ABSTRACT

This study examines the mechanism of good corporate governance and financial distress conditions on the voluntary disclosure in the annual report. Implementation of good corporate governance by companies, proxied by several indicators such as managerial ownership, institutional ownership, board of commissioners, and audit committees. The sampling method used in this study was purposive sampling. The sample consists of 53 manufacturing companies listed on The Indonesia Stock Exchange. The results showed that the board of commissioners have significant effect on the voluntary disclosure. While managerial ownership, institutional ownership, audit committees, and financial distress does not significantly influence voluntary disclosure.

Keywords: good corporate governance, financial distress, voluntary disclosure.