# ABSTRACT

Regina Maria Chandra / 35150333 / 2019 / Value Relevance of Accounting Information to Closing Price Moderated by Accounting Conservatism in Manufacturing Companies Listed in the Indonesian Stock Exchange in the Period of 2015-2017 / Advisor: Dr. Carmel Meiden, S.E., M.Si., Ak., CA.

The relevance of the value of accounting information in the form of financial statements provides relevant information for investors in order to facilitate decision making. Financial statements must help investors to be able to assess a company. Relevant information contained information such as profits, book value of equity and company size. This study aims to find out and prove the existence of the relevance of the value of accounting information and the effect of accounting conservatism on the overall value relevance of manufacturing companies listed on the Stock Exchange in 2015-2017.

The research theory is Clean Surplus theory, Signal theory, Agency theory, and Market Efficiency theory. The Clean Surplus Theory is a return to shareholders after profit has occurred. Signal theory explains that companies give signals to users of financial statements about the condition of the company. Agency theory explains that alignment of goals between principals and agents will reduce conflict. Market Efficiency Theory explains that markets react quickly with new information.

The object of this research is the financial statements of manufacturing companies listed on the Indonesia Stock Exchange for the period 2015-2017. Sampling using purposive sampling method amounted to 189 observations consisting of 63 companies as samples with several criteria. Data analysis techniques carried out for testing are fixed effect test, classic assumption test, F test, t test, and test coefficient of determination.

The dummy variable least square test results performed state that data can pooled. Research shows that the profit variable and firm size tested have value relevance and conservatism has value relevance to stock prices, while the book value of equity has no value relevance to stock prices. The results of testing with moderation state that conservatism only weakens the relevance of earnings value and firm size to stock prices.

In conclusion of this research is that the value of the profit variable has value relevance, the book value of equity has no value relevance, and the size of the company has value relevance. Conservatism as moderation does not weaken the relevance of earnings value, does not strengthen the value relevance of the book value of equity, and does not weaken the relevance of value to firm size.