

**ANALYSIS THE EFFECT OF APPLICATION OF INTERNATIONAL
FINANCIAL REPORTING STANDARD ABOUT PROPERTY INVESTMENT
AND DEPRECIATION OF FIXED ASSETS TO PROFIT COMPANY**

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ABSTRACT

Application of International Financial Reporting standard by Indonesia has been started since the adoption of a revised PSAK standards in 2007, one of which is a revision of PSAK 13 investment properties. In the PSAK 13 companies are obliged to choose between using the cost method that has been used so far by the company or by the method of revaluation which the fair value or market value becomes the basis of an assessment of an investment property. In addition to PSAK 13, there are also PSAK 16 regarding fixed asset which is also the adoption of International Financial Reporting standards, in this standard set of depreciation of fixed assets should be allocated to each year. Both standards are directly or indirectly affects the profits of the company.

The method of analysis used is multiple regression analysis methods, and to know how big variable contribution used the coefficient of determination, and partial testing with the t test and simultaneous with the f test with $\alpha = 0.05$. Obtaining the results of the analysis was processed using SPSS 18 for Windows.

Based on statistical analysis showed a strong relationship between the application of IFRS on investment properties, depreciation of fixed assets and profits of the company. Increase in fair value of investment property has a positive effect on company profits, and for the depreciation of fixed assets positively affect on company profits. The conclusion of this study is, the simultaneous application of IFRS on the property investment and depreciation of fixed assets significantly influence the company's profit, and partial application of IFRS on investment properties is significant effect on corporate profits, and partially also the depreciation of fixed assets have a significant effect corporate profits.

Key word :International Financial Reporting Standarts, investment property, depreciation of fixed assets and profit