The Effect of Audit Committee Characteristics on the Enterprise Value with   Intellectual Capital Disclosure as Intervening Variable
(Study at Manufacturing Companies Listed On the Indonesia Stock Exchange in 2017)

Rachmad Dermawan1[1], Nunung Nurastuti[2]

[1]*(Post Graduate Student: Malangkucecwara School of Economics, Malang, Indonesia)*
[2]*(Post Graduate Lecturer: Malangkucecwara School of Economics, Malang, Indonesia)*

Abstract:
Background: This research was conducted to find out the gap between the results of previous research (research gap) and the differences focus of the discussion about the influence of audit committee characteristics on the company value through intellectual capital disclosure. Also, there are also research problems about the tight competition in small and medium industries, especially in the manufacturing industry from Indonesia, which encourages companies to create good audit committee characteristics to increase company value through intellectual capital disclosure.
Materials and Methods: The population in this study were shariah companies in the agricultural, mining, basic and chemical industries, various industries, and the goods and consumption industries as many as 95 research samples. Data collection uses the company's annual report in 2017. The data analysis tool used is the classic assumption test, regression, and path analysis through the SPSS 19 programs.
Results: The results indicated that the audit committee characteristics (number of members, meeting frequency, and financial expertise) have significant effect on enterprise value. And the effect of audit committee characteristics (number of members and financial expertise) also has significant effect on intellectual capital disclosure, but the meeting frequency has no effect on intellectual capital disclosure. In this research, it was found that only the number of audit committee members has effect on enterprise value through intellectual capital disclosure, while meeting frequency and financial expertise do not have significant effect on enterprise value through intellectual capital disclosure).
Key Word: Audit committee characteristics, number of members, meeting frequency, financial expertise, intellectual capital disclosure, enterprise value of Indonesian manufacturing companies

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I.   Introduction
Indonesia's economic conditions began to improve every year after the economic crisis in 1999, where from 2010 to 2015, the number of companies in Indonesia has grown significantly from 23345 units to 26322 units (BPS, 2019). This shows that the intense competition between industry lines reflects the enterprise value. According to Tsai, Lu, & Yen (2012), the enterprise value is factor that influences the decision making of investors and creditors to lend funds to a company. To assist investors and creditors in making decisions, the Indonesian government has set a new policy regarding the enactment of audit committee on State-Owned Enterprises (BUMN) as form of good governance implementation.

According to Klein (2002), the audit committee plays important role in good management of company to increase the effectiveness of board of directors in management oversight to protect the interests of shareholders. The audit committee also has the responsibility to provide certainty that the financial statements prepared by management provides   true picture of whether the company has been carried out in accordance with applicable regulations and problems that have potential risks for the company with the internal control system and monitoring of the work of internal auditors through audit committee meetings. (Beasley, 1996; Forker, 1992; Peasnell, Pope & Young, 2001). Therefore, audit committee that meets frequently will have plenty of time to oversee the company's reporting process efficiently (Karamanou, Irene & Nikos, 2005).

In addition to tangible assets, intangible assets owned by companies also shape the enterprise value in this industrial era because these intangible assets support tangible assets owned by companies in disclosing intellectual capital (Purnomosidhi, 2006). Intellectual capital disclosure is defined as knowledge, intellectual

property, technological capacity or experience that can be used to increase added value for the company (CIMA, 2001; Ferreira et al., 2012). According to Edvinson (2013) and Holland (2003), intellectual capital disclosure greatly influences enterprise value in the modern economy, and can maintain competitive advantage and create shareholder value.

Management's goal to disclose the intellectual capital in detailed and complete annual report is to influence the company's economy by increasing transparency and reducing information gaps between companies and investors to increase the enterprise value. A company with large scale will make stakeholder demands more for openness to information than company with small scale (Purnomosidhi, 2006). Enterprise value can be seen from the stock price formed based on the demand and supply of investors (Fama, 1978). According to Hermuningsih (2013), the enterprise value is higher if the company's stock price is high, which means market confidence in the company's current performance and the company's prospects in the future. So that in making decisions, financial management must be precise in maximizing enterprise value to increase the prosperity of stakeholders. In addition, other management roles are also accountable for their performance to stakeholders to be assessed, measured and monitored by shareholders for their performance.

In previous study, Li et al. (2012) found that audit committee characteristics using size and number of meetings have a positive effect on intellectual capital disclosure, while expertise and independence have a negative effect. In another study, according to Kam (2014), there is an influence from the audit committee characteristics which focuses on the expertise of committee members which will strengthen the company value up to five times. Meanwhile, in research conducted by Wahyu (2011), it is stated that there is a positive relationship between disclosure of intellectual capital information on the value of a company even though it has limitations, that is the absence of a standard measurement of intellectual capital disclosure and limited quantity of disclosure. It is based on the background of the phenomena that occurred in the era of industrial competition in Indonesia and from previous studies, therefore encouraging researchers to use intellectual capital disclosure as a mediating variable between audit committee characteristics on enterpise value

II. Literature Review

Audit Committee Characteristics

The audit committee is new component in the company's management system which is very important as liaison between shareholders and the board of commissioners with the management, external and internal auditors of the company formally to increase the credibility of financial statements (Bradbury et al., 2004). According to Anderson et al (2003), the better the internal and external audit process, the higher the level of accuracy and confidence in financial statements. So that the better the company's financial reporting process, the faster the time span for issuing audit financial report. Sun et al (2012) and Spira (2003) state that the audit committee is effective mechanism for Good Corporate Governance because it can find weaknesses in internal control, increase the effectiveness of supervision and can strengthen the company's financial reporting process. The audit committee also extends its role in the company's non-financial responsibility to reduce information asymmetry that occurs between internal and external parties by disclosing more information which includes intellectual capital information (Haji, 2015; Li et al., 2012).

Intellectual capital disclosure

Intellectual capital includes intangible assets of the company that center on the combination of market and employees' intellectual property and infrastructure to develop company performance (Brooking, 1996). Intellectual capital is also all knowledge that contains information about human resources with stakeholders and corporate structure that contribute to creating and increasing the enterprise value (Marr & Schiuma, 2001; Williams, 2001). According to Chen et al (2005), investors will give higher value to companies that have higher intellectual resources, which is reflected in the company's stock price. Even intellectual capital has significant effect on the company's future financial performance (Tan et al., 2007). Broadly speaking, the audit committee has three components, namely employee capital, structural capital, and relational capital (Bontis et al., 2001).
Bontis et al. (2001) states that employee capital is the individual knowledge of organization that is represented by employees in the company. It is source of innovation and development that includes education, competence and knowledge of the employees. Meanwhile, structural capital is capital that includes all existing knowledge within the organization, namely databases, organizational charts, strategies, routines and anything whose value in the company is higher than its material value. Relational capital is the knowledge contained in the relationship between marketing channels and customer relationships so that the company can run and develop the company's business. So the three components of intellectual capital, namely employee capital, structural capital, and relational capital can have a significant effect in increasing the competitive position by adding value to parties who have an interest (Marr and Schiuma, 2001).

Enterprise value

According to Fidhayatin et al. (2012), enterprise value is the form and way of company to maximize company goals by increasing prosperity of shareholders. Shareholders always hope that the company will continue to grow every year so that the company tries to optimize the enterprise value by carrying out the function of financial management, that is, if financial decision is taken it can affect other financial decisions that have impact on enterprise value (Wahyudi and Hartini, 2006). This is supported by Simarmata and Subowo (2016), who say that stock prices in the capital market are formed from buying and selling transactions which are considered as reflection of the real enterprise assets value which are influenced by investment opportunities.

Whereas in Hidayati (2010) states that enterprise value is not only seen from the company's ability to generate cash flow, but also from the operational and financial characteristics of the company so that it can describe the management performance in managing its wealth. So according to Hermuningsih (2013) which states that the high share price of the company will show the higher the level of enterprise value which illustrates the more prosperous the owner is. Therefore, enterprise value becomes very important for companies to present the wealth of the owners or shareholders and the company which is a reflection of investment, funding, and asset management decisions.
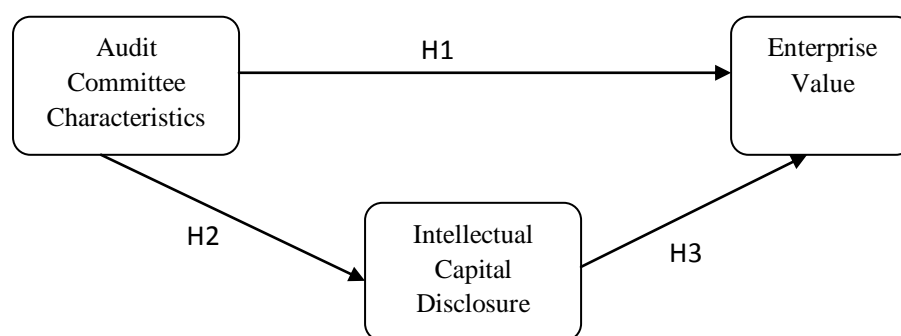
Based on theoretical studies, empirical studies and the basis of logic, the hypotheses proposed in this research are as follows
H1: The audit committee characteristics (size, meeting frequency, financial expertise) have effect on enterprise value
H2: The audit committee characteristics (size, meeting frequency, financial expertise) have effect on disclosure of intellectual capital
H3: The audit committee characteristics (size, meeting frequency, financial expertise) have effect on enterprise value through intellectual capital disclosure

III. Material And Methods
SOURCE, POPULATION AND SAMPLE

The data source used was time series data, namely the annual report data of financial companies in 2017. Annual reports were obtained by collecting, recording, and reviewing secondary data in the form of annual reports from financial companies listed and published by the Indonesia Stock Exchange on the official website. IDX (www.idx.co.id). This research selected companies listed on the Indonesia Stock Exchange (IDX) in 2017 because in 2017 companies listed on the IDX were required to report annual reports to the public, namely around 555 companies. So the research sample was taken from 95 companies based on certain criteria, namely manufacturing companies including sharia stocks in the agricultural, mining, basic and chemical sectors, various industries, and the goods and consumption industry and provided complete information about the audit committee (number of members, committee meetings, and expertise).

Table 1. Research Samples

Information	
Sample Criteria:	
Companies listed on the IDX in 2017	555
Manufacturing companies in the agricultural, mining, basic and chemical industries, various industries, and the goods and consumption industry	217
Including Sharia stocks	105

Provide complete information about the audit committee (number of members, committee meetings, and expertise)	95
The final total sample studied	95

The number of companies studied was 95 companies which were described in table 2 as follows:

Table 2 Company Samples

Sector	No.	Name Company	Code
AGRICULTURE	1	Astra Agro Lestari Tbk	AALI
	2	Austindo Nusantara Jaya Tbk	ANJT
	3	Bisi International Tbk	BISI
	4	Dharma Samudera Fishing Industries Tbk, PT	DSFI
	5	Eagle High Plantations Tbk	BWPT
	6	Inti Agri Resources Tbk, PT	IIKP
	7	PP London Sumatera Indonesia Tbk	LSIP
	8	Salim Ivomas Pratama Tbk.	SIMP
	9	Sampoerna Agro Tbk	SGRO
	10	Sawit Sumbermas Sarana Tbk	SSMS
MINING	11	Adaro Energy Tbk	ADRO
	12	Aneka Tambang (Persero) Tbk	ANTM
	13	Atlas Resources Tbk	ARII
	14	Bara Jaya International Tbk.	ATPK
	15	Baramulti Suksessarana Tbk	BSSR
	16	Darma Henwa Tbk	DEWA
	17	Golden Energy Mines Tbk	GEMS
	18	Harum Energy Tbk	HRUM
	19	Indo Tambangraya Megah Tbk	ITMG
	20	Mitrabara Adiperdana Tbk	MBAP
	21	Petrosea Tbk	PTRO
	22	Ratu Prabu Energi Tbk	ARTI
	23	Resource Alam Indonesia Tbk	KKGI
	24	Samindo Resources Tbk	MYOH
	25	Tambang Batubara Bukit Asam (Persero) Tbk	PTBA
	26	Timah (Persero) Tbk	TINS
	27	Toba Bara Sejahtra Tbk	TOBA
	28	Vale Indonesia Tbk	INCO
BASIC INDUSTRY AND CHEMICALS	29	Alaska Industrindo Tbk	ALKA
	30	Alkindo Naratama Tbk	ALDO
	31	Argha Karya Prima Industry Tbk	AKPI
	32	Arwana Citra Mulia Tbk	ARNA
	33	Asahimas Flat Glass Tbk	AMFG
	34	Asiaplast Industries Tbk	APLI
	35	Barito Pasific Tbk	BRPT
	36	Beton Jaya Manunggal Tbk	BTON
	37	Champion Pasific Indonesia Tbk	IGAR
	38	Chandra Asri Petrochemical Tbk.	TPIA
	39	Duta Pertiwi Nusantara Tbk.	DPNS
	40	Ekadharma International Tbk.	EKAD
	41	Gunawan Dianjaya Steel Tbk	GDST
	42	Holcim Indonesia Tbk	SMCB
	43	Impack Pratama Industri Tbk	IMPC
	44	Indal Aluminium Industry Tbk	INAI
	45	Indo Acitama Tbk.	SRSN
	46	Indocement Tunggal Prakasa Tbk	INTP
	47	Indopoly Swakarsa Industry Tbk	IPOL
	48	Intan Wijaya International Tbk.	INCI

	49	Kedawung Setia Industrial Tbk	KDSI
	50	Keramika Indonesia Asosiasi Tbk	KIAS
	51	Lionmesh Prima Tbk	LMSH
	52	Lotte Chemical Titan Tbk	FPNI
	53	Semen Indonesia (persero) Tbk	SMGR
	54	Siwani Makmur Tbk	SIMA
	55	Surya Toto Indonesia Tbk	TOTO
	56	Tirta Mahakam Resources Tbk	TIRT
	57	Toba Pulp Lestari Tbk	INRU
	58	Trias Sentosa Tbk	TRST
	59	Unggul Indah Cahaya Tbk.	UNIC
	60	Wijaya Karya Beton Tbk	WTON
	61	Yana Prima Hasta Persada Tbk	YPAS
	62	Astra International Tbk	ASII
MACHINES AND HEAVY EQUIPMENT	63	Astra Otoparts Tbk	AUTO
	64	Gajah Tunggal Tbk	GJTL
	65	Goodyear Indonesia Tbk	GDYR
	66	Indo Kordsa Tbk	BRAM
	67	Indo Rama Synthetic Tbk	INDR
	68	Indospring Tbk	INDS
	69	Kabelindo Murni Tbk	KBLM
	70	KMI Wire and Cable Tbk	KBLI
	71	Multistrada Arah Sarana Tbk	MASA
	72	Pan Brothers Tbk	PBRX
	73	Polychem Indonesia Tbk	ADMG
	74	Prima alloy steel Universal Tbk	PRAS
	75	Sat Nusa Persada Tbk	PTSN
	76	Selamat Sempurna Tbk	SMSM
	77	Sepatu Bata Tbk	BATA
	78	Sumi Indo Kabel Tbk	IKBI
	79	Supreme Cable Manufacturing and Commerce Tbk	SCCO
	80	Voksel Electric Tbk	VOKS
	81	Akasha Wira International Tbk, PT	ADES
CONSUMER GOODS INDUSTRY	82	Chitose Internatonal Tbk, PT	CINT
	83	Darya Varia Laboratoria Tbk	DVLA
	84	Indofood CBP Sukses Makmur Tbk, PT	ICBP
	85	Indofood Sukses Makmur Tbk, PT	INDF
	86	Kimia Farma (Persero) Tbk	KAEF
	87	Kino Indonesia Tbk	KINO
	88	Langgeng Makmur Industry Tbk, PT	LMPI
	89	Mandom Indonesia Tbk	TCID
	90	Mustika Ratu Tbk	MRAT
	91	Nippon Indosari Corporindo Tbk, PT	ROTI
	92	Prashida Aneka Niaga Tbk, PT	PSDN
	93	Sekar Bumi Tbk, PT	SKBM
	94	Tiga Pilar Sejahtera Food Tbk, PT	AISA
	95	Wilmar Cahaya Indonesia Tbk, PT	CEKA

INSTRUMENT SIZE
Audit Committee

The components of audit committee characteristics referring to the research of Karamanou & Nikos (2005) are as follows: Size of audit committee (SAC) is the number of committee members that make it easier to disclose financial reporting problems, meetings of audit committee (MAC) is the meeting activity of audit committee members in supervising the efficient company reporting process, and financial expertise of audit

committee (FEX) is the competence of audit committee member who has expertise in finance and accounting so that can facilitate the duties of audit committee.

The audit committee variable according to regulation Number IX.1.5 of KEP-29 / PM / 2004 is measured as follows:

$$SAC = \frac{number\ of\ audit\ committee\ members}{3}$$

$$MAC = \frac{number\ of\ audit\ committee\ meeting}{3}$$

$$FEX = \frac{number\ of\ audit\ committee\ with\ expertise}{number\ of\ audit\ committee\ member}$$

Intellectual Capital Disclosure

The components of intellectual capital disclosure (ICD) which refer to the research of Bontis et al. (2000) are as follows:Employee capital is the share of individual knowledge of organization represented by employees, structural capital is capital that includes all existing knowledge within the organization which includes databases, organizational charts, strategies, routines and anything whose value in the company is higher than its material value, and customer capital is knowledge related to the marketing channels and customer relationships, so that organizations can grow to run business

The ICD measurement is built based on international standards and regulations in Indonesia regarding the disclosure of obligations developed by Ulum et al. (2014), namely checklist of 36 intellectual capital items with total value of 58 points which can be seen in table 3. This checklist is divided into three components, namely human capital, structural capital, and customer capital. Each checklist is scored manually by reading the entire annual report. Each item is assessed based on three scales, namely items not disclosed (0), expressed in text form (1) and numeric (2). Measurement of this variable is made with an index score to generate one point for each company by adding the disclosure score divided by the cumulative score (Hooks and Staden, 2011).

$$ICD = \frac{number\ of\ score\ \ disclosed}{58}x100$$

Table 3 ICD Measurement

Employee capital	Score	Structural Capital	Score	Relation Capital	Score
Number of Employees	0-2	Vision Mission	0-1	Customers	0-2
Education Level	0-2	Code of Ethics	0-1	Brand	0-1
Employee Qualifications	0-2	Patents	0-2	Customer Loyalty	0-1
Employee Knowledge	0-1	Copyright	0-2	Company Name	0-1
Employee Extensions	0-1	Trademarks	0-2	Distribution Network	0-2
Education & Training	0-2	Management Philosophy	0-1	Business Collaboration	0-1
Related types of Training	0-2	Organizational Culture	0-1	License Agreement	0-2
Employee Turnover	0-2	Management Process	0-1	Favorable Contract	0-2
		Information System	0-2	Franchise Agreement	0-2
		Governance	0-2	Awards	0-2
		Network System	0-1	Certification	0-2
		Violation Reporting System	0-2	Marketing Strategy	0-1
		Performance Analysis Comprehensive Finance	0-2	Market Share	0-1
		Ability Paying Debt	0-2		

Enterprise value

Enterprise value which refers to Suad's research (2000) is the price a prospective buyer is willing to pay if the company is sold so that it can provide shareholders prosperity if the company's share price increases. The audit committee must have at least one member who has adequate knowledge of finance and accounting. This enterprise value can be influenced by the company's capital structure, which is the company's book value. Enterprise value is measured by Price Book Value (PBV). This ratio measures the value that financial markets provide to the management and organization of the company as a company that continues to grow (Wahyudi and Pawestri, 2006).

$$PBV = \frac{market\ price\ per\ share}{book\ value\ per\ share}$$

Data analysis

This research used classic assumption test, classic assumption test, data hypothesis, data analysis in the form of regression analysis which provided overview of the relationship between variables

IV. Result

Descriptive statistics

The results of descriptive statistical analysis for each variable in this research can be seen in table

Table 4 The Results of Descriptive Statistical

	N	Min	Max	Mean	Std. Deviation
PBV	95	0.17	5.83	1.4837	1.35270
SAC	95	0.67	1.33	1.0383	0.11682
MAC	95	0.33	5.00	1.9227	1.05558
FEX	95	0.33	1.33	0.6736	0.23814
ICD	95	0.38	0.90	0.6509	0.12253

Classic assumption test

In this research, the classical assumption test of the regression model was processed using the IBM SPSS Statistic Ver. 19 program. Testing with regression analysis was required for the possibility of deviations that occur against classical assumptions, these tests include: multicollinearity test, autocorrelation test, and heteroscedasticity test

Table 5 The Results of Classical Assumption

Normality Test Results	N	Std. Deviation	Asymp. Sig. (2-tailed)
• • Before the Outlier is issued	95	1.23899983	0.001
• • After the Outlier is issued	90	90400903	0.048
Multicollinearity Testing Results		**Tolerance**	**VIF**
• SAC		0.704	1.421
• MAC		0.901	1.110
• FEX		0.781	1.280
• ICD		0.864	1.157
Heteroscedasticity Test Results			**Sig**
• SAC			0.765
• MAC			0.280
• FEX			0.853
• ICD			0.340
Autocorrelation Testing Results	**R**	**Adjust R square**	**Durbin Watson**
• Model DB	0.547	0.266	2.127
N = (90)			

Normality test

The data normality test used the Probability Plot test which was strengthened by the Kolmogrov Smirnov test in table 5. From the test results, it was obtained that the significant value of the unstandardized residual was less than the value of 0.05, namely 0.001. So it can be concluded that the residuals are not normally

distributed. To achieve normally distributed data, it was necessary to eliminate values that are too extreme (outliers). To make improvements by making outliers, so that the amount of data processed after the outlier is 90 from the previous 95 data, it was expected that the residual data can be fulfilled so that the normality test can also be fulfilled.

Measurement after the outliers were removed, obtained significant value from the unstandardized residual of 0.048 which was still <0.05 so that the residual was distributed close to normal. Therefore, the researcher used the assumption from Norusis, JM (2000) called The Central Limit Theorem which says that if the sample size is large enough, namely more than 30 samples, then the distribution of the sample mean will center on the value of the population parameter and will have characteristics normal distribution. And the intellectual capital disclosure variable only has 3 possibilities, namely 0 = no disclosure, 1 = text and 2 = numbers, so that if the research sample is more than the current research sample, the sample will give a normal distribution in subsequent studies. Thus it can be concluded that the research data has been assumed to be normally distributed and the regression model can be used as the next test

Multicoleniariy, Heterokedasticity, and Autocorrelation Test

The regression model will be declared good and can be done if it meets the classical assumption test, namely the normality test, multicollinearity test, heteroskesasticity test, and auto correlation test. And this research has fulfilled the classical assumption test, as shown in Table 5

Results of Path Analysis model

Table 6 Results of Path Analysis model

Result tes F			F	Sig	Inf.
Model			9.062	0.000	Valid
Result tes T		**B**	**S.E.**	**t**	**Sig**	
• SAC	**Ha1a**	3.729	0.950	3.926	0.000	Valid
• MAC	**Ha1b**	-0.291	0.104	-2.790	0.006	Valid
• FEX	**Ha1c**	-1.832	0.435	-4.215	0.000	Valid
Result R square		**R**	**R^2**	**Adjust R^2**	**S.E. Estm**	
		0.547^a	0.299	0.266	0.925	
Analyze Path 1		**B**	**S.E.**	**t**	**Sig**	
• SAC	**Ha2a**	0.436	0.109	3.985	0.000	Valid
• MAC	**Ha2b**	0.012	0.012	1.024	0.309	Not Valid
• FEX	**Ha2c**	-0.107	0.050	-2.146	0.035	Valid
Analyze Path 2		**B**	**S.E.**	**t**	**Sig**	
• SAC		2.831	-1.610	0.916	0.006	Valid
• MAC		-0.317	0.103	-3.085	0.003	Valid
• FEX		-1.610	0.436	-3.695	0.000	Valid
• ICD		-1.610	0.916	2.253	0.027	Valid
Equation Analysis 1			**t**	**S.Beta**	**Sig**	
• SAC -> PBV	p4	2.802	2.831	0.006	Valid
• SAC -> ICD	p1	3.985	0.436	0.000	Valid
• ICD -> PBV	p7	2.253	2.063	0.027	Valid
Equation Analysis 2			**t**	**S.Beta**	**Sig**	
• MAC -> PBV	p5	-3.085	- 0.317	0.003	Valid
• MAC -> ICD	p2	1.024	0.012	0.106	Not Valid
• ICD -> PBV	p7	1.024	2.063	0.027	Valid
Equation Analysis 3			**t**	**S.Beta**	**Sig**	
• FEX -> PBV	p6	-3.695	-1.610	0.000	Valid
• FEX -> ICD	p3	-2.146	-0.107	0.035	Valid
• ICD -> PBV	p7	2.253	2.063	0.035	Valid
Sobel Test			**S. Error**	**t**	**t. table**	

• Equation 1	**Ha3a**	0.47	1.92	1.66	Valid
• Equation 2	**Ha3b**	1.92	0.86	1.66	Not Valid
• Equation 3	**Ha3c**	0.056	-3.95	-1.66	Not Valid

The following path analysis from table 6 examines the relationship between audit committee characteristics and firm value and whether intellectual capital disclosure can interfere with the audit committee characteristics and firm value equation as shown below:

Path Model
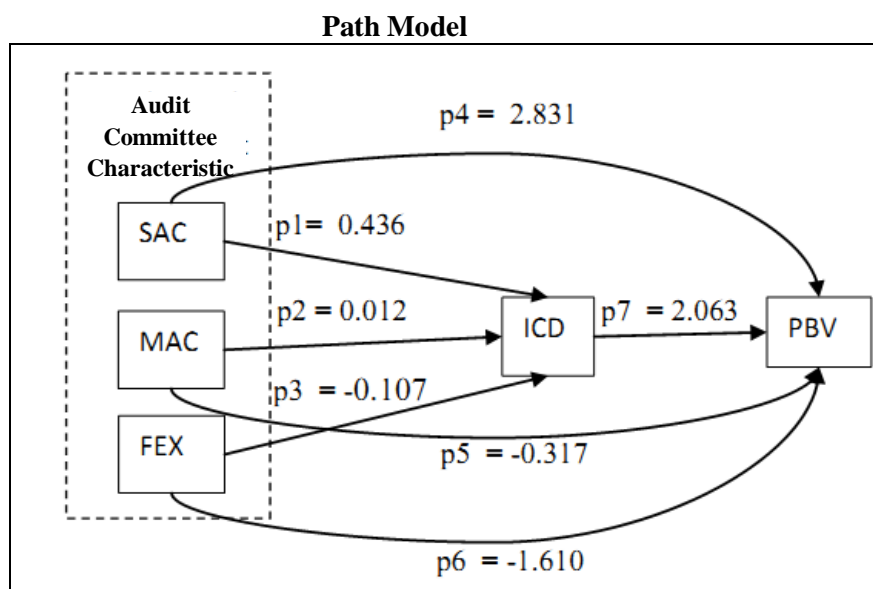
Hypothesis test
After testing of classical assumptions and goodness of fit, the next stage is hypothesis testing

Hypothesis Testing 1
Based on the results of the research, it was found that the positive beta coefficient for the number of audit committee members was 3.729 toward enterprise value and had significance value of 0.000 which was smaller than $\alpha = 0.05$. This means that the hypothesis Ha1a which stated that the number of audit committee members has effect on enterprise value was accepted supported by the results of previous research conducted by Abdullah (2018). With an effective member of the audit committee, the supervisory process for the implementation of the company's control system and the process of preparing financial reports can be done better so that it can influence investors' views, judgments, and confidence in the value of a company.

The negative beta coefficient for the number of audit committee meetings was 0.291 toward enterprise value and has significance value of 0.006 which was smaller than $\alpha = 0.05$. This means that the hypothesis Ha1b which stated that the number of audit committee meetings has effect on enterprise value was accepted and supported by the results of previous research conducted by Abdullah (2018). The supervision carried out by the audit committee members allows for more diversity of thoughts in the audit committee so that it will create more effective supervision. This supervision is carried out by meetings conducted by the audit committee either with members or with other divisions so that it will increase high diligence in human resources and increase the performance and value of the company.

The negative beta coefficient for the financial expertise of the audit committee members was 1.832 toward enterprise value and has significance value of 0,000 which was smaller than $\alpha = 0.05$. This means that the hypothesis Ha1c which states that the financial expertise of the audit committee members has effect on enterprise value was accepted and supported by the results of previous research conducted by Abdullah (2018). An increase in the proportion of audit committee members who are accompanied by financial and accounting expertise will increase company value by overseeing members of the audit committee which can reduce information asymmetry and problems in financial reporting.

Therefore it can be concluded that hypothesis 1 was accepted as a whole where the audit committee characteristics (number of members, number of meetings, and financial expertise) have effect on enterprise value.

Hypothesis Testing 2

Based on the research results, it was found that the positive beta coefficient for the number of audit committee members was 0.436 toward intellectual capital disclosure and has significance value of 0.000 which was smaller than α = 0.05, so Ha2a is accepted, which means that the number of audit committee members has significant positive effect on intellectual capital disclosure and supported by the results of previous research conducted by Li et al. (2012) and Kamel et al. (2014). In the role of an audit committee in charge of overseeing the internal control and ensure the financial statements contained therein intellectual capital disclosure in accordance with the company that actually.

The positive beta coefficient for the number of audit committee meetings was 0.012 toward the intellectual capital disclosure and has significance value of 0.309 which was greater than α = 0.05, so Ha2b was rejected, which means that the number of audit committee meetings has no effect on the intellectual capital disclosure and supported by the results of previous research conducted by Kamel et al. (2014). The minimal frequency of audit committee meetings in manufacturing companies in Indonesia has resulted in reduced communication and coordination between audit committee members and management in discussing problems such as policies implemented by the company. Each audit committee meeting is often not attended by members, resulting in less than 100% attendance intensity. This results in the ineffectiveness of the audit committee meeting in handling every problem that occurs in the company due to incomplete members when the committee meeting is held, which causes the audit committee to still lack encouragement and pressure for managers to disclose information about intellectual capital properly, transparently and relevant to annual report. Therefore, in the annual report of manufacturing companies in 2017 they still do not focus on detailing and clarifying the intellectual property owned by the company, causing a lack of transparency that the company has, especially on the company's intangible assets.

The negative beta coefficient for financial expertise of audit committee members was 0.107 toward intellectual capital disclosure and has significance value of 0.035 which was smaller than α = 0.05. This means that the hypothesis Ha2c which stated that the financial expertise of the audit committee members affects the intellectual capital disclosure was accepted and supported by the results of previous research conducted by Li et al. (2012). The expertise of the audit committee is based on a background of knowledge and experience in accounting and finance so that it will better understand the intellectual capital owned by the company compared to those without expertise.

Therefore it can be concluded that hypothesis 2 was accepted only on the audit committee characteristics (number of members, and financial expertise) which has significant effect on intellectual capital disclosure, while audit committee meetings do not have significant effect on intellectual capital disclosure.

Hypothesis Testing 3

From the analysis results, the effect of SAC variable on ICD variable with coefficient value of 0.436 and significant at 0.000. The effect of ICD variable on PBV variable has coefficient value of 2.063 and significant at 0.027. The direct effect of SAC variable on PBV with coefficient value of 2.831 and significant at 0.006. The total correlation of SAC variable to the PBV variable with coefficient value of 3.37 and significant. The indirect effect of the number of audit committee members on enterprise value through intellectual capital disclosure, in this case the magnitude of the indirect effect was 0.899 and significant. The significance of intervention effect was tested by using Sobel test obtained that t count was 1.92, which was greater than t table with significance level of 0.05 namely 1.66, so it can be concluded that Ha3a was accepted, which means that there was positive intervention effect on the number of audit committee members. This proves that the more members of the audit committee will contribute to the value of the company in the eyes of investors by disclosing the intellectual capital owned by the company in a more relevant and transparent manner in each annual report.

The effect of MAC variable on ICD variable with coefficient value of 0.012 and not significant at 0.309. The effect of ICD variable on the PBV variable has coefficient value of 2.063 and significant at 0.027. In this case the direct effect of MAC variable on PBV with coefficient value of 0.317 and significant at 0.006. The total correlation of MAC variable toward PBV variable with coefficient value of -0.292 and not significant. The indirect effect of the number of audit committee meetings on enterprise value through intellectual capital disclosure, in this case the amount of indirect effect was 0.025 and not significant. The significance of the intervention effect was tested by using the Sobel test, where the t count was 0.86 smaller than the t table with significant level of 0.05, which was 1.66, so it can be concluded that Ha3b was rejected, which means that there was no effect of intervention on the number of audit committee meetings on enterprise value through intellectual capital disclosure. The lack of audit committee meetings and full attendance by each member of audit committee reduces committee members' oversight on company management so that in the disclosure process, the company's intellectual capital was not given much attention. Intellectual capital disclosure that was less transparent and detailed had effect on potential investors, thereby reducing the level of assessment of investors

to see the company's future prospects in the aspect of the company's intangible assets, especially intellectual property owned by the company.

The effect of FEX variable on the ICD variable with   coefficient value of 0.436 and significant at 0.000. The effect of ICD variable on PBV variable had coefficient value of -0.107 and significant at 0.035. The direct effect of FEX variable on PBV with   coefficient value of 2.063 and significant at 0.027. The total correlation of FEX variable to PBV variable with   coefficient value of -1.831 and significant. The indirect effect of audit committee's financial expertise on enterprise value through intellectual capital disclosure, in this case the amount of the indirect effect was -0.221 and not significant. The significance of   intervention effect was tested by using the Sobel test, it was found that the t count was -3.95 greater than the -t table with significance level of 0.05, namely -1.66, so it can be concluded that Ha3c was rejected, which means that there was no effect of the audit committee's financial expertise intervention on enterprise value through intellectual capital disclosure. According to Li et al., (2012) says that financial expertise is still less relevant for reporting intellectual capital disclosure problems, resulting in lack of knowledge of audit committee members in explaining information regarding disclosure of intangible assets in annual reports that can attract potential investors to invest in a manufacturing company in Indonesia. This was evidenced by the expertise of audit committee chairman of manufacturing company who did not have financial and accounting expertise but rather has background in engineering so that he did not pay much attention to intellectual capital disclosure which was able to increase the assessment of potential investors towards the company.

Therefore it can be concluded that hypothesis 3 was accepted only on the audit committee characteristics (number of members) which have significant effect on enterprise value through intellectual capital disclosure, while audit committee meetings and financial expertise do not have significant effect on enterprise value through intellectual capital disclosure.

V. Conclusion

Conclusion

Based on the testing results and discussion as presented in the previous chapter, namely chapter 4, the following conclusions can be drawn:

1. Based on the research results indicated that the audit committee characteristics (number of members, number of meetings, and financial expertise of audit committee members) have significant effect on enterprise value.
2. The audit committee characteristics (number of members and the financial expertise of audit committee) have significant effect on enterprise value. However, this research was unable to prove the audit committee characteristics (number of audit committee meetings) have effect on enterprise value.
3. This research could prove that the audit committee characteristics (number of members) have significant effect on enterprise value through intellectual capital disclosure. Meanwhile, the audit committee characteristics (number of audit committee meetings and financial expertise) do not have significantly effect enterprise value through intellectual capital disclosure.

Research Limitations

This research was conducted with various limitations that may affect the results. The limitations in question are as follows:

1. This research has small sample size of only 95 observations. Therefore, this research cannot be normally distributed due to the insufficient number of samples.
2. This research only uses the company's audit committee characteristics and intellectual capital disclosure because the researcher wants to know whether the intellectual capital disclosure is able to mediate the relationship between the audit committee characteristics and enterprise value which has not been studied by other researchers. And only uses one proxy for enterprise value, namely the price to book value ratio, so the results of this research are limited to the value that uses these proxies, while the audit committee characteristics indicators only use three characteristics, namely the number of members, number of meetings and financial expertise of audit committee members, The audit committee characteristics still have many indicators other than those examined in this research.
3. The research samples were only limited to sharia stocks in the agricultural industry sector, mining sector, basic and chemical industry sector, various industries sector, and goods and consumption industry sector. Researchers only use these sectors to reduce biased results due to differences in the companies characteristics in the research sample

Suggestions For Future Research

Based on the results and limitations of the research mentioned above, the suggestions or recommendations that can be put forward are as follows

1. The next research can separate samples into groups which can be tested and can be obtained research evidence which can be compared in each industry.
2. The next research can use other characteristics such as independence, position and share ownership in testing so that more comprehensive results can be obtained regarding the audit committee characteristics, intellectual capital disclosure, and enterprise value.
3. The next research can use proxy for enterprise value other than the price to book value ratio, such as Tobin'Q so that more varied research results can be obtained with different proxies for enterprise value.
4. Adding the service industry as sector that can be researched in more detail because it is possible that the service sector will focus more on intellectual capital and intellectual capital disclosure in the company's annual report.
5. The next research can look for an intellectual capital disclosure index that is more in line with the research country so as to avoid subjectivity in determining the intellectual capital disclosure index.
6. For creditors and investors who want to invest in manufacturing companies in Indonesia, this research can provide input in choosing a good investment by looking at the aspect of company's intangible assets in the form of intellectual capital disclosed in the company's annual report so that investors can find out which company that has good future prospect value for investment.
7. For the Indonesian government, the research can be used as good reference material for making regulations on the importance of audit committee that plays role in increasing corporate value by focusing on disclosing the company's intangible assets, namely intellectual capital which is still voluntary and not regulated by the regulations required for every company.

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