secondary data, meaning the data used comes from annual reports based on time periods or time series. By carrying out autocorrelation testing, researchers will find out the correlation that exists between data for period t and data from the previous period t-1. And to assess whether or not there is autocorrelation testing in this study using Durbin Watson (Ghozali, 2016).

4. Heteroscedasticity Test

The final classic assumption test is the heteroscedasticity test. This test is a test used to see differences in residual values for each independent variable used in research. To find out more about the differences in residual values, the Glejser test was used (Ghozali, 2016). The Glejser test is carried out by regressing the absolute value of the residual with the independent variable. The regression model is good if the residual values are different. If the residual values are not different, the data is categorized as homogeneous data. The test criteria are known by comparing the significance value to α= 5%. If the t test value of the explanatory variables is not significant, it can be concluded that the model does not experience heteroscedasticity problems.

To carry out hypothesis testing, researchers must prioritize the reality of the phenomenon being observed and become the basis for the reason for the research, so its truth needs to be proven through a problem formulation that has been described, and the answer to the problem statement is not permanent. Rejecting or accepting a hypothesis is a result of the hypothesis testing procedure (Sugiyono, 2017).

This research uses MRA analysis techniques because this research uses moderation model interaction variables. Moderated Regression Analysis is an analytical technique that researchers usually use to test hypotheses using moderation to see whether the interaction variables used by researchers can strengthen or weaken the direct influence of an existing regression model. The existence of this moderating variable acts as a moderator to eliminate research bias mentioned in previous studies used as empirical studies in this research. According to Ghozali (2016:213) researchers can add interaction variables (moderation/intervening) to eliminate bias in research results and in this research the moderating variable is used. The form/regression model in this research is as follows:

$IS = \beta0 + \beta1UK + \beta2IK + \beta3KK + \beta4RK + \beta5\ UK*P + \beta\ 6IK*P + \beta\ 7KK*P + \beta\ 8RK*P + \varepsilon$……………………………….…. ……………………… (9)

In general, the value of the coefficient of determination for cross-sectional data is usually quite high. The results obtained from the R^2 test lie between 0 and 1, which indicates that if it is low, it means that this type of influence from the independent variable to the dependent variable is very limited, and vice versa, if the value is close to 1, the independent variables used by the researcher provide sufficient information regarding the independent variable studied by the researcher. In essence, the coefficient of determination measures the ability of a model to explain the dependent variable (Ghozali, 2016). In this research, the number of value coefficients is limited to around the value $0 \le R^2 \le 1$, where the meaning in question is:

1. When the variable $R^2 = 1$, this means that the value explains the dependent variable by 100% of the independent variable.
2. When the variable $R^2 = 0$ or close to zero, it means that the value is unable to explain the dependent variable by the independent variable.

If we look at the statistical test of the F test, it means that we are analyzing the ability of the independent variable simultaneously over the dependent variable. The point is to know the influence of all independent variables used together to become behavioral parameters of the dependent variable. The testing steps used as the basis for justification are as follows:

- H_0 i: Regression coefficient (1) = Regression coefficient (2) = ...= The regression coefficient k is equal to zero, indicating that the simultaneous independent variable has no influence on the dependent variable.
- H_a i: Regression coefficient (1) ≠ Regression Coefficient (2) ≠… ≠ Regression coefficient k is not the same as having a value of zero, meaning that the independent variable simultaneously has an influence on the dependent variable.

Criteria for collecting provisions are carried out such as comparing significance values. If the statistical value F has a probability value (p) smaller than the significance level α = 5%, then H_0 is rejected and Ha a

is accepted; in this case it states that all independent variables are significant explanations of the dependent variable.
The final statistical test tool is a t-significance test or partial test, this test is carried out to see the influence of each independent variable on the dependent variable. The test criteria carried out are obtaining a significant estimate, that is, if it is significant (p-value) < α=0.05, it can be concluded that Ho and Ha are accepted. To determine whether the independent variable has an effect on the dependent variable or not, the significance value can be seen. If the significance value obtained through SPSS testing of the independent variable is smaller than α=0.05, it means H 0 is rejected and Ha is accepted, and from this value it can be concluded whether the hypothesis for the partial influence of each variable can be accepted or not.

RESULT AND DISCUSSIONS

There is positive relationship between audit committee size and income smoothing. The more the size of the audit committee conforms to POJK regulations or even more than the basic regulations, the better the quality of supervision carried out by the audit committee, so that the possibility of management to carry out profit feelings on financial reports can be minimized.
The level of independence of a company's audit committee does not have any influence on income smoothing actions carried out by company management. If you look into the actual theory, individuals who come from outside the company and are part of the audit committee have no special ties to anyone in the company concerned, let alone emotional ties, of course this is impossible. Without this feeling of attachment, individuals should be more independent in making judgments about a matter, and if it is assumed that the relationship between individuals from outside the company who join the company as members of the audit committee without any sense of attachment should be able to prioritize independence, which should be able to suppress One of the deviant behaviors that company management may carry out is income smoothing.
By having audit committee members with this area of expertise, the company's internal parties can better understand the impact of the accounting policies chosen by the company and these accounting policies will provide positive or negative results for the company that are more predictable at the start of decision making.
No proof of influence between the number of meetings held by the audit committee during one reporting period and its influence on income smoothing.
The existence of prudence as a moderation suppresses the bias that occurs in the relationship between audit committee size and income smoothing. The existence of prudence possessed by company management makes company management more careful in preparing the company's annual report because without prudence, company management usually has an overly optimistic attitude. and in preparing annual reports, this excessively optimistic attitude does not have a positive impact because individuals are usually careless and can cause errors.
The existence of prudence possessed by company management strengthens the relationship between audit committee independence and income smoothing behaviour that may be carried out by company management.
The behaviour of the companies observed as samples in this study did not appear to hold regular meetings between audit committees or it could be said that the frequency of meetings was not too many.
Prudence is not able to strengthen or weaken the influence of the number of audit committee meetings on income smoothing

CONCLUSION, LIMITATIONS AND FUTURE STUDIES

Based on everything that has been discussed and explained in each previous chapter, the conclusions that can be conveyed by the researcher are:
1. Audit committee size has a negative and significant effect on income smoothing. The larger the size of the audit committee, the greater the practice of income smoothing in the company.
2. Audit committee independence has no effect on income smoothing.
3. Audit committee expertise has no effect on income smoothing.
4. Audit committee meetings have no effect on income smoothing.
5. Prudence strengthens the influence of audit committee size on income smoothing.
6. Prudence strengthens the influence of audit committee independence on income smoothing.
7. Prudence is unable to moderate the influence of audit committee oversight on income smoothing.
8. Prudence is unable to moderate the effect of the number of audit committee meetings on income smoothing

Apart from the conclusions above, the researcher feels limitations in this research so that for further research he can make improvements to the results of this research and develop the theories that have been used in this research in order to obtain more reliable results. In this regard, there are suggestions that researchers can make. show is:

1. In the future, company management should pay more detailed attention to the possibility of earnings management, in this case earnings management by means of income smoothing. This is closely related to GCG, and the audit committee mechanism is an important part of achieving effective GCG. Therefore, management certainly needs to pay more attention to the applicable provisions regarding minimum standards for the number of members in the audit committee, external parties who are needed as part of the audit committee which will increase the independence of the audit committee itself, better filter the individuals who will be part of the audit committee by prioritizing individuals with recent education related to accounting or finance, and finally paying attention to the number of meetings held by the audit committee to ensure that its existence is effective and efficient for the smooth running of the company's operations.
2. For future researchers who will carry out research development based on this research, it is hoped that they will replace the research sample with a different number of sectors or other sectors that are more hyped according to the time of the next research. In fact, to be able to generalize the research results further, researchers can then use all company sectors that are part of the manufacturing companies on the IDX or they can also change the type of company, not just looking at the manufacturing side but looking at the banking company side.
3. It is also felt that future researchers can develop this research by adding different types of variables assessed from the adjusted R 2 value which is quite small in this research means that future research can use mediation variables, by adding mediation variables it is felt that we can see what other factors influence the income smoothing behavior of a company.

REFERENCES

[1] Alfiyasahra, Nazila; Challen, Auliffi Ermian. 2020. Pengaruh Kualitas Komite Audit dan Ukuran Kantor Akuntan Publik terhadap Manajemen Laba (Studi Pada Perusahaan Manufaktur Sektor Industri Dasar dan Kimia yang Terdaftar di BEI periode 2015-2017). Jurnal Akuntansi Indonesia 9 (1), hal. 37-51.

[2] Aprilliani, Rita; Aloysius. 2017. Pengaruh Ukuran Dewan Komisaris Dan Komite Audit Terhadap Manajemen Laba Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Periode 2013 – 2015. Profita 10 (3), hal. 360-372.

[3] Azizah, Nur Zaimah; Diana, Apry Linda. 2020. Pengaruh Independensi, Ukuran Komite Audit, Kompetensi, Dan Frekuensi Pertemuan Terhadap Manajemen Laba Pada Perusahaan Manufaktur Yang Terdaftar Di Bei Periode 2015- 2019. Sekolah Tinggi Ilmu Ekonomi Indonesia – Tahun 2020, hal. 1 -28

[4] Basri, T. H., (2019). The Effect of Professionalism, Organizational Culture, Leadership Style, Independence Auditors on Auditor Performance with Intelligence Spiritual as a Variable Moderating on Office Public Accountants in Medan. Interntional Journal of Research and Review, 6(6), 163-179.

[5] Burgstahler, D. Dan Dichev, I. 1997. Earnings Management to Avoide Earnings Decreasses and Losses. Journal of Accounting and Economics, 24, pp. 99 – 126.

[6] Forum for Corpporate Governance in Indonesia. 2001. Peranan Dewan Komisaris dan Komite Audit dalam Pelaksanaan Corporate Governance (Tata Kelolan Perusahaan). Jakarta : FCGI.

[7] Ghozali, Imam. 2016. Aplikasi Analisis Multivariete Dengan Program IBM SPSS 23 (Edisi 8). Cetakan ke VIII. Semarang : Badan Penerbit Universitas Diponegoro.

[8] Habbe, A.H., Rasyid, S., Arif, H., (2019). Measuring internal auditor's intention to blow the whistle (A Quasi-experiment of internal auditors in the local government). Business: Theory and Practice. 20 224-233. https://doi.org/10.3846/btp.2019.22

[9] Hasan, A., & Gusnardi, I. M. (2019). The Prospect of Accounting Standard Implementation: Micro, Small and Medium Entities Based On Quality of Effective Applicable Financial Statements On January 01, 2018 (Study On Small Medium Enterprises In Rokan Hulu District). International Journal of Scientific and Technology Research, 2019, 8(9), pp. 2108–2112.

[10] Hoogervorst, H. 2012. The Concept of Prudence: Dead or Alive?. FEE Conference on Corporate Reporting or The Future, Brussels, Belgium, 18 September 2012.

[11] Idris, Lius Suadika; Natalylova, Kartina. 2021. Pengaurh Ukuran Dewan Komisaris, Komite Audit dan Faktor Lainnya terhadap Manajemen Laba. E-Jurnal Akuntansi TSM 1 (3), hal. 299-312.

[12] Jensen and Meckling. 1976. Theory Of The Firm, Managerial Behavior, Agency Cost and Ownership Structure, Journal Of Financial Economics 3 (4), pg. 305 – 360

[13] Keputusan Menteri BUMN Nomor KEP-103/MBU/2002
[14] Lubis, A., (2017). Factors Affecting The Cost of Agency of Village Owned Enterprise (BUMDES) in Indonesia. International Journal of Economic Research. 14(21). 151-166.
[15] Mardiah, A (2018). The Effects of Voluntary Disclosure, Audit Tenure and Audit or Specialization on Information Asymmetry with Audit Committee as A Moderating Variable in Banking Companies Registered in Indonesia Stock Exchange. International Journal of Research & Review (www.ijrrjournal.com) 22.5; 9; https://www.ijrrjournal.com/IJRR_Vol.5_Issue.9_Sep2018/IJRR005.pdf
[16] Marsha, Felicia; Ghozali, Imam. 2017. Pengaruh Ukuran Komite Audit, Audit Eksternal, Jumlah Rapat Komite Audit, Jumlah Rapat Dewan Komisaris Dan Kepemilikan Institusional Terhadap Manajemen Laba (Studi Empiris Perusahaan Manufaktur Yang Terdaftar Di BEI Tahun 2012-2014). Diponogoro Journal of Economic 6 (2), hal. 1-12.
[17] POJK Nomor: 55/POJK.04.2015
[18] Priyono. 2016. Metode Penelitian Kuantitatif. Zifatama Publishing: Sidoarjo.
[19] Scott, W.R.. 2015. Financial Accounting Theory. Seventh Edition. Pearson: Toronto.
[20] Scott, W.R.. 2015. Financial Accounting Theory. Seventh Edition. Pearson: Toronto.
[21] Sugiyono. (2017). Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung : Alfabeta, CV
[22] Sukartha, I Made. 2007. Pengaruh Manajemen Laba, Dan Kepemilikan Manajerial Pada Kesejahteraan Pemegang Saham Perusahaan Target Akuisisi. Jurnal Riset Akuntansi Indonesia 10 (3) hlm. 1 – 25.
[23] Surat Edaran Bapepam Nomor SE- 03/PM/2002
[24] Surat Keputusan Direksi PT Bursa Efek Indonesia Nomor Kep-339/BEI/07/2001
[25] Yosvid, Y., (2020). The influence of operational income and load association, leverage, and firm size on earning management. International Journal of Public Budgeting, Accounting and Finance, 3(1), 178-190.