

THE INFLUENCE OF INTERNET FINANCIAL REPORTING AND GOOD CORPORATE GOVERNANCE ON TRADING FREQUENCY OF COMPANIES

(Empirical Study of Food and Beverage Sub-sector Manufacturing Companies listed on the IDX for the 2017-2019 period)

¹Rifqi Aditya Wibisana, ²Irvan Noormansyah

Department of Accounting
Indonesian College of Economics
Jakarta, Indonesia

rifqii48@gmail.com; imvanisa@stei.ac.id

Abstract- This study aims to determine the effect of internet financial reporting and good corporate governance on the trading frequency of company shares. This research was conducted at the food and beverage sub-sector manufacturing companies listed on the IDX for the 2017-2019 period.

Sampling using saturated sampling, namely determining the sample when all members of the population are used as a sample with a total of 29 companies. The data used in this study are secondary data. The research strategy used in this research is an associative / causal research strategy with the research method used is the panel data method. In this study, the authors used quantitative data measured using a multiple linear regression-based method of panel data, namely the t test and f test as measured by the IBM SPSS 26 program.

The results of the research prove that, (1) internet financial reporting has a positive and significant effect on the trading frequency of the company's shares, because the information published on the internet can be quickly responded to by investors, (2) the independent board of commissioners has a positive and significant effect on the trading frequency of the company's shares, because the existence of an independent board of commissioners will reduce fraud in financial reporting, and (3) the audit committee does not affect the frequency of company stock trading, because the existence of the audit committee has not been able to provide optimal control.

Keywords: Internet Financial Reporting, Independent Commissioner Board, Audit Committee.

1. PRELIMINARY

Shares are securities as proof of ownership in a company. The objective of investors in conducting stock transactions is optimal return. This return comes from dividends distributed by the company that issued the shares (the issuer) or it can also be a positive difference in share price between the price of the shares when the shares were purchased and the price when the shares were sold (capital gain). The frequency of stock trading is the number of times a sale and purchase transaction occurs in a stock, it is known whether the stock is in demand or not (Azizah, 2017). The more frequency of stock trading in a stock, it means that the stock is more liquid (easy to trade). Conversely, if the stock has a small frequency, it means that the stock is not liquid or not attractive to investors.

In the last few years, the growth rate of information technology has started to develop rapidly, especially in the internet sector. Many companies and institutions use the internet through a website to report their finances which is often called Internet Financial Reporting (IFR). IFR is the inclusion of company financial information via the internet or company website. Companies that upload their financial reports via the internet and their respective websites will reduce information costs for their company. Expanding the reach of information delivery, providing up-to-date information, efficiency and effectiveness are some of the reasons why companies adopt IFR (The Steering Committee of the Business Reporting Research Project, FASB 2000). Thus, it is a good idea for companies to start using the internet as a strategy to increase the frequency of trading in company shares.

The application of IFR in companies is expected to increase the frequency of trading in company shares. In addition, companies also need to have a good corporate management system, through the implementation of Good Corporate Governance (GCG). GCG is one of the key elements in increasing economic efficiency which includes a series of regulations governing the relationship between company management, the board of commissioners, shareholders and other stakeholders (Forum Corporate Governance in Indonesia, 2000). Likewise with the important role of disclosing information on websites and a system that regulates and controls the company. Companies are expected to be able to further increase their competence in establishing relationships with investors and interested parties in the capital market, so that companies can also increase the frequency of trading in the company's shares.

It is hoped that in this study, empirical evidence is obtained about the relationship between internet financial reporting, the independent board of commissioners, and the audit committee on the frequency of company stock trading. Based on what has been described above, the problem formulations in this study are :

1. Are Internet Financial Reporting Be rpengaruh against Frequency Trading Shares of the Company?
2. Does the Independent Board of Commissioners affect the Company's Share Trading Frequency?
3. Does the Audit Committee affect the Company's Share Trading Frequency?

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Theory Basis

2.1.1. Signaling Theory

Widari et al ., (2018) state that signal theory serves as a signal for information in disclosing company financial statements to external parties, both in the form of positive and negative signals.

Rizqiyah and Lubis (2017), signaling theory can be used to predict the quality of company disclosures, namely that using the internet as a medium for corporate disclosure can improve the quality of these disclosures.

2.1.2. Agency Theory

Agency theory is a theory that can be used to explain the concept of corporate governance . Sudarma and Putra (2014) explain that the separation between the owner (principal) and manager (agent) creates differences in interests. Owners as suppliers of capital have the hope of getting a return on the investment they have invested. On the other hand, managers as company managers have different thoughts, especially with regard to the compensation received and the increase in individual potential.

2.1.3. Efficient Market Theory

The concept of efficient market was first put forward and popularized by (Fama, 1970). In this context, what is meant by the market is the capital market (capital market) and the money market. A market is said to be efficient if no-one, both individual investors and institutional investors, will be able to obtain the return is not normal (abnormal return), after adjusting for risk, using existing trading strategies. This means that the price, volume and frequency of shares formed in the market are a reflection of existing information.

Gumantri and Utami (2002) reveal that an efficient capital market is defined as a capital market with prices for securities that reflect all available and relevant information. efficient market, inevitably raises the question of why there should be an efficient market concept and is it possible to exist in real life efficient market.

2.2. Pengembangan Hipotesis

2.2.1 The Effect of Internet Financial Reporting on the Frequency of Trading in Company Shares.

An information is one of the things that triggers decision makers to re-evaluate their decisions and then on the basis of that they take an action. Prasasti et al ., (2014) argue that companies that implement IFR will have responsive share prices so that they have a higher stock trading frequency than companies that do not implement IFR. This is because financial information that is useful to investors can be published quickly. Every announcement issued by the issuer will receive a reaction from investors to be used as investment consideration.

Based on the theory above, the relationship between Internet Financial Reporting and the Frequency of Company Stock Trading can be made the first hypothesis as follows:

H1 = Internet Financial Reporting has an effect on the Frequency of Trading in

Company Shares .

2.2.2. Influence of the Independent Board of Commissioners on the Frequency of Trading in Company Shares

The independent board of commissioners is a member of the board of commissioners who has no relationship with the company. With the increasing composition of the independent board of commissioners in a company, it is expected that the level of independence in controlling management will be more objective. Dewi and Nugrahanti (2017) argue that the existence of an independent board of commissioners will minimize the level of fraud committed by management in financial statements. That way, the quality of financial reports is also getting better. So that it can cause investors to believe in investing in the company.

Based on the above theory, the relationship between the Independent Commissioner and the Company's Share Trading Frequency can be made a second hypothesis as follows:

H2 = The Independent Commissioner has an effect on the Company's Share Trading Frequency .

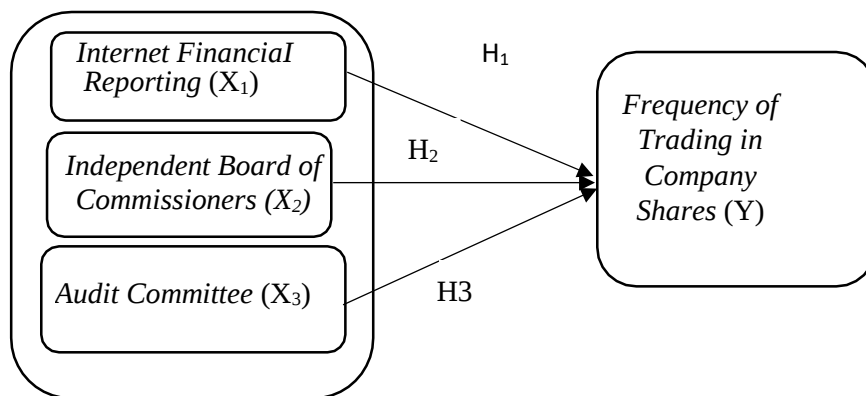
2.2.3. The Effect of the Audit Committee on the Frequency of Trading in Company Shares .

The audit committee is a committee that works professionally and independently whose job is to assist the board of commissioners in carrying out its supervisory function on financial reports and the implementation of Good Corporate Governance (GCG). Because the task of the audit committee is to assist the board of commissioners, with the increasing number of members of the audit committee, the better supervision will be carried out and it is hoped that it will minimize management's efforts to manipulate data related to finance and accounting procedures. So that the company's financial performance will increase. Novitasari (2017) argues that the audit committee plays a role in overseeing the company's financial reporting process which aims to realize the company's financial statements which are prepared through an inspection process with the integrity and objectivity of the auditors. The audit committee will play an effective role in increasing the credibility of financial reports and assisting the board of commissioners. So as to gain the trust of shareholders to fulfill the obligation to convey information.

Based on the above theory, the relationship between the Audit Committee and the Company's Share Trading Frequency can be made a third hypothesis as follows:

H3 = The Audit Committee ber influence on Frequency Trading Company Shares.

2.3. Research Conceptual Framework



3. RESEARCH METHOD

3.1. Research Strategy

This research uses a quantitative approach, which is a research method based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, quantitative / statistical data analysis with the aim of testing predetermined hypotheses (Sugiyono, 2016). The strategy carried out by researchers is an associative strategy, which is research used to determine the relationship between two or more variables (Sugiyono, 2016).

3.2. Population dan Sample

The population in this study were food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange during the 2017-2019 period. The number of food and beverage companies listed on the Indonesia Stock Exchange in 2017-2019 is 29 companies. The sampling technique used was purposive sampling, which is a saturated sampling technique selected based on the determination of the sample when all members of the population are used as the sample. The sample in this study amounted to 29 companies.

3.3. Data and Research Data Methods

This research uses secondary data, which is data obtained indirectly through the first media (obtained by other parties). The data analyzed in this study were the food and beverage sub-sector manufacturing companies listed on the IDX during the 2017-2019 period which were obtained directly from the company's website and the Indonesia Stock Exchange website (www.idx.co.id).

3.4. Operational Variables

3.4.1 Internet Financial Reporting

Internet Financial Reporting is the inclusion of corporate financial information through corporate websites that are voluntary (Lai et al., 2009). Companies use their website to build faster and better communication by disclosing all important information that is shown to various parties, especially investors. Companies are considered to be implementing IFR if the company's website includes financial statements regardless of the format used. In this study, the IFR variable is a category-scaled variable so that in the regression model this variable is stated as a dummy variable. Companies that implement IFR are rated "1" while companies that do not

apply are rated "0".

3.4.2 Independent Board of Commissioners

Independent Board of Commissioners is a member of the board of commissioners who is not affiliated with the board of directors, other members of the board of commissioners and controlling shareholder, and is free from business or other relationships that may affect his ability to act independently or act solely for the benefit of the company Widjaja (2009: 79) . The board of commissioners is a company organ that has the collective duty and responsibility of supervising and ensuring that the company implements GCG properly. The proportion of independent commissioners can be measured using the following ratio scale:

$$\text{Independent Commissioner} = \frac{\text{Number of Independent Commissioners}}{\text{Number of Members of the Board of Commissioners}}$$

3.4.3 Audit Committee

The audit committee is a committee formed by and responsible to the Board of Commissioners in assisting in carrying out the duties and functions of the Board of Commissioners. The audit committee has an important and strategic role in maintaining the credibility of the financial report compilation process, maintaining the creation of an adequate company supervision system and implementing good corporate governance (Suryana, 2005). The audit committee variables in this study were measured by the number of members in the audit committee (Aji, 2012).

3.5. Data Analysis Method

The method used in this research is quantitative data analysis. The method of quantitative data analysis is using data in the form of numbers and emphasizes the research process of measuring objective results using descriptive statistical analysis, classical assumption tests, and hypothesis testing. There is a data processing tool used in this research is the IBM SPSS version 26.

3.5.1 Analysis Deskriptive Statistics

Descriptive statistics are statistics that serve to describe or provide an overview of the object under study through sample or population data as they are, without analyzing and making generally accepted conclusions (Sugiyono, 2012).

3.5.2 Classic Assumption Test

The classical assumption test is a requirement that must be met in multiple linear analysis of panel data to obtain data that meets the requirements, then the test is made improvements after fulfilling the requirements and then other tests are carried out. The classic assumption tests used in this study are as follows:

3.5.2.1 Normality Test

The data normality test aims to test whether in the regression model, the dependent and independent variables have a normal distribution or not. A good regression model is one that has a normal or near normal distribution (Ghozali, 2016). In this study, the Kolmogorov-Smirnov test was used to determine the data normality. The criteria used include:

- a) If the Kolmogorov-Smirnov significant level value > 0.05 , the data is normally distributed.
- b) If the Kolmogorov-Smirnov significant level value < 0.05 , the data is not normally distributed.

According to Mehta and Patel (2012: 1), which has received recognition from the Harvard School of Public Health. By default, IBM SPSS calculates p-value using an asymptotic approach. In the asymptotic approach, the p-value is estimated based on the assumption / assumption that the data provided is sufficiently large (sufficiently large sample size). However, when they can be small (small sample), unbalanced and poorly distributed (poorly distributed), asymptotic methods will produce unreliable or inaccurate results. So that in this state, the solution is using an exact approach. The p-value calculated by using an exact approach will produce an accurate p-value.

3.5.2.2 Multicollinearity Test

The multicollinearity test aims to test whether there is a correlation between the independent variables in the regression model. A good regression model should not have a correlation between the independent variables (Ghozali, 2016). To detect the multicollinearity problem is to use the calculation of tolerance and VIF. A low tolerance value equals a high VIF value because they are inversely related. The basis for the conclusion that the regression model is free from multicollinearity is as follows:

View VIF value:

- a) If the VIF value is less than 10.00, it means that there is no Multicollinearity.
- b) If the VIF value is greater than 10.00, it means that there is multicollinearity.

View Tolerance value :

- a) If the Tolerance value is smaller than 0.10, it means that there is Multicollinearity
- b) If the Tolerance value is greater than 0.10, it means that there is no Multicollinearity.

3.5.2.3 Autocorrelation Test

The autocorrelation test aims to test whether the linear regression model has a correlation between confounding errors in period t with confounding errors in the previous period (Ghozali, 2016). If there is a correlation, it is called an autocorrelation problem. A good regression model is a model that is free from autocorrelation. The study used autocorrelation testing with the Durbin Watson (DW Test). If the research occurs autocorrelation, it can be overcome by changing the regression model into a generalized difference equation, Theilnagar, Cochrane-Orcutt two-step procedure and Durbin's two-step method (Ghozali, 2016). The decision making criteria in the Durbin Watson test (DW Test) are as follows :

- a) $0 < DW < dl$: autocorrelation occurs
- b) $dl \leq DW \leq du$: cannot be inferred
- c) $du < DW < 4-du$: no autocorrelation
- d) $4-du \leq DW \leq 4-dl$: inconclusive

3.5.2.4 Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another (Ghozali, 2016). To detect heteroscedasticity is to look at the presence or absence of a certain pattern on the scatter plot graph. If there is a certain pattern, such as the dots that form a regular pattern (wavy, widened, then narrowed), it identifies the presence of heteroscedasticity. If there is no clear pattern, and the dots spread above and below the 0 and Y axis, there will be no heteroscedasticity.

3.6 Analysis of Panel Data Multiple Linear Regression

The analytical tool used in this research is panel data multiple linear regression with the consideration that this tool can be used as a prediction model for the dependent variable, namely the frequency of stock trading with several independent variables, namely IFR, independent board of commissioners, and audit committee. This hypothesis testing was carried out using the SPSS 26 program. The regression model used to test the hypothesis will be formulated as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \dots\dots\dots (1)$$

Information:

Y: Trading frequency of shares

α : Constant

$\beta_1 \dots \beta_n$: Regression direction coefficient

X1: Internet Financial Reporting

X2: Independent Board of Commissioners

X3: Audit Committee

e: Company error

3.7 Hypothesis Testing

3.8 The Coefficient of Determination Test (R^2)

The coefficient of determination (R^2) is used to measure how far the model's ability to explain variation in the dependent variable (Ghozali, 2016). The coefficient of determination (R^2) is between zero and one. If the value of R^2 is small, the ability of the independent variables to explain the variation in the dependent variable is very limited. Meanwhile, if the value of R^2 close to the mean of independent variables provide almost all the information needed to predict the variation of the dependent variable. The fundamental weakness in using the coefficient of determination is the bias towards the number of independent variables included in the model. Each additional one independent variable, the value of R^2 bound to rise despite significant influence of these variables on the dependent variable or not. Therefore the researchers recommend using the value of the adjusted R^2 when evaluating which best regression model (Ghozali, 2016).

3.9 Simultaneous Test (F Test)

Simultaneous (overall) hypothesis testing shows whether the independent variables as a whole or together have an influence on the dependent variable (Ghozali, 2016). The test criteria are as follows: Based on probability:

- a) If the significance probability value > 0.05 means that the independent variables simultaneously do not have a significant effect on the dependent variable.

The Influence of Internet Financial Reporting and Good Corporate Governance on Trading Frequency of Company Shares

b) If the significance probability value < 0.05 , it means that the independent variables simultaneously have a significant effect on the dependent variable.

3.10 Partial (t Test)

The t test is used to test how far the influence of each independent variable used in this study individually is in explaining the dependent variable (Ghozali, 2016). The t test is done by comparing the t count to the t table with the following assessment criteria:

Based on probability:

- a) If the significance probability value > 0.05 means that the independent variable individually does not have a significant effect on the dependent variable.
- b) If the significance probability value < 0.05 , it means that the independent variable individually has a significant effect on the dependent variable.

4. RESULTS AND DISCUSSION

4.1. Descriptive Statistical Analysis Result

An overview of the research variables, namely Internet Financial Reporting, the Board of Independent Commissioners, and the Audit Committee on the Frequency of Trading in Company Shares is presented in a descriptive statistics table which shows the minimum, maximum, mean, and standard deviation figures which can be seen in table 4.1.

Tabel 4.1.

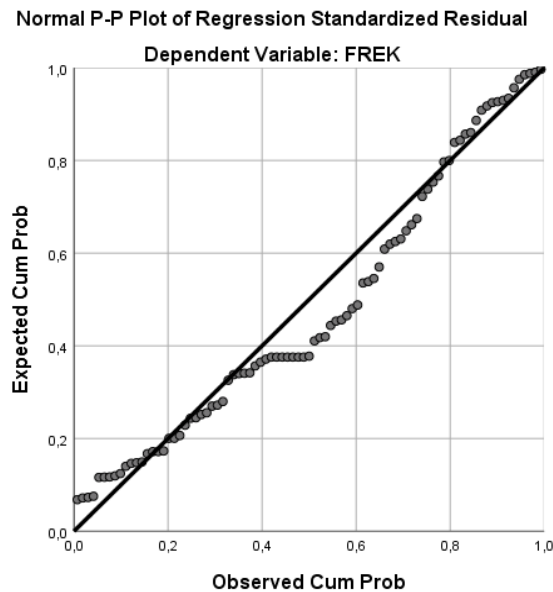
Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
FREK	87	,00	858,59	223,6273	227,78792
IFR	87	,00	1,00	,6667	,4741
KMSIND	87	,00	,75	,5278	,2234
KMTAUD	87	,00	2,00	1,4962	,6026
Valid N (listwise)	87				

Sumber: Hasil Output SPSS. (data diolah 2020)

4.4. Classical Assumption Test Result

4.4.1. Normality Test Result

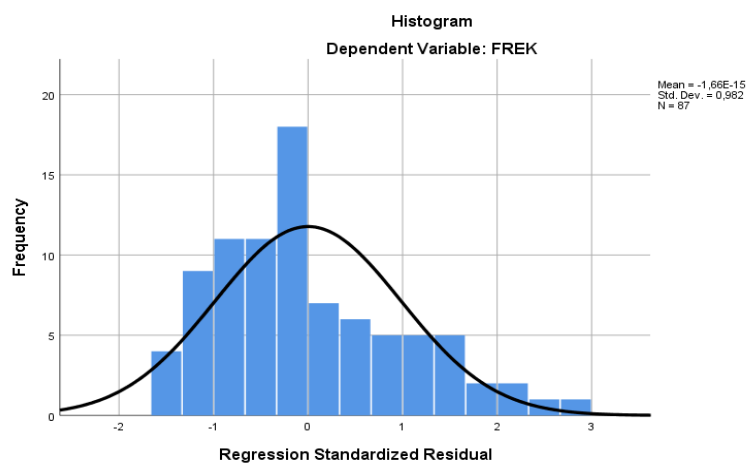
Test of normality is used to be able to test whether the model of regression, independent variables and the dependent variable has a normal distribution or not. As it is known, the t test and f test explain that the residual value follows the normal value. If this assumption is violated, the statistical test will be invalid for a small sample size (Ghozali, 2016).



Gambar 4.1. Hasil Uji Normalitas P-P Plot or Regression

Sumber: Output SPSS (data diolah, 2020)

In the normal P-Plot chart above, it explains that the data distribution is around the diagonal line and follows the direction of the diagonal line, so the regression model fulfills the normalistic assumptions.



Gambar 4.2. Hasil Uji Normalitas Grafik Histogram

Sumber: Output SPSS (data diolah 2020)

The image of the normality test of the histogram graph shows the distribution of data around the diagonal line. This shows that the regression model has met the normality assumption.

Tabel 4.2. Results of the Kolmogorov-Smirnov One Sample Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		87
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	153796,13700602
Most Extreme Differences	Absolute	,212
	Positive	,212
	Negative	-,110
Test Statistic		,212
Asymp. Sig. (2-tailed)		,000 ^c
Exact Sig. (2-tailed)		,001
Point Probability		,000

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Sumber, Output SPSS. (data diolah 2020)

Based on Table 4.2 above, the test results of the 87 data obtained an Exact value . Sig. (2- tailed) of 0.001. Due to the Exact value . Sig. (2- tailed) is less than the significant level $\alpha = 5\%$ or $(0.000 < 0.05)$, which means the data is not normally distributed. Thus the normality test shows that the normality assumption is not fulfilled.

In data statistics that are not normally distributed, actions can be taken to transform the data, this is aimed at obtaining new data groups so that later they can get the desired output. So that in this study the normality test will be transformed using square roots (sqrt). The results of the normality test after data transformation using SPSS Version 26 can be seen in table 4.3 as follows:

Tabel 4.3 Normality test results with Kolmogorov-Smirnov after transformation

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		87
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	208,30282642
Most Extreme Differences	Absolute	,130
	Positive	,130
	Negative	-,066
Test Statistic		,130
Asymp. Sig. (2-tailed)		,001 ^c
Exact Sig. (2-tailed)		,096
Point Probability		,000

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

Sumber, Output SPSS. (data diolah 2020)

On the output table 4.3 One-Sample Kolmogorov-Sminov it can be concluded that the normally distributed data showed with Exact. Sig. (2- tailed) of 0.096 which means more than the significance level of 0.05. This results in data that is normally distributed.

4.4.2 Multicollinearity Test Result

Tabel 4.4 Multicollinearity Test Result

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	IFR	,857	1,166
	KMSIND	,424	2,358
	KMTAUD	,422	2,368

a. Dependent Variable: FREK

Sumber, Output SPSS. (data diolah 2020)

On the output table 4.4 test results multikolinearitas dedngan using SPSS version 26 is seen that the third independent variable, namely the Internet financial reporting (IFR), independent board (KMSIND), and the audit committee (KMTAUD) indicates the number of VIF <10 and the value of tolerance > 0.10 thus it can be concluded that the regression model is not multicollinearity.

4.4.3 Autocorrelation Test Result

The autocorrelation test is used to show the disturbance that is included in the regression by using the watson durbine coefficient. The watson durbin statistical test is to compare the watson durbin number with its critical value (Ghozali, 2016). If the watson durbin is greater than the critical value, auto correlation does not occur. Conversely, if the watson durbin is smaller than the critical value, autocorrelation occurs. This test is carried out using the Durbin-Watson test (DW-test) provided that if $0 < DW < dl$ then autocorrelation occurs, if $dl < DW < du$ then without conclusion, if $du < DW < (4-du)$ then does not occur. autocorlation.

Tabel 4.5 Autocorrelation Test Result

Durbin-Watson
,812

a. Predictors: (Constant), KMTAUD, IFR, KMSIND

b. Dependent Variable: FREK

Sumber, Output SPSS. (data diolah 2020)

On the output buzzer 4.5 test results autocorrelation with the Durbin-Watson can be seen that the value of the Durbin-Watson amounted to 0,812. This value will be compared with the 5% alpha table, the number of samples (n) of 87 and the number of independent variables,

The Influence of Internet Financial Reporting and Good Corporate Governance on Trading Frequency of Company Shares

namely internet financial reporting (IFR), the independent board of commissioners (KMSIND), and the audit committee (KMTAUD) of 3 ($k = 3$), then the value of the Durbin-Watson table is obtained, namely $du: 1.7232$, $dl: 1.5808$ and $DW: 0.812$. So it can be concluded that $0 < 0.812 < 1.5808$ ($0 < DW < dl$), so it can be stated that autocorrelation occurs.

In this condition, action can be taken to change the regression model into the form of a generalized difference equation, Theilnagar, the Cochrane-Orcutt two-step procedure and the Durbin's two-step method, this is aimed at obtaining new data groups so that later they can obtain the desired output.

In this study, the autocorrelation test to be carried out is using the Durbin's two-step method. The results of the autocorrelation test after using the Durbin's two-step method of data transformation using SPSS Version 26 can be seen through tab el 4.6 as follows:

Tabel 4.6 Result of durbin's two-step method

Durbin-Watson
1,918

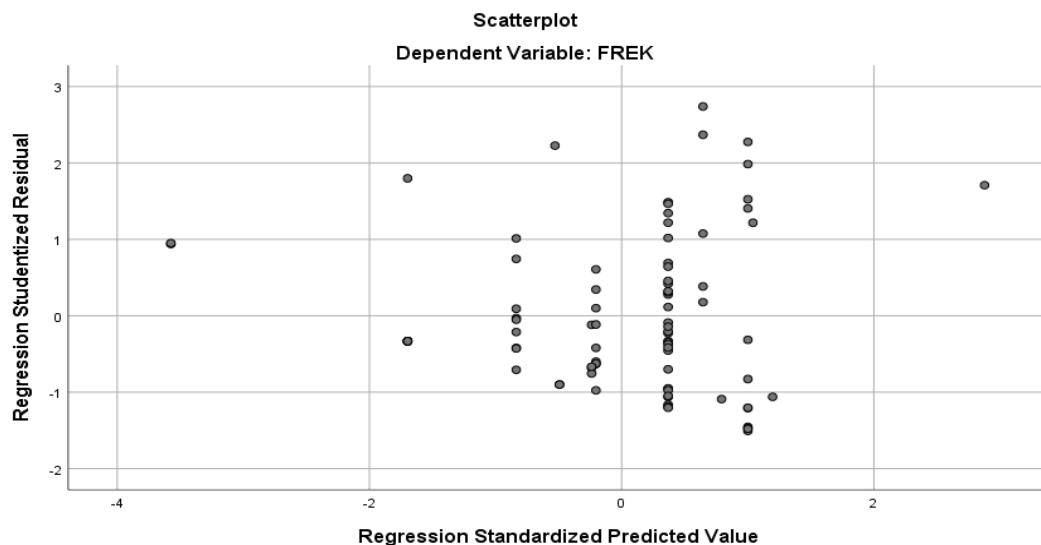
a. Predictors: (Constant), KMTAUD, IFR, KMSIND

b. Dependent Variable: FREK

Sumber, Output SPSS. (data diolah 2020)

Based on the output in table 4.6, the durbin's two-step method. With the 5% alpha table, the number of samples (n) of 87 and the number of independent variables of 3 ($K = 3$), the Durbin-Watson table value is $du: 1,723$ and $DW: 1,918$, it can be concluded that $1,723 < 1,918 < 2,277$ ($du < DW < (4-du)$), so it can be stated that there is no autocorrelation.

4.4.4 Heteroscedasticity Test Result



Gambar 4.3 Hasil Uji Heteroskedastisitas Dengan Grafik Scatterplot

Sumber: Output SPSS (data diolah,2020)

Figure 4.3 above shows that the data is spread above and below the number 0 (zero) and the dots spread randomly and do not form a certain pattern. This explains that there is no heteroscedasticity in this regression model.

4.5. Multiple Linear Regression Analysis Test Result

Multiple linear regression analysis of panel data used in this study aims to determine the significant effect of IFR (X1), the independent board of commissioners (X2), and the audit committee (X3) on the company's stock trading frequency (Y), whether each variable has a positive effect. or negative.

Tabel 4.7 The Result for Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	67,140	64,362		1,043	,300
	IFR	111,035	52,078	,231	2,132	,036
	KMSIND	439,441	157,142	,431	2,796	,006
	KMTAUD	-99,901	58,383	-,264	-1,711	,091

a. Dependent Variable: FREK

Sumber, Output SPSS. (data diolah 2020)

Based on table 4.7 above shows the results obtained from the regression coefficient above, so that a regression equation can be made as follows:

$$Y = 67,140 + 111,035X_1 + 439,441X_2 + (-99,901) X_3 + e$$

4.6. Hypothesis Test Result

4.6.1. Result The Coefficient of Determination Test (R^2)

Tabel 4.8 Determination Coefficient Test Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,405 ^a	,164	,134	212,03392

a. Predictors: (Constant), KMTAUD, IFR, KMSIND

b. Dependent Variable: FREK

Sumber, Ouput SPSS. (data diolah 2020)

Based on the output table 4.8, the results of the determination coefficient test show that the Adjusted R Square value of 0.134 or 13.4% indicates that the IFR variable, the independent board of commissioners, and the audit committee are able to explain the variable frequency of stock trading. While the remaining 86.4% is explained by other variables outside of this study.

4.6.2 Simultaneous Effect Test Results (Test Statistic F)

From the results of the simultaneous test calculation, the F value is obtained at 5.418 with a probability value of 0.002. Because the probability value is smaller than 0.05, Ho is rejected and Ha is accepted. This shows that the internet financial reporting variables , the independent board of

The Influence of Internet Financial Reporting and Good Corporate Governance on Trading Frequency of Company Shares

commissioners, and the audit committee have an effect on the trading frequency of the company's shares, this means that the independent variable can be used as research because the independent variable can show its real effect.

4.6.3 Partial Test Results for Regression Coefficients (t Statistical Test)

H1: Internet Financial Reporting affects the Company's Share Trading Frequency

From the results of the calculation of the partial test of the effect of internet financial reporting (X1) on the frequency of trading of company shares (Y), the t value of internet financial reporting is 2.132 with a significance of 0.036. Because the significance value is smaller than the 0.05 significance, H_0 is rejected and H_a is accepted. Internet financial reporting variable affects the frequency of company stock trading.

H2: Board of Commissioners of the Independent Air influence on Frequency Trading Company Shares

From the results of the calculation of the partial test of the effect of the independent board of commissioners (X2) on the frequency of company stock trading (Y), the t-count value of the independent board of commissioners is 2.796 with a significance value of 0.006. Because the significance value is smaller than the 0.05 significance, H_0 is rejected and H_a is accepted. The independent board variable affects the company's stock trading frequency.

H3: the negative influence of the Audit Committee and are not significant to the Frequency Trading Company Shares

From the results of the calculation of the partial test of the effect of the professionalism of the Auditor (X3) on the intention to take whistleblowing (Y), the t-count value of the audit committee is -1.711 with a significance value of 0.091. Because the significance value is greater than the 0.05 significance, H_0 is accepted and H_a is rejected. The audit committee variable has no effect on the company's stock trading frequency.

5. CONCLUSION, SUGGESTION, DAN LIMITATIONS

5.1. Conclusion

This study aims to determine and find empirical evidence of the influence of IFR, independent board of commissioners, and audit committee on the frequency of stock trading of food and beverage sub-sector manufacturing companies listed on the IDX for the 2017-2019 period. Based on the data that has been collected and tests that have been carried out on the problem using the panel data multiple linear regression model, it can be concluded as follows:

1. Internet Financial Reporting has a positive and significant effect on stock trading frequency (**H1 accepted**). This proves that the financial information published on the internet will be quickly responded to by investors to invest in the company. This condition provides opportunities for companies that apply IFR to get investors for their companies, so that it will cause the stock price and the frequency of stock trading to increase.
2. The Independent Board of Commissioners has a positive and significant effect on stock trading frequency (**H2 is accepted**). This proves that the existence of an independent board of commissioners will reduce fraud in financial reporting and is expected to increase the effectiveness of supervision and strive to improve the quality of financial reports. That way, the quality of financial reports will also get better and cause investors to believe in investing in the company, which will cause the stock price and the frequency of stock trading to increase.

3. The Audit Committee has a negative and insignificant effect on the frequency of stock trading (**H3 is rejected**). This is because the measurement of the audit committee is only based on the disclosure of information on the audit committee in the company's annual financial statements, which allows the existence of the audit committee to not be able to provide optimal control to increase share prices and stock trading frequency.

5.2. Suggestion

Based on this research and for further research, some suggestions that can be given include:

1. For companies that want to increase the frequency of trading of their company's shares on the IDX, it is recommended to implement financial reporting on the website in real time, and to increase the amount of website-based information, both financial and non-financial information published on the website to make it easier for investors to obtain information and make decisions.
2. For investors who want to obtain financial report information, the condition of the research company suggests that they pay more attention to the company's website than the IDX because there are several items needed by investors on the company's website.
3. This study uses only food and beverage companies listed on the IDX. So that further researchers should use samples and other types of companies.
4. The next researcher is expected to be able to add other independent variables that affect the trading frequency of the company's shares.

5.3 Limitations of Problems

This study has several limitations, namely:

1. The coefficient of determination in this study is 13.4%, indicating that there are many other variables besides IFR, independent board of commissioners, and audit committee that affect the trading frequency of the company's shares.
2. The sample chosen was only the food and beverage sub-sector manufacturing companies listed on the IDX for the 2017-2019 period, so the number of samples and research data was still relatively small.

REFERENCE LIST

- Agoes, Sukrisno. 2011. Auditing Tata Kelola Perusahaan. Jilid II Hal 101.
- Anjelica, T. S. (2016). Pengaruh Internet Financial Reporting Terhadap Nilai Perusahaan, Harga Saham, Dan Frekuensi Perdagangan Saham Pada Perusahaan Manufaktur Dibursa Efek Indonesia.
- Ashbaugh, H., K. Johnstone, And T. Warfield. 1999. "Corporate Reporting On The Internet". *Accounting Horizons* 13(3): 241-257.
- Azizah, (2017). Pengaruh Frekuensi Perdagangan Saham, Volume Perdagangan Saham, Dan Inflasi Terhadap Return Saham Perusahaan Subsektor Perkebunan Dalam Indeks Saham Syaria'ah Indonesia Tahun 2013-2015.
- Azwar. Widjaja. (2009). *Perencanaan Sebagai Fungsi Manajemen*. Jakarta: Penerbit Pt. Rineka Cipta.
- Bayu, Bimo Aji. 2012. Pengaruh Corporate Governance Terhadap Manajemen Laba Pada Perusahaan Manufaktur Di Bursa Efek Indonesia.
- Damaso, M. G., & Laurenco, I. C. (2011). *Internet Financial Reporting: Environmental Impact Companies And Other Determinants. 8th International Conference*.
- Debreceeny, R., Gray G.L., Dan Rashman, A. 2002. *The Determinants Of Internet Financial Reporting. J Account Public Policy*, 214: 371-94.
- Dewi, L. C., & Nugrahanti, Y. W. (2017). Pengaruh Struktur Kepemilikan Dan Dewan Komisaris Independen Terhadap Nilai Perusahaan (Studi Pada Perusahaan Industri Barang Konsumsi Di Bei Tahun 2011-2013).
- Dyczkowska, J., (2014). *Assessment Of Quality Of Internet Financial Disclosures Using A Scoring Sys...: Articles, Ebooks, Theses... Accounting And Management Information Systems*.
- Ezat, A. dan El-Masry, A. (2008). *The Impact Of Corporate Governance On The Timeliness Of Corporate Internet Reporting By Egyptian Listed Companies. Journal Of Managerial Finance*.
- Fama, Eugene F. (May 1970), "Efficient Market: A Review Of Theory And Empirical Work", *Journal Of Finance*, 25 (2): 383-417.
- Ferial, F., Suhadak, S., dan Handayani, S. (2016). Pengaruh Good Corporate Governance Terhadap Kinerja Keuangan Dan Efeknya Terhadap Nilai Perusahaan (Studi Pada Badan Usaha Milik Negara Yang Terdaftar Di Bursa Efek Indonesia Periode 2012-2014).
- Firdaus, Fakhry Zamzam, (2018). *Aplikasi Metodologi Penelitian*, Yogyakarta: Cv. Budi Utama.
- Financial Accounting Standards Board (Fasb) Dalam *Statement Of Financial Concept (Sfac) No. 1*
- Fisher, Richard., Oyelere, Peter., And Laswad, Fauzi. 2004. "Corporate Reporting On The Internet Audit Issues And Content Analysis Of Practices". *Managerial Auditing Journal*, Vol. 19 No. 3, Pp. 412-439.

- Ghozali, Imam. (2016). *Aplikasi Analisis Multivariete Dengan Program Ibm Spss* (Edisi 8). Cetakan Ke Viii. Semarang : Badan Penerbit Universitas Diponegoro.
- Gumanti Dan Utami, Mei 2002. Bentuk Pasar Efisien Dan Pengujiannya. Jurusan Ekonomi Akuntansi, Fakultas Ekonomi - Universitas Kristen Petra, *Jurnal Akuntansi Dan Keuangan* Vol.4,No.1,H:54-68.
- Hamdani, M. (2016). Good Corporate Governance (Gcg) Dalam Perspektif Agency Theory. Hossain, Momin, & Leo. (2012). Internet Financial Reporting And Disclosure By Listed Companies: Further Evidence From An Emerging Country. *Journal Of Financial*, 9(4),1-14.
- I Cenik Ardana, dan Hendro Lukman. *Sistem Informasi Akuntansi* .(Jakarta,Mitra Wacanamedia, 2015) Hal.291.
- Lai. (2009). *Annual Meeting Of The North American*. Georgia State University :Atlanta.
- Lodhia, S. K, Allam, A., Lymer, A. 2004. “Corporate Reporting On The Internet In Australia : An Exploratory Study”. *Australian Accounting Review*.
- Makhrus, M. (2019). Pengaruh Komite Audit Terhadap Kinerja Perusahaan Melalui Manajemen Laba Sebagai Variabel Intervening. *Jurnal Akuntansi Dan Keuangan Islam*, 1(1), 53–77.
- Masykur, Ikmar (2013). Faktor-Faktor Yang Mempengaruhi Pengungkapan Kinerja Perusahaan Di Website. *Jurnal Akuntansi* Fakultas Ekonomi Dan Bisnis, Universitas Hassanudin Makasar.
- Mehta, C. R., & Patel, N. R. (2012). *Ibm Spss Exact Tests*. 2011, 1–236.

