

## **ABSTRACT**

*This study aim to examine the effect of the board structure, ownership structure and audit committee on financial distress. The structure of the board is measured by the proportion of independent commissioners. The ownership structure are measured by ownership of directors, ownership of commissioners and outside blockholders. The audit committee is measured by the audit committee independence. This study uses the size of the company as control variable is.*

*The population of this study is manufacture company listed on the Indonesia Stock Exchange for period of 2008-2010. Based on purposive sampling method, this sample of this study are 96 companies (18 financial distress and 78 non financial distress). The criteria is used to categorize a financial distress company in this study is based on deficit equity company (negative equity). Data analysis using regression logistic by SPSS program.*

*The results show that the proportion of independent commissioners and audit committee independence have a significant effect on financial distress. While ownership of directors, ownership of commissioners and outside blockholders have no effect on financial distress.*

*Keywords: financial distress, board structure, ownership structure and audit committee.*