

ABSTRACT

The financial statements are the source of information of a company or business entity during a certain period that can describe the actual condition of a company or business entity. The preparation of the company's financial statements is intended for external and internal of the company. Internal of the company are managers, directors, and employees of the company. External of companies such as investors, creditors, shareholders, government, the general public, and interested parties.

The purpose of this study is to conduct research on the completeness of disclosure in the financial statements of pharmaceutical companies listed in the Indonesia Stock Exchange (BEI) in 2011 until 2015. Other objectives are to conduct research on the effect of return on equity, leverage, firm size and age company to the completeness of disclosure pharmaceutical company financial statements.

Completeness of the financial statements is measured using the completeness index, the return on equity variable is measured using ROE ratio, leverage is measured by using debt ratio, firm size is measured using natural log formula, and the variable of company's age is measured by using year of listing.

The population in this study is pharmaceutical companies listed on the Indonesia Stock Exchange in 2011-2015. Sampling technique used in this research is purposive sampling. Pursuant to purposive sampling obtained 6 sample company. Data analysis method in this research is regression analysis using software eviews 9.5.

The results showed that the return on equity, leverage, firm size and age of the company simultaneously affect the completeness of financial statement disclosure. Variable return on equity and firm age have significant influence with positive direction toward completeness of financial statement disclosure. While the variable leverage and firm size have no significant effect to the completeness of financial statement disclosure.

Keywords: completeness of financial disclosure, return on equity, leverage, firm size, and firm age