

ABSTRACT

The purpose of this study is to determine whether voluntary disclosure is associated with financial status, corporate governance and ownership patterns. Factors that are used consist of distressed status, corporate governance structure (ownership structure and committee audit), leverage, profitability, size of firms.

The aims of this study using cross sectional series data covering the period 2007-2008. The samples of this study are consists of forty three financial distressed firms which joined with forty three nonfinancial distressed firms. Data analyzed classic assumption test, and the examination of the hypothesis use model of multiple linier regression and paired sample t-test.

Result show that financially distressed firms had lower voluntary disclosures than their matched healthy firms. Institutional ownership, Managerial ownership and committee audit, on the other hand, are not associated with voluntary disclosure. Size and profitability had significant relation with the extent of voluntary disclosure.

Key words: voluntary disclosure, distressed status, corporate governance structure