

## **ABSTRACT**

*This study is divided into two sections. Section one aims to analyze the compliance of audit committee disclosure practice with the current regulatory framework for all public listed banks in Indonesia, and section two aims to examine the relationship between audit committee disclosure index and the stock price. After analyzing Peraturan Bank Indonesia and audit committee disclosures in the annual report of banks, 23 disclosure variables have been identified. Then, the Audit Committee Disclosure Index (IPKA) has been computed based on the variables.*

*Using archival method, the annual reports from 2007 to 2008 are collected, and daily stock price data are obtained. Based on purposive sampling, the final number of sample banks for each year is 23 from 30 listed banks.*

*The survey findings show some inconsistencies in disclosing audit committee information with Peraturan Bank Indonesia No. 8/14/PBI/2006. Moreover, it has been found that the listed banks are disclosing audit committee information in varying degree (21,74% to 82,61%). The second result indicates that there is no significant relationship between audit committee disclosure index and the stock price.*

*Keywords: Audit committee disclosure, Peraturan Bank Indonesia, stock price.*