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## The Corporate Governance Effects on the Audit Committees Performance

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### ABSTRACT

The corporate governance (GC) code serves to preserve the relationships between the companies, shareholders and other stakeholders as well as promotes the significance of building a corporate culture that is made parallel with the business strategy, its purpose and integrity and value diversity. Since most advanced stock exchanges make their legal requirement to obey and state CG codes in their annual report and accounts.

According to a study by Sultana, et al., (2020) that is consistent with the limited supply view, there is a positive association between audit committee (AC) gender diversity and audit quality weakened after gender diversity guidelines were introduced in Australia. Similarly, other studies have shown a positive impact of the AC's financial expertise on earnings quality such as Velte, (2017). Moreover, Abdullah, et al., 2018 highlighted that high performance in internal auditing is associated with more recommendations to improve corporate governance dimensions, in addition to more suggestions that specific reviews by the audit committees on internal audit activities affect audit quality or overall internal audit performance and in the quality of various stages of internal audit, particularly audit planning. Hence, AC characteristics play a vital role to enhance earnings management and serve as watchdogs (Susanto, 2016).

### KEYWORDS

Corporate Governance, Auditing Profession, Audit Committees Performance

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