The Indonesian Accounting Review Vol. 6, No. 2, July – December 2016, pages 239 – 247

The effect of firm size, financial performance, listing age and audit quality on Internet Financial Reporting

Niwayan Putri MP[1], Soni Agus Irwandi[2]

[1, 2] *STIE Perbanas Surabaya, Nginden Semolo Street 34-36, Surabaya, 60118, East Java, Indonesia*

A R T I C L E I N F O

Article history:
Received 29 April 2016
Revised 10 October 2016
Accepted 14 December 2016

JEL Classification:
G23

Key words:
Internet Financial Reporting,
Firm Size, Profitability,
Liquidity,
Leverage,
Listing Age, and
Auditor Reputation.

DOI:
10.14414/tiar.v6i2.614

A B S T R A C T

Financial reporting is the most important information for investors. So far, a rapid internet growth has created a new strategy for companies to communicate with investors. In this case, internet could be used by companies to report their financial information, or commonly known as Internet Financial Reporting (IFR). The objective of this study is to analyze the effect of firm size, profitability, liquidity, leverage, listing age, and auditor reputation on Internet Financial Reporting. The sample, as based on sampling criteria, consists of 82 manufacturing companies listed in the Indonesia Stock Exchange in 2013. This study used a multiple regression analysis for the analyses such as to examine the variables that affect the Internet Financial Reporting. The findings show that firm size has a significant effect on Internet Financial Reporting. However, other factors such as profitability, liquidity, leverage, listing age, and auditor reputation have no significant effects on Internet Financial Reporting. The implication of this study is that the investors can use this study as a reference related to investment in Indonesia.

A B S T R A K

Pelaporan keuangan adalah informasi yang paling penting bagi investor. Sejauh ini, pertumbuhan internet yang cepat telah menciptakan strategi baru bagi perusahaan untuk berkomunikasi dengan investor. Dalam hal ini, internet dapat digunakan oleh perusahaan untuk melaporkan informasi keuangan mereka, atau yang biasa dikenal dengan Internet Financial Reporting (IFR). Penelitian ini bertujuan untuk menganalisis pengaruh ukuran perusahaan, profitabilitas, likuiditas, leverage, umur listing, dan reputasi auditor Pelaporan Keuangan Internet. Sampelnya, berdasarkan kriteria sampling, terdiri dari 82 perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia pada 2013. Penelitian ini menggunakan analisis regresi berganda untuk analisis misalnya menguji variabel yang mempengaruhi Pelaporan Keuangan Internet. Temuan menunjukkan bahwa ukuran perusahaan berpengaruh secara signifikan terhadap Pelaporan Keuangan Internet. Namun, faktor lain seperti profitabilitas, likuiditas, leverage, umur listing, dan reputasi auditor tidak berpengaruh signifikan pada Pelaporan Keuangan Internet. Implikasinya, bahwa investor dapat menggunakan penelitian ini sebagai referensi yang berkaitan dengan investasi di Indonesia.

1. INTRODUCTION

A study conducted by Luciana (2008) suggests that a competitive company is the company that can utilize and develop technology within the company. Recently, the rapid technological development has made the internet become an alternative for them to publish their financial and non-financial information to the public, Mellisa and Soni (2012). In addition, the internet also offers various facilities to the company, in terms of easy access and cost savings for printing and distributing financial reports. The use of the internet to report the company's financial information is called Internet Financial Reporting (IFR).

Many companies have built websites for presenting various kinds of information, either finan-

** Corresponding author, email address: [1] putrialifarifa@hotmail.com.*

cial or non-financial, in order to attract the attention of the parties who need the information such as stockholders, creditors, management, and other communities to invest in the company. According to Hanifa and Rashid (2005), nowadays there is a change in the presentation of company information from paper-based reporting system to paperless reporting system.

According to Novita and Dul (2013), not all companies present their financial statements in their own website. They need to reconsider several factors in reporting their financial information through the internet. The factors that can influence IFR practice include firm size, profitability, liquidity, leverage, listing age, and auditor reputation.

In addition, this study is also motivated by the differences in the results of previous studies. A study by Luciana (2008) showed that profitability has positive effect on IFR. It was stated that the positive correlation indicates a condition when there is an increase in profitability, management will tend to spread the information to the public. The following study by Widaryanti (2011) also showed that liquidity and leverage have no effect on IFR. These results are consistent with the research conducted by Handita and Yeterina (2013). The different results are shown by Hanny and Anis (2012) that liquidity and leverage have positive effect on IFR.

The differences of the research results above indicate the existence of research gap, which in turn, drives the researchers to accomplish further testing to determine the consistency of findings. This study aims to determine the significance of the effect of firm size, profitability, liquidity, leverage, listing age and auditor reputation of manufacturing companies listed in Indonesia Stock Exchange in 2013 on IFR (Internet Financial Reporting).

2. THEORETICAL FRAMEWORK AND HYPOTHESIS

Grand Theory (Signaling Theory)

Signaling theory puts forward on how a company should give a signal to the users of financial statements. This signal tells the investors about what has been done by the management to realize the owners' expectation. The signal can be either promotion or other information, which states that the company is better than any other companies are.

Within the framework of signaling theory, it is mentioned that a company is driven to provide information because there is asymmetry of information between company's managers and outside parties. This is because the company's managers know more information about the company and its upcoming prospect than the outside parties (Wolk et al. 2000: 7).

One way to reduce the asymmetry of information is by giving a signal to the outside parties in the form of positive and trustworthy financial information that will reduce the uncertainty about the company's prospects to come to enhance the credibility and success of the company (Wolk et al. 2000: 7).

Financial Reporting

Financial reporting is a financial statement that is coupled with other information, either directly or indirectly, related to the information provided by financial accounting system. This information is about the company's resources, earnings, current cost, and prospect, with the aim to meet the level sufficient disclosure. Financial reporting also includes the provision of information to be conveyed by the management in addition to through the financial statements, because the information is necessary to disclose.

Firm Size

Firm size is a scale which classifies companies based on the size. The firm size can be expressed in total assets, sales and market capitalization. The larger the company's assets, the higher the investor's belief to invest. The more the sales, the more the velocity of money. And, the greater the company's capitalization, the wider the company known by the public, Yosafat and Yulius (2013).

Profitability

Sofyan (2007: 304) states that profitability is the ability of a company to generate earnings in a particular period. Such earnings can be generated through all existing capabilities and resources, such as sales activities, cash, capital, number of employees and number of branches. This ratio also provides a measure of the effectiveness of management of a company.

Liquidity

Sofyan (2007: 301) states that liquidity describes the ability of a company to settle its current liabilities. Liquidity ratio serves to measure the ability of a company to meet its liabilities that have been matured, either to parties outside the company or to parties within the company.

Leverage
Sofyan (2007: 306) states that leverage describes the relationship between the debt of a company and equity or assets. Leverage can be used to see how far the company is financed by debt or external parties with the ability of the company which is described by capital (equity). A good company will have a larger capital composition than the debt.

Listing Age
The company's listing age shows the company's ability to survive and carry out its operations. Under a normal condition, a long-standing company will have more publications than the new one. By knowing the company's listing age, public will also know how the company can survive.

Auditor Reputation (Audit Quality)
Auditor reputation is an achievement and public confidence owned by an auditor. To maintain the reputation in order to reduce conflicts of interest, a reputable Public Accounting Firm (KAP) will try to maintain its level of independence and apply more stringent and comprehensive disclosure standards. Reputation of an auditor is the factor that determines the audit quality.

IFR (Internet Financial Reporting)
Internet Financial Reporting is a way made by a company to report its financial information through the internet which is presented in the company's website. According to Novita and Dul (2013), IFR is the way taken by the company to establish communication with stakeholders, especially investors, better and faster. The information presented in the company's website is accessible by anyone anytime and anywhere cheaply, fast and accurately.

The Effect of Firm Size on IFR
Small-sized companies have limitation in information reporting system, while large-sized companies will tend to spread good news to the public. Based on the explanation above, it can be hypothesized as follows:
Hypothesis 1: Firm size affects IFR.

The Effect of Profitability on IFR
Profitability is the company's ability to generate earnings within a specific period. Moreover, profitability is one of the indicators used by investors to assess the performance of management in managing the company. According to Marston and Polei (2004), a company that has good performance and profitability will further have greater possibility to perform IFR practice to spread the good news.

Conversely, the companies with poor performance tend to avoid financial reporting system through the Internet because they are trying to hide bad news, Hanny and Anis (2012). Based on the explanation above, it can be hypothesized as follows:
Hypothesis 2: Profitability affects IFR.

The Effect of Liquidity on IFR
The higher the level of liquidity ratios existing in the company, the higher the desire of the company to disclose information as completely and widely as possible to the parties who require such information. One of the the ways to get such information is through IFR, so that the information regarding the level of liquidity can be known by the public, Widaryanti (2011). Based on the explanation above, it can be hypothesized as follows:
Hypothesis 3: Liquidity affects IFR.

The Effect of Leverage on IFR
Leverage is the company's long-term ability to meet its obligations. The higher the company's leverage level, the higher the company's debt. The company that has greater proportion of debt in its capital structure will need more information about the company's ability to pay its obligations to its creditor. The use of this debt has consequences for interest payments and principal repayment.

The creditor will always monitor the financial condition of the debtor to ensure that the debtor will be able to meet its obligations when due date. Managers can use the IFR (Internet Financial Reporting) to help disseminate the company's positive information more completely with the aim to obscure the attention of creditors and stockholders so as not to focus only on the company's high leverage. Based on the explanation above, it can be hypothesized as follows:
Hypothesis 4: Leverage effects IFR.

The Effect of Listing Age on IFR
The manager of a longer-listing company will publish more information as part of the practice of accountability applied by the Financial Services Authority (OJK). The company that has a longer experience in building relationships with investors will be interested in providing financial statements in accordance with the development of the times by utilizing the internet as a new means to communicate with investors, in Indri and Apsarida (2013).

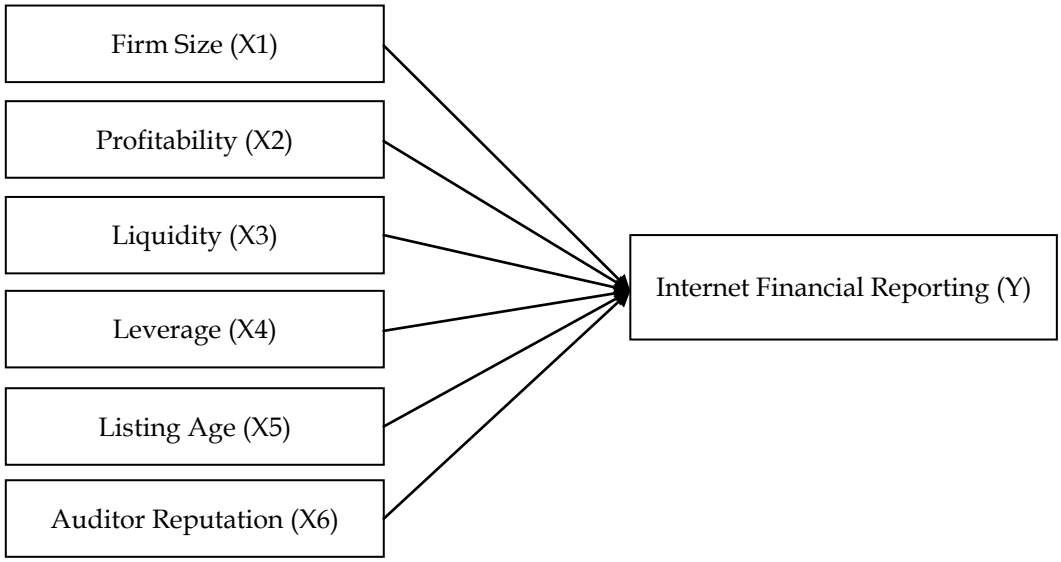

Figure 1
Framework

This indicates that a longer-listing company will have a higher ability to disclose quality information through IFR. Based on the explanation above, it can be hypothesized as follows:
Hypothesis 5: Listing age affects IFR.

The Effect of Auditor Reputation on IFR

The company's using reputable Public Accounting Firm will be interpreted by the public as a trustworthy company, especially related to the company's financial performance. The company will tend to use the Public Accounting Firm that has a good reputation, or that is included in the Big Four or affiliated with the Big Four Accounting Firms, because the Big Four Accounting Firms are considered having better ability to withstand against the pressure of clients, more concern with their reputation, greater resources relating to individual compensation and better audit process, in Hanny and Anis (2012).

The use of reputable Public Accounting Firm is their positive signals for the company because they will be deemed to have accurate information and report their financial information more transparently, in Hanny and Anis (2012). The company publishes its financial statements through the IFR in order to raise the confidence of investors because the company's financial statements can be trusted. Based on the explanation above, it can be hypothesized as follows:
Hypothesis 6: Auditor reputation affects IFR

Based on the hypotheses above, research framework can be drawn as in Figure 1.

3. RESEARCH METHOD

Sample Classification

In terms of the problem asserted, this study is considered a comparative causal research, a type of research in which the characteristic of the problem is in the form of causal relationship between two or more variables. The researchers can identify the facts or events as a variable that is affected (dependent variable) and investigate the variables that affect (independent variables), in (Nur and Bambang 1999: 23). The population in this research is manufacturing companies listed in Indonesia Stock Exchange, while the samples are manufacturing companies listed in Indonesia Stock Exchange during the period of 2013 in accordance with the criteria of the sample. This study used a purposive sampling method for getting the sample. The criteria of the sample are as follows: (1) the companies analyzed were only companies listed in Indonesia Stock Exchange (IDX) during 2013; (2) the companies published annual financial statements and audit reports for the period of 2013; (3) the companies used Indonesian rupiah (IDR) currency in their financial statements; (4) the companies had websites that could be accessed by the public.

Research Data

The data used in this research are quantitative data. The data source is secondary data in the form of annual financial statements of manufacturing companies listed in Indonesia Stock Exchange (IDX) for the period of 2013. The research

data were collected by documentation method. Documentation method is a technique of collecting and studying data through the documents required. The documents in this research were the company's annual financial statements. These data were obtained through ICMD and www.idx.co.id.

Research Variables

The dependent variable is IFR, while the independent variables are firm size, profitability, liquidity, leverage, listing age, and auditor reputation.

Operational Definition and Measurement of Variable

Firm size (X1)

Based on the research conducted by Luciana (2008), firm size was measured by using the natural logarithm of total assets. Firm size in this study was calculated using the formula:

$$UP = Ln\ Total\ Assets. \quad (1)$$

Profitability (X2)

Profitability in this study was measured by using Return on Asset (ROA), wherein the ratio measures how much the profit of a company which can be generated from any of rupiah (IDR) of assets owned by the company. ROA can be calculated using the formula:

$$ROA = \frac{Net\ Profit}{Total\ Assets}. \quad (2)$$

Liquidity (X3)

This ratio indicates the amount of cash held by the company plus the assets which are easily disbursed within a year, or relative to the amount of liabilities maturing in less than one year. The liquidity is calculated using current ratio with the formula:

$$CR = \frac{Current\ Assets}{Current\ Debt}. \quad (3)$$

Leverage (X4)

Leverage is a tool used to measure the extent to which the company depends on the lender to finance the company's assets. In this study, leverage is measured by using Debt Equity Ratio (DER) with the formula:

$$DER = \frac{Total\ Debts}{Total\ Equaity}. \quad (4)$$

Listing Age (X5)

Based on the research conducted by Mellisa and Soni (2012), the listing age of a company is measured according to the number of the firm age since IPO (First Issue) until December 31, 2013.

Auditor Reputation (X6)

Auditor reputation is a measure to determine the quality of an auditor in auditing process to handle the company's financial statements. This variable uses a nominal scale with dummy variable, that is, using scale 1 (one) to represent the companies that are audited by the Big-Four Accounting Firm or Accounting Firm that is affiliated with the Big Four, and scale 0 (zero) to represent the companies that are audited by a non-Big-Four Accounting Firm.

Internet Financial Reporting / IFR (Y)

In this study, IFR is measured using an index developed by Luciana (2008). In the index developed by Luciana (2008), IFR consists of four components: content, timeliness, use of technology and user support. The measurement of IFR index is based on the score of items that have been multiplied by the multiplier. Then, the index is measured using a mathematical formula as follows:

$$IFR = content\ index + timeliness\ index + use\ of\ technology\ index + user\ support\ index. \quad (5)$$

Analysis Tools

To test the effect of independent variables on dependent variable, the data analysis technique used in this study is multiple linear regressions, in which regression test is conducted after the classical assumption test. The classical assumption test in this study includes normality test, multicollinearity test, and heteroscedasticity test.

4. DATA ANALYSIS AND DISCUSSION

Table 1 shows that of a total of 82 manufacturing companies during the research period, 41 companies use the services of the Big-Four Accounting Firm, with a frequency of 50%. The other 41 companies use the services of non-Big-Four Accounting Firm, with a frequency of 50%. The proportion between the use of the service of Big-Four Accounting Firm and Non Big-Four Accounting Firm in this study is 1: 1.

Classical Assumption Test

Data Normality Test

Based on the output of SPSS 16 in Table 2, the results of normality test indicate that with a total sample of 82 data, the value of Kolmogorov-Smirnov is 0.914 with a significance level of 0.374. It can be concluded that H0 is accepted, or the sample distribution of the 82 data is normally distributed because the significance value of the Kolmogorov-Smirnov is 0.374, or greater than 5%

Table 1
Descriptive Statistics of Frequency

Code	Type of Public Accounting Firm	Number	Percentage
0	Non Big Four Public Accounting Firm	41	50 %
1	Big Four Public Accounting Firm	41	50 %

Table 2
Results of Normality Test

	Unstandardized Residual
N (Number of Companies)	82
Kolmogorov-Smirnov Z	0.914
Asymp. Sig (2-tailed)	0.374

Table 3
Results of Multicollinearity Test

Independent Variables	Collinearity Statistics	
	Tolerance	VIF
Firm Size	0.744	1.345
Profitability	0.868	1.152
Liquidity	0.865	1.156
Leverage	0.863	1.158
Listing Age	0.896	1.116
Auditor Reputation	0.698	1.433

Table 4
Results of F test

Model	F	Sig
Regression	6.299	0.000

or (α = 0.05).

Multicollinearity Test

The results of the calculation of Variance Inflation Factor (VIF) in Table 3 indicate that the VIF value of firm size is 1.345, VIF value of profitability is 1.152, VIF value of liquidity is 1.156, VIF value of leverage is 1.158, VIF value of listing age is 1.116, and VIF value of auditor reputation is 1.433. VIF value of each independent variable shows that none of the independent variables has VIF value of more than 10. Therefore, it can be concluded that there is no muticollinearity among the independent variables in this regression model.

Hypothesis Test

F Test

Based on the output of SPSS of ANOVA test of F test in Table 4, the value of F count is 6.299, with a significance level of 0.000. The significance probability is much smaller than 0.05, which means that H0 is rejected and H1 is accepted. Overall, it can be said that the regression model is good (fit) and can be used to predict the Internet Financial Reporting (IFR) or it can be said that firm size, profitability, liquidity, leverage, listing age and auditor reputation simultaneously affect the IFR.

Table 5 shows the results of t statistic test for the six variables of the study. The significance probability value for the variable of firm size is 0.000 which is smaller (<) than the significance level α = 0.05, so it can be concluded that the variable of firm size significantly affects IFR. The significance probability value for the variable of profitability is 0.480 which is greater (>) than the significance level α = 0.05, so it can be concluded that the variable of profitability does not significantly affect IFR. The significance probability values for the variables of liquidity, leverage, listing age and auditor reputation are below 0.05, which means that these variables do not affect IFR.

The Effect of Firm Size on IFR

Firm size is calculated by using *natural log of total assets*. From these results, the variable of firm size has a significance probability value of 0.000

Table 5
Results of t Statistical Test

Model	Unstd. Coefficients		Std. Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-101.654	32.265		-3.151	.002
SIZE	4.951	1.148	.471	4.312	.000
PROFIT	9.823	13.840	.072	.710	.480
LIQUIDITY	.116	.757	.015	.153	.879
LEVERAGE	.023	.658	.004	.035	.972
AUDITOR R	6.241	3.503	.201	1.782	.079
AGE	-.340	.204	-.165	-1.664	.100

which is smaller (<) than the significance level α = 0.05, which means that firm size significantly affects the Internet Financial Reporting (IFR).

Based on signaling theory, each company has motivation to provide financial information to external parties. Firm size can influence the dissemination of information based on the needs of stakeholders so as to give an idea of the size of the company. Managers of large companies tend to always inform anything that constitutes Good News for companies and principal (stakeholders).

The larger the size of the company, the better the information reporting system owned by the company, and the company will likely have the resources to produce more information. And the cost to produce such information is lower than the cost required by the companies that have limitations in information systems, in Almilia (2008).

The Effect of Profitability on IFR

Based on the results of this study, profitability has a significance probability value of 0.480 which is higher (>) than the significance level α = 0.05, which means that profitability does not significantly affect the Internet Financial Reporting (IFR). The companies that have high profitability value, but the IFR value is below average, tend to inform only on the company's website in the form of the products or services offered.

The presentation of financial statements is only done by a third party, the Indonesian Stock Exchange. Another reason for the companies with high profitability not to perform IFR practice is because of tax purposes. Companies with high profits tend not to disseminate the good news because they are concerned about their tax burden, which is high enough, that could be known by external parties.

The results show that low profitability does not hinder the company to perform IFR. Both companies with high profitability and companies with low profitability will continue to perform IFR practice with the aim to demonstrate the openness and transparency of the management in reporting the company's financial information to the principal, in Hanny and Anis (2012).

The Effect of Liquidity on IFR

Based on the results of this study, the variable of liquidity has a significance probability value of 0.879 which is greater (>) than the significance level α = 0.05, which means that liquidity does not significantly affect the Internet Financial Reporting (IFR). The results of this study indicate that some of the companies that have high liquidity, such as PT Intanwijaya International Tbk. with the value of 13.871, have IFR value below the average. Conversely, the results of this study also show that some companies with low liquidity, such as PT Fast Food Indonesia Tbk with the value of 1.704, have IFR value above the average.

It shows that the low liquidity does not hinder the company to perform IFR practice. The size of the liquidity of the company does not affect the confidence of stockholders and the public on the company's ability to meet short-term liabilities and disclose such information, in Yosafat and Yulius (2013). Some companies with high liquidity tend not to perform IFR practice because the financial reporting through the internet is only voluntary, so they do not focus into it.

The results of this study indicate that both companies with high liquidity and companies with low liquidity will continue to perform IFR practice. By doing so, they can demonstrate the openness of the management of the company in reporting the financial information to the stakeholders, in Mellisa and Soni (2012).

The Effect of Leverage on IFR

The results of this study show that the variable of

leverage has significance probability value of 0.972 which is greater (>) than the significance level α = 0.05, which means that leverage does not significantly affect the Internet Financial Reporting (IFR). It shows that the level of leverage does not affect the delivery of financial information through the company's website. Both companies with high leverage and companies with low leverage will keep on presenting the company's financial information to demonstrate the openness of the management which is a positive image for the company, in Indri and Apsarida (2013). The openness of the management is expected to raise the confidence of creditors and other stakeholders.

Some companies with high leverage tend not to perform IFR practice, because in addition to merely voluntary disclosures, the companies worry a lot when they disseminate such information to the public. According to Melissa and Soni (2012), some investors tend to prefer companies with lower leverage ratio because it is a guarantee that the companies will better meet the going concern accounting principles on return on investment.

The Effect of Listing Age on IFR

The results show that company's listing age has a significance probability value of 0.972 which is greater (>) than the significance level α = 0.100, which means that the company's listing age does not significantly affect the Internet Financial Reporting (IFR). It shows that the company's long lifespan is not a guarantee that they can get competent human resources in terms of technology to help the company perform IFR practice, in Mellisa and Soni (2012).

Many companies have website, but they do not present their financial statements through the website. The companies only display the products or services offered to consumers. In addition, some older companies tend to be less focused on IFR practice because IFR practice is only limited to voluntary disclosure. The companies with a longer listing lifespan and have a reasonably good performance tend to be more focused on the ranking of companies conducted by Capital Market Supervisory Agency (Bapepam), like the program of good corporate governance.

Another reason that can be stated from the results of this study is that some of the newly listed companies tend to be more aggressive in the use of the Internet in presenting the corporate information. With the website, the new public companies hope to be able to introduce the companies more quickly and to be closer to the stakeholders so that the stakeholders can dig deeper information about the company's financial condition and sustainability, in Indri and Apsarida (2013).

The Effect of Auditor Reputation on IFR

The results of this study show that the variable of auditor reputation has a significance probability value of 0.079 which is greater (>) than the significance level α = 0.05, which means that the auditor reputation does not significantly affect the Internet Financial Reporting (IFR). It shows that there is no guarantee that the company which is audited by non-Big Four Accounting Firm will not perform IFR practice. This is because, at present, there are some Public Accounting Firms other than The Big Four Accounting Firms that also have a pretty good reputation and trustworthy, in Monica and Fuad (2013).

Basically, the quality auditor does not rely on the image of Big Four Accounting Firms or non-Big Four Accounting Firms, but the quality of an auditor can be judged by the level of professionalism, independence, and the integrity possessed by the auditor. All auditors must own these three components wherever they shelter. Therefore, by having these three components, the auditor would attempt to complete the audit report professionally. For that reason, the company will keep disclosing the financial information largely because of the belief that other Public Accounting Firms can also work as well as the Big Four Accounting Firms, in Monica and Fuad (2013).

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

This study examined the effect of firm size, profitability, liquidity, leverage, listing age and auditor reputation on Internet Financial Reporting (IFR) in manufacturing companies listed in the Indonesia Stock Exchange. The sampling technique in this study is based on sampling criteria of purposive sampling.

The data analysis technique used in this study is descriptive statistics, normality test, and multiple linear regression analysis with f test, the coefficient of determination (R2), and t test. The results of regression analysis of the F test simultaneously show that the regression model is fit. This means that the regression model can be used to predict that the firm size, profitability, liquidity, leverage, listing age and auditor reputation simultaneously affect the Internet Financial Reporting (IFR).

Based on the results of data analysis and hypothesis testing that have been done, it can be concluded that by using t test, it is only the variable of firm size that has significant influence on IFR, while the variables of profitability, liquidity, leverage, listing age and auditor reputation do not have a significant influence on IFR.

It implies that the investors can make this study as a reference related to the investment in Indonesia, in which they need to look at the important factors. This study has several limitations, such as: the results of this study show the coefficient of determination (R2) of 28.2 percent because there are large variations between each observation, the lack of the number of samples used in this study because there are some companies that do not have websites and their financial statements use a variety of foreign currencies, the research data, which is a cross section, causes no comparison for each ratio calculated for each variable.

It is suggested that further research add external factors as independent variables that affect IFR, use more samples, or all companies listed in Indonesia Stock Exchange, in order to obtain more representative results, increase the study period so that the data are not only a cross section but also time series.

REFERENCES

Handita Rachma Sulistyanto and Yeterina Widi Nugrahanti, 2013, 'Analisis perbedaan ketepatan waktu internet financial reporting pada perusahaan manufaktur yang terdaftar di BEI', *Jurnal Dinamika Akuntansi*, Vol. 5, pp. 146-156.

Hanifa, M & Rashid, HA 2005, 'The Determinants of voluntary disclosures in Malaysia: The Case of Internet Financial Reporting', *Unitar E-Journal*, Vol. 2, pp. 22-42.

Hanny Sri Lestari and Anis Chariri, 2012, 'Analisis Faktor-faktor yang mempengaruhi internet financial reporting dalam website perusahaan', *Diponegoro Journal of Accounting,* Vol. 1, pp. 1-3.

Indri Kartika and Apsarida Mila Puspa, 2013, 'Karakteristik Perusahaan sebagai Determinan Internet Financial And Sustainability Reporting', *Jurnal Keuangan dan Perbankan,* Vol. 17, pp. 181-191.

Luciana Spica Almilia, 2008, 'Faktor-f aktor yang mempengaruhi pengungkapan sukarela 'internet financial and sustainaility reporting', *Jurnal Akuntansi dan Auditing Indonesia*, Vol. 12, No. 2.

Mellisa Prasetya and Soni Agus Irwandi, 2012, 'Faktor-faktor yang Mempengaruhi Pelaporan Keuangan Melalui Internet (Internet Financial Reporting) pada Perusahaan Manufaktur di Bursa Efek Indonesia', *The Indonesian Accounting Review*, Vol. 2, pp. 151-158.

Novita Nisa Keumala and Dul Muid, 2013, 'Analisis Faktor-faktor yang Mempengaruhi Pelaporan Keuangan Melalui Website Perusahaan', *Diponegoro Journal of Accounting*, Vol. 2, pp. 1-10.

Widaryanti, 2011, 'Analisis Faktor-faktor Yang Mempengaruhi Ketepatan Waktu Corporate Internet Reporting Pada Perusahaan- Perusahaan Yang Terdaftar di Bursa Efek Indonesia', *Jurnal Ilmu Manajemen dan Akuntansi Terapan*, Vol. 2, No. 1.

Wolk, H, MGTearney and JL, Dodd, 2002, *Accounting Theory: A Conceptual and Institutional Approach*, South Western College Publishing.

Yosafat Pujo Lukito and Yulius Kurnia Susanto, 2013, 'Faktor-faktor yang Mempengaruhi Pengungkapan Sukarela Internet Financial and Sustainability Reporting', *Jurnal Keuangan dan Perbankan*, Vol. 17, pp. 61-70.