

ABSTRACT

This research is intended to analyze the effect from the implementation of corporate governance system toward level of internet financial reporting disclosure in the manufacture company listed at Indonesia Stock Exchange (IDX) in 2017. The corporate governance system being analyzed in this research consists of managerial ownership, institutional ownership, total of independent commissioner, frequency of audit committee's meeting, and competency of audit committee. Whereas the variable of internet financial reporting is measured by measurement Internet Financial Reporting (IFR) Index based on Cheng, et al. research (2000) which consists of four index components is aspect's of content aspect's of timeliness, aspect's of technology and aspect's of user support.

The type of data used in this research is secondary data. The population of research consists of manufacture companies listed in IDX during 2017. Sampling method in this research is purposive sampling with criteria: own corporate website, release annual report and financial report in 2017. Total sample of this research is 82 manufacture companies. The analytical technique used in this research is multiple regression analysis.

The result of this research showed that the disclosure level of internet financial reporting in manufacture company listed on Indonesia Stock Exchange in 2017 is positively influenced by the application of corporate governance mechanism proxied with the institutional ownership and number of independent commissioner variable. In the other hand, the competence of audit committee influenced negatively toward the disclosure level of internet financial reporting in manufacture company. Futhermore, the application of corporate governance mechanism proxied with the managerial ownership and the frequency of audit committee's meeting does not affect significantly toward disclosure level of internet financial reporting in manufacture company listed on Indonesia Stock Exchange in 2017.

Keywords: managerial ownership, institutional ownership, number of independent commissioner, frequency of audit committee's meeting, level of internet financial reporting disclosure.