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**THE RELATIONSHIP OF CORPORATE GOVERNANCE AND LEVEL OF
DISCLOSURE: EVIDENCE FROM INDONESIA**

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Abstract

Objective This research is conducted to investigate the level of corporate governance disclosures in Indonesia. Furthermore, this research tries to find influence of corporate governance mechanisms to corporate governance disclosures in Indonesia.

Method The sample of this research is using Kompas100 index 31 January 2008 issued. The data analysis is based on annual report of year 2008 until 2010. The result will represent the Corporate Governance disclosures, based on information disclosed in the annual report. Then, multiple regression analysis will be performed whether there is any relationship between corporate governance mechanisms and the level of disclosure in Indonesia.

Result The result supports that company with higher level percentage of family members sit in the board significantly have lower level of disclosure in their annual report. Moreover, this study proved that there is a significant relationship between corporate governance mechanisms and level of disclosure in Indonesia.

Conclusion Corporate governance in Indonesia shows average level of disclosure. From the total 26 items that should be disclosed, the percentage shows Indonesia companies, on average, disclosed 56% from the total items.

Keywords Corporate governance disclosure, Governance mechanisms, Indonesia