

ABSTRACT

The purpose of this study is to examine the effect of the characteristics of the audit committee financial and accounting expertise on financial reporting timeliness. Timeliness of financial reporting is measured using 2 variables: earnings announcement lag and audit report lag. The characteristics of audit committee financial and accounting expertise are measured by the proportion of the financial and accounting expertise in the audit committee and the presence of accounting expertise on audit committee chair.

This study uses secondary data from financial statements and annual reports of manufacturing companies listed on the Indonesia Stock Exchange within the period 2011-2014. Based on the purposive sampling method, there are 81 companies that met the sampling criteria. The data were analyzed using multiple linear regression.

The result shows that accounting expertise on audit committee chair has a significant negative effect on the timeliness of financial reporting. In other words, the audit committee who chaired by an accounting expert can shorten the time needed for financial reporting. Meanwhile, financial and accounting expertise on audit committee does not significantly affect the timeliness of financial reporting. It means the existence of financial and accounting experts on the overall audit committee members do not affect the company's financial reporting period.

Keywords : *Audit committee financial expertise, audit committee accounting expertise, timeliness reporting, earning announcement lag, audit report lag.*