

ABSTRACT

This study aims to examine and analyze the influence of financial indicators and and frequency of audit committee meetings on financial distress. The independent variable of financial indicators is proxied with profitability ratio using return on equity, liquidity ratio using current ratio and activity ratio using inventory turnover. And good corporate governance proxies the frequency of meetings of the audit committee. The dependent variable of financial distress measured using Z-Score was developed by Altman.

This research data is taken from Indonesia Stock Exchange. Based on the purposive sampling method, 70 companies were obtained as samples, so that during 3 years of observation there were 210 annual reports analyzed. Data analysis technique used is multiple linear regression analysis technique. The results of this study indicate that the return on equity, current ratio, inventory turnover have a significant positive effect on financial distress, while the frequency of audit committee meetings have no positive effect on financial distress.

Keywords: Financial indicators, Profitability, Liquidity, Activities, Good Corporate Governance, Frequency of Audit Committee Meetings, Financial distress.



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ABSTRAK

Penelitian ini bertujuan untuk menguji dan menganalisis pengaruh *financial indicators* dan frekuensi rapat komite audit terhadap *financial distress*. Variabel independen *financial indicators* diproksikan dengan rasio profitabilitas menggunakan *return on equity*, rasio likuiditas menggunakan *current ratio* dan rasio aktivitas menggunakan *inventory turnover*. Serta *good corporate governance* diproksikan frekuensi rapat komite audit. Variabel dependen *financial distress* yang diukur dengan menggunakan *Z-Score* dikembangkan oleh *Altman*.

Data penelitian ini diambil dari Bursa Efek Indonesia. Berdasarkan metode *purposive sampling*, diperoleh 70 perusahaan sebagai sampel, sehingga selama 3 tahun pengamatan terdapat 210 laporan tahunan dianalisis. Teknik analisis data yang digunakan adalah teknik analisis regresi linier berganda. Hasil penelitian ini menunjukkan bahwa *return on equity*, *current ratio*, *inventory turnover* berpengaruh positif signifikan terhadap *financial distress*, sedangkan frekuensi rapat komite audit tidak berpengaruh positif terhadap *financial distress*.

Kata kunci : *Financial indicators, Profitabilitas, Likuiditas, Aktivitas, Frekuensi Pertemuan Komite Audit, Financial distress.*



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