ABSTRACT

This study aimed to examine the effect of firm characteristics such as type of industry sector, company size, profitability, gearing, and liquidity and corporate governance mechanisms such as ownership structure, board size, board composition, and the size of the audit committee on risk disclosure in interim financial statements.

This study used a sample of 147 interim financial statements of non-financial companies listed on the Indonesia Stock Exchange in 2014. Risk disclosure is measured using content analysis. Statistical test equipment that used to test the hypothesis is multiple regression.

The results of this study indicate the size of the companies significantly affect the risk disclosures in the interim financial statements, while the type of industry sector, profitability, gearing, liquidity, ownership structure, board size, board composition and audit committee size had no significant effect.

Keywords: risk disclosure, interim financial statement, firm characteristics, corporate governance