

## ABSTRACT

AYU EKA WANDINI. *Analysis of Accounting Method for Depreciation of Fixed Assets, Inventory Valuation Methods, and Book Value Equity Income Againsts Prime Offers (IPO) in Indonesia Stock Exchange (BEI)*. Guided by Mr. Adrie as mentors.

IPO's are often characterized by a lack of available published information, the disclosure of financial statements in the prospectus to be important in the formation of stock prices (Syaiful Ali 2000), this study investigated the influence of the accounting methods of depreciation of fixed assets, inventory valuation methods, and the book value of capital to revenue with the initial offering sample of firms that go public and listing on the Indonesia Stock Exchange (BEI) Period 2006-2010.

Accounting methods that will be examined in accordance with the already studied by Ali (2000), the method of accounting for depreciation of fixed assets and inventory valuation. As for the other independent variables included in the design model of this study is the book value of capital.

By using multiple regression analysis found that the result showed no effect of the accounting methods of depreciation of fixed assets and inventory valuation methods. While the book value of capital variables effect the dependent variable, which means the larger the company's book value of capital, then the value of income into the higher initial offering.