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THE EFFECT OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ON THE FINANCIAL STATEMENTS OF AGRICULTURAL COMPANIES IN INDONESIA

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Abstract

This study investigates the impact of the implementation of the Indonesian Financial Accounting Standards (SAK) on the financial performance of agricultural companies in Indonesia. The agricultural sector plays a vital role in the country's economy, and the adoption of SAK aims to improve financial reporting practices and enhance transparency. The research focuses on liquidity ratios, solvency ratios, and profitability ratios, specifically Return on Assets (ROA). A sample of agricultural companies listed on the Indonesia Stock Exchange from 2016 to 2019 was analyzed using descriptive statistics and hypothesis testing. The results indicate a significant difference in the profitability ratio after the implementation of SAK 69, suggesting that it has the potential to increase company profits. However, no significant differences were found in liquidity and solvency ratios. These findings provide valuable insights for policymakers in formulating accounting regulations that align with the needs of the agricultural sector.

Keyword: *PSAK, Financial Report, Agriculture Company*

1. INTRODUCTION

Indonesia's growing economic growth, especially in the agricultural sector, places companies engaged in agriculture as the main pillar contributors in supporting the sustainability of the national economy. In the face of global demands and increasing business complexity, the application of Financial Accounting Standards is essential for agricultural companies. The standard not only serves as a guide for preparing financial statements, but also as a tool to gain the trust of investors and stakeholders.

The Indonesian capital market, represented by the Indonesia Stock Exchange, has become a place for various Indonesian companies to gain access to the sources of financing necessary for their growth and expansion. As one of the leading financial centers in Southeast Asia, the Indonesia Stock Exchange offers a powerful platform for Indonesian companies to be listed and traded, expanding their reach and providing opportunities for investors to participate in the country's economic development.

Companies that have been listed on the Indonesia Stock Exchange, have the obligation to provide reliable and relevant information for the decision of interested parties. According to Martini et al. (2016) information will be considered relevant if it can influence decisions. One of the useful reporting media for stakeholders is the company's financial statements.

The agricultural industry is one of the economic sectors that has a vital role in Indonesia's economic development. Agriculture is not only a source of income for most of the population in Indonesia, but also supports food security and meets the needs of raw materials for other industrial sectors. In this context, the financial performance of agricultural companies is a crucial factor that affects the stability and growth of the agricultural sector as a whole.

However, in carrying out its operations, agricultural companies in Indonesia must also comply with various accounting regulations, including Financial Accounting Standards (SAK) issued by the Financial Accounting Standards Agency (BSAK). The implementation of SAK in the accounting practices of agricultural companies is important to ensure the presentation of accurate, relevant, and reliable financial information. The presentation of the financial statements of listed companies is regulated in the Statement of Financial Accounting Standards (PSAK) no. 01 (revised 2015) for the presentation of financial statements. This PSAK is the basis for the presentation of general financial statements and allows comparison of financial statements between periods and companies. However, such standards are only general guidelines based on principles, and the financial statement elements included in securities statements vary depending on the nature of the industry. In addition, companies operating in the agricultural sector that use biological assets are also covered (Maghfiroh 2017, 2). Therefore, it is necessary to have standards that clearly regulate asset accounting in agricultural businesses.

Although IFR aims to improve the quality of financial statements and information transparency, there have not been many studies that specifically explore the effect of IFR implementation on the financial performance of agricultural companies in Indonesia. Therefore, research on the effect of the application of SAK on the financial performance of agricultural companies has significant relevance in understanding the dynamics of accounting and finance in the agricultural sector.

By understanding the impact of SAK implementation on the financial performance of agricultural companies, stakeholders, such as management, investors, and regulators, can gain better insight into the importance of compliance with applicable accounting standards in improving the company's financial performance. In addition, the results of this study can also provide valuable input for policy parties in formulating accounting regulations that are more in line with the characteristics and needs of the agricultural sector in Indonesia.

Based on the explanation above, researchers are motivated to conduct research on "The Effect of SAK Implementation on Financial Performance of Agricultural Companies in Indonesia".

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Signal Theory

Signal theory in an economic or social science context is a theory that deals with how individuals or entities give or receive signals to reduce uncertainty or information asymmetry in certain situations (Godfrey et al., 2010). In an economic context, signal theory is often associated with agency theory, in which agents (e.g., company managers) have more information about their actions or conditions than principals (e.g., shareholders). In these situations, agents can use signals to provide information to the principal about their actions or conditions, which can influence the principal's decisions or perceptions.

2.2 PSAK 69: Agriculture

PSAK 69 is a financial accounting standard that regulates agriculture, and includes accounting, measurement and disclosure of agricultural activities. In general, PSAK 69 regulates that biological assets or agricultural products are recognized when they meet the same criteria as asset recognition criteria. These assets are valued at the time of initial recognition and at the end of each financial period at fair value minus the cost to sell. Gains or losses arising from changes

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in the fair value of assets are recognized in net income in the period in which they occur. Exceptions apply if the fair value seen cannot be reliably measured.

PSAK 69 does not regulate post-harvest processing of agricultural products, such as turning grapes into wine and turning wool into yarn. PSAK 69 is effective for fiscal years beginning on or after January 1, 2018 and is recorded in accordance with PSAK 25: Accounting Policies, Changes in Estimates, and Accounting Errors. Advance requests are allowed. The unit will publish this information if they implement an initial implementation plan.

2.3 Financial Performance

Financial performance refers to the evaluation of the financial results of a business entity, such as a company, non-profit organization, or individual, over a period of time (Darsono, 2006). Approaches to measuring financial performance can vary depending on the context and purpose of the assessment. Some factors that may be taken into account in the assessment of financial performance include:

1. Revenue and net income: An evaluation of revenue and net income gives an idea of how well a company is making a profit from its operations.
2. Growth: Growth in sales, profits, or assets can indicate a company's progress or success in achieving its strategic goals.
3. Operational efficiency: Efficiency in operational expenditures, asset utilization, and inventory management can indicate a good level of efficiency and management of the company's resources.
4. Liquidity: A company's ability to meet its financial obligations in the short term is an important aspect in assessing financial performance.
5. Capital structure: A company's capital structure, including its debt-to-equity ratio and cost of capital, can provide an indication of financial risk and sustainability.

Financial performance can also be viewed from different perspectives depending on the stakeholders involved, such as shareholders, creditors, company management, or government. Therefore, the definition of financial performance and the factors considered in its assessment may vary depending on the context and point of view used.

2.3.1 Solvability Ratio

The solvability ratio is a financial measure used to assess the ability of a company to meet its financial obligations in the long run. According to Subramanyam (2014), solvability ratio is a financial ratio that provides an overview of a company's ability to pay its long-term obligations, especially debt. This ratio provides information about the degree of risk of bankruptcy of the company.

Solvability ratios can include a variety of metrics, but one of the most commonly used is the Debt-to-Equity Ratio, which measures the proportion of a company's debt to its equity. Another ratio that is often used is the Debt-to-Asset Ratio, which measures the proportion of a company's debt to the assets it owns.

The importance of the solvability ratio is to provide information to investors, creditors, and company management about the bankruptcy risks that the company may face. Companies with low solvability ratios tend to be riskier for creditors and investors, while companies with high

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solvability ratios tend to be more financially stable in the long run. Therefore, monitoring solvability ratios is an important part of a company's financial analysis and risk management.

2.3.2 Liquidity Ratio

Liquidity ratio is a financial measure used to evaluate the ability of a company to meet its financial obligations that are due in a short time. According to Bodie and Markus (2005), the liquidity ratio provides an idea of how well a company can meet its short-term obligations by using its current assets.

These ratios provide an indication of how well a company can deal with its short-term liabilities without having to sell fixed assets or take on long-term debt. The higher the liquidity ratio, the better the company's ability to meet its short-term obligations.

Liquidity ratio analysis is important for investors, creditors, and company management as it helps in understanding the liquidity risks that a company may face. Companies with low liquidity ratios may face difficulties in meeting their short-term obligations, while companies with high liquidity ratios tend to be more financially stable in the short term.

2.3.3 Profitability Ratio

A profitability ratio is a set of financial ratios used to measure a company's ability to generate profits from its business operations. According to Subramanyam (2014), the profitability ratio provides an idea of how effective the company is in generating profits from various aspects of its activities. The profitability ratio that will be used in this study is Return on Assets (ROA).

This ratio helps investors, financial analysts, and company management to evaluate the company's financial performance and compare it with similar companies or in the same industry. Using this ratio, stakeholders can gain deeper insight into a company's profitability and identify potential weaknesses or strengths in its business operations.

2.4 Research Hypothesis

Based on the explanation of the theories above, including the absence of research that explains the empirical evidence of the influence of PSAK on the financial performance of agricultural companies listed on the Indonesia Stock Exchange, the hypotheses in this study are:

H_0 : There are differences in liquidity ratios, solvency ratios and profitability ratios in agricultural companies before and after the implementation of PSAK

H_1 : There is no difference in liquidity ratio, solvency ratio and profitability ratio in agricultural companies before and after the implementation of PSAK

3. RESEARCH METHODS

3.1 Population and Sample

The population used in this study is all agricultural companies listed on the Indonesia Stock Exchange in 2016-2019. Sample selection used through purposive sampling techniques with the following criteria:

1. Companies listed on the Indonesia Stock Exchange and have published financial statements in 2016-2019;
2. The Company did not implement PSAK 69: Agriculture for 2016-2017 and has implemented PSAK 69: Agriculture for 2018-2019.

3.2 Research Variables

The variables used in this study are financial performance using financial ratios in the form of solvency ratios, liquidity ratios and profitability ratios. The solvency ratio will be measured using the ratio of debt to assets and equity (Debt to Asset Ratio and Debt to Equity Ratio). The liquidity ratio will be measured using the current ratio, and Return on Assets will be used to measure the profitability ratio.

1. Debt to Asset Ratio
   Debt to Asset ratio according to Robinson et al. (2009), is a method used to measure the level of dependence of companies on debt in their financial structure.

$$\text{Debt to Asset Ratio} = \frac{Total\ Liabilities}{Total\ Asset}$$

2. Debt to Equity Ratio
   Debt to Equity ratio according to Robinson et al. (2009), is a method used to measure the level of dependence of a company on debt in comparison to equity to fund its operations and growth.

$$\text{Debt to Equity Ratio} = \frac{Total\ Liabilties}{Total\ Equity}$$

3. Current Ratio
   According to Markus (2005), Current Ratio is a method used to evaluate the company's liquidity level by comparing total current assets with total current liabilities. Current ratio plays an important role in measuring the ability of a company to meet its short-term obligations.

$$\text{Current Ratio} = \frac{Current\ Asset}{Current\ Liabilities}$$

4. Return on Asset
   Brigham and Houston (2010), explain Return on Assets (ROA) as one of the financial ratios used to measure the level of profitability of a company in generating profits from the use of its total assets.

$$\text{Return on Asset} = \frac{Net\ Income}{Total\ Asset}$$

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistics

Table 1. Results of Descriptive Statistical Analysis of Research Variables

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
DAR PRE	24	0,15	1,03	0,5454	0,20709
DER PRE	24	-30,64	11,27	0,3217	6,93569
CR PRE	24	0,1	6,77	1,5771	1,70237
ROA PRE	24	-0,11	0,15	0,0404	0,05637
DAR POST	24	0,11	1,65	0,5867	0,32427
DER POST	24	-10,31	2,5	0,7367	2,60952
CR POST	24	0,04	5,48	1,5342	1,51765
ROA POST	24	-0,58	0,15	-0,02	0,1326

Source: Secondary data is processed.

Information:
DAR : Debt to Assets Ratio
DER : Debt to Equity Ratio
CR : Current Ratio
ROA : Return on Asset

Based on the table above, the minimum, maximum, average and standard deviation values of each variable are as follows:

1. The average DAR value before the implementation of PSAK 69 was 0.5454 and increased to 0.5867 after the implementation of PSAK 69. The minimum value of DAR before PSAK 69 was 0.15 and after PSAK it became 0.11. Meanwhile, the maximum value of DAR before PSAK 69 was 1.03 and increased to 1.65 after the implementation of PSAK 69.
2. The average DER value before the implementation of PSAK 69 was 0.3217 and increased to 0.7367 after the implementation of PSAK 69. The minimum value of DER before PSAK 69 was -30.64 and after PSAK it was -10.31. Meanwhile, the maximum value of DER before PSAK 69 was 11.27 and decreased to 2.5 after the implementation of PSAK 69.
3. The average CR value before the implementation of PSAK 69 was 1.5771 and decreased to 1.5342 after the implementation of PSAK 69. The minimum value of CR before PSAK 69 is 0.1 and after PSAK is 0.04. Meanwhile, the maximum CR value before PSAK 69 was 6.77 and decreased to 5.48 after the implementation of PSAK 69.
4. The average ROA value before the implementation of PSAK 69 was 0.0404 and decreased to -0.02 after the implementation of PSAK 69. The minimum ROA value before PSAK 69 was -0.11 and after PSAK it was -0.58. Meanwhile, the maximum ROA before PSAK 69 is 0.15 either before or after the implementation of PSAK 69.

4.2 Normality Test

Table 2. Normality Test Results

SHAPIRO-WILK		
	SIGNIFIKAN	DESCRIPTION
DAR PRE	.238	NORMAL
DER PRE	.000	NOT NORMAL
CR PRE	.000	NOT NORMAL
ROA PRE	.488	NORMAL
DAR POST	.002	NOT NORMAL
DER POST	.000	NOT NORMAL
CR POST	.000	NOT NORMAL
ROA POST	.000	NOT NORMAL

Source: Secondary data processed.

Information:
DAR : Debt to Assets Ratio
DER : Debt to Equity Ratio
CR : Current Ratio
ROA : Return on Asset

Based on the table above, the normality test for each variable is as follows:

1. Debt to Asset Ratio before the implementation of PSAK 69 was distributed normally, while after the implementation of PSAK 69 was not distributed normally. So that it does not meet the assumption of data normality and will be continued by conducting a Wilcoxon Signed Rank Test;
2. Debt to Equity Ratio was not distributed normally before the implementation of PSAK 69 and after the implementation of PSAK 69. So the test will be done with Wilcoxon Signed Rank Test;
3. The Current Ratio before and after the presence of PSAK 69 is not distributed normally, and will be continued with the Wilcoxon Signed Rank Test;
4. Return on Assets before the implementation of PSAK 69 was distributed normally. However, after the implementation of PSAK 69 is not distributed normally. So that next will be tested with Wilcoxon Signed Rank Test.

4.3 Hypothesis Testing

4.3.1 Hypothesis Testing of Debt to Assets Ratio

Tabel 3. Debt to Asset Ratio Difference Test Results

Ranks				
		N	Mean	Sum
DAR (PRE) - DAR (POST)	Negative Ranks	5a	11,30	56,50
	Positive Ranks	17b	11,56	196,50
	Ties	2c		
	Total	24		

a DAR POST < DAR PRE

b DAR POST > DAR PRE

c DAR POST = DAR PRE

Based on the table above, the different test results for Debt to Asset Ratio can be interpreted as follows:

1. Negative ranks or negative differences between DAR results before and after the implementation of PSAK 69 are 5, with an average value of 11.30 and a sum rank of 56.50. A value of 5 indicates that there is a decrease or reduction from the Pre Test to Post Test scores;
2. Positive ranks or the positive difference between the results of DAR before and after the implementation of PSAK is 17, which means that there are 17 entities that experienced an increase in DAR value before the application of PSAK 69 to the value of DAR after the implementation of PSAK 69. The average value of the increase was 11.56 with a total of 196.50;
3. Ties indicate the existence of two identical entity values before and after the implementation of PSAK 69.

Table 4. Wilcoxon Test Results

Test Statistics	
DAR PRE - DAR POST	
Z	-2.275b
Sig	.023
a Wilcoxon Signed Ranks Test	
b Based on negative ranks.	

Based on the results of the Wilcoxon test, it is known that the Z value is -2.275 with a significance of 0.023 < 0.05. This shows that the hypothesis is accepted. That is, there are differences in DAR results before the implementation of PSAK 69 with after the implementation of PSAK 69. So it can be concluded that PSAK 69 affects the value of the Debt to Asset Ratio in agricultural companies listed on the Indonesia Stock Exchange in 2016-2018.

4.3.2 Hypothesis Testing of Debt to Equity Ratio

Tabel 5. Debt to Equity Difference Test Results

Ranks				
		N	Mean	Sum
DER POST - DER PRE	Negative Ranks	6a	14,50	87,00
	Positive Ranks	17b	11,12	189,00
	Ties	1c		
	Total	24		

a DER PRE < DER POST

b DER POST > DER PRE

c DER POST = DER PRE

Based on the table above, the different test results for the Debt to Equity Ratio can be interpreted as follows:

1. Negative ranks or negative differences between DER results before and after the implementation of PSAK 69 are 6, with an average value of 14.50 and a sum rank of 87.00. A value of 6 indicates that there is a decrease or reduction from the Pre Test to Post Test scores;
2. Positive ranks or the positive difference between DER results before and after the implementation of PSAK is 17, which means that there are 17 entities that experienced an increase in DER value before the application of PSAK 69 to the DAR value after the implementation of PSAK 69. The average value of the increase was 11.12 with a total of 189.00;
3. Ties indicate the existence of the same entity value before and after the implementation of PSAK 69.

Table 6. Wilcoxon Test Results

Test Statistics	
DER PRE - DER POST	
Z	-1,551
Sig	.121
a Wilcoxon Signed Ranks Test	
b Based on negative ranks.	

Based on the results of the Wilcoxon test, it is known that the Z value is -1.551 with a significance of 0.121 > 0.05. This shows that the hypothesis is rejected, that is, there is no difference in DER results before the application of PSAK 69 with after the application of PSAK 69. So it can be concluded that PSAK 69 does not affect the value of the Debt to Equity Ratio in agricultural companies listed on the Indonesia Stock Exchange in 2016-2018.

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4.3.3 Current Ratio Hypothesis Testing

Table 7. Current Ratio Difference Test Results

Ranks				
		N	Mean	Sum
CR POST - CR PRE	Negative Ranks	13a	13,15	171,00
	Positive Ranks	11b	11,73	129,00
	Ties	0c		
	Total	24		

a CR POST < CR PRE

B CR POST > CR PRE

c CR POST = CR PRE

Based on the table above, the different test results for the Current Ratio can be interpreted as follows:

1. Negative ranks or negative differences between CR results before and after the implementation of PSAK 69 are 13, with an average value of 13.15 and a sum rank of 171.00. A value of 13 indicates that there is a decrease or reduction from the Pre Test to Post Test scores;
2. Positive ranks or the positive difference between CR results before and after the implementation of PSAK is 11, which means that there are 11 entities that experienced an increase in CR values before the application of PSAK 69 to CR values after the implementation of PSAK 69. The average value of the increase was 11.73 with a total of 129.00;
3. Ties shows that no entity value was the same before and after the implementation of PSAK 69.

Table 8. Wilcoxon Test Results

Test Statistics	
CR PRE - CR POST	
Z	-0,6
Sig	.548
a Wilcoxon Signed Ranks Test	
b Based on negative ranks.	

Based on the results of the Wilcoxon test, it is known that the Z value is -0.6 with a significance of 0.548 > 0.05. This shows that the hypothesis is rejected, that is, there is no difference in CR results before the implementation of PSAK 69 with after the application of PSAK 69. So it can be concluded that PSAK 69 does not affect the value of the Current Ratio in agricultural companies listed on the Indonesia Stock Exchange in 2016-2018.

4.3.4 Return on Asset Hypothesis Testing

Table 9. Return on Asset Difference Test Results

Ranks				
		N	Mean	Sum
ROA POST - ROA PRE	Negative Ranks	21a	12,95	272,00
	Positive Ranks	2b	2,00	4,00
	Ties	1c		
	Total	24		

a ROA POST < ROA PRE

b ROA POST > ROA PRE

c ROA POST = ROA PRE

Based on the table above, the different test results for Return on Asset can be interpreted as follows:

1. Negative ranks or negative differences between ROA results before and after the implementation of PSAK 69 are 21, with an average value of 12.95 and a sum rank of 4.00. A value of 21 indicates that there is a decrease or reduction from the Pre Test to Post Test scores;
2. Positive ranks or the positive difference between the results of DAR before and after the implementation of PSAK is 2, which means that there are 2 entities that experience an increase in DAR value before the application of PSAK 69 to the DAR value after the implementation of PSAK 69. The average value of the increase was 2.00 with a total of 4.00
3. Ties shows that there is one entity with the same value before and after the implementation of PSAK 69.

Table 10. Wilcoxon Test Results

Test Statistics	
ROA PRE - ROA POST	
Z	-4,085
Sig	.000
a Wilcoxon Signed Ranks Test	
b Based on negative ranks.	

Based on the results of the Wilcoxon test, it is known that the Z value is -4.085 with a significance of 0.000 < 0.05. This shows that the hypothesis is accepted, namely that there is a difference in ROA results before the implementation of PSAK 69 with after the implementation of PSAK 69. So it can be concluded that PSAK 69 affects the value of Return on Assets in agricultural companies listed on the Indonesia Stock Exchange in 2016-2018.

4.4 Discussion

4.4.1 Differences in Solvability Ratio Before and After the Application of PSAK 69

This study aims to see the effect of the application of PSAK agriculture on the company's projected financial performance with a solvency ratio, namely the Current Ratio. The results obtained after conducting the Wilcoxon Signed Rank Test difference test were 0.548 > 0.05 or it can be interpreted that the average current ratio of agricultural companies after implementing PSAK 69 did not show a significant difference compared to before implementing PSAK 69.

The implementation of PSAK 69 by companies in the agricultural industry, effective January 1, 2018, will have an impact on several elements of the financial statements. The financial reporting component affected by the implementation of PSAK also includes current assets. The valuation of biological assets based on fair value affects the value of current assets. Some companies use fair value to reclassify inventory as biological assets. Changes in the components of current assets or current liabilities change the company's current ratio. If the reclassification of biological assets at fair value results in a higher value, this will have a material impact on the Company's current metrics.

The results of this study are in accordance with previous research conducted by Manurung (2012) which stated that PSAK affects financial performance through profitability ratios but not other ratios.

4.4.2 Differences in Liquidity Ratio Before and After the Application of PSAK 69

This study aims to see the effect of PSAK implementation on financial performance by using liquidity ratios, namely Debt to Assets Ratio (DAR) and Debt to Equity Ratio (DER). The results of the difference test that have been carried out show that for the DAR variable, the significant value obtained is 0.023 < 0.05, which means that there is a significant difference between DAR after the application of PSAK 69 and DAR before the application of PSAK 69. However, for the DER ratio, the significance value shown is 0.121 > 0.05, which means that there is no significant difference between financial performance after the implementation of PSAK 69 and financial performance before the implementation of PSAK 69.

The difference in DAR value is in accordance with research conducted by Gonçalves and Lopes (2015) with the results of the study stating that the change in measurement from historical cost to fair value resulted in an increase in the proportion of biological assets. The results of the study that did not show differences in DER values before and after the application of PSAK 69 were also supported by research previously conducted by Manurung (2012) which concluded his research with the results that PSAK had an effect on ROA but not with other ratios.

4.4.4 Differences in Profitability Ratio Before and After the Implementation of PSAK 69

This study aims to see how the influence of agriculture PSAK on projected financial performance through the profitability ratio, namely Return on Assets. After a comparison test before and after, it was found that the significance value was 0.000 < 0.05 or it can be interpreted that on average the profitability ratio of agricultural companies after the implementation of PSAK 69 shows a significant difference compared to before the implementation of PSAK 69.

Empirically, the implementation of PSAK 69 has a significant influence on the financial performance of agricultural companies, especially for profitability ratios. This influence can also be concluded that PSAK 69 has the ability to increase company profits using the assets owned.

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The higher the profitability ratio will make the company more efficient in using my source of assets it has.

The results of this study are in line with research conducted by Utami (2015) which examined the application of fair value in PSAK 16 and PSAK 13 which concluded that the application of fair value causes a significant increase in profitability ratios such as ROA, ROE and EPS. In addition, Herborn (2006) also concluded that revenue and profit volatility reported can be affected by fair value.

5. CONCLUSIONS AND SUGGESTIONS

5.1 Conclusion

The purpose of this study is to see the difference in financial performance of agricultural companies before and after the existence of PSAK 69 for companies listed on the Indonesia Stock Exchange in 2016-2019. This study used 12 samples from 21 study populations that had implemented PSAK 69 Agriculture in 2018-2019 and had not implemented PSAK 69 in 2016-2017. Based on the results of testing the hypothesis proposed in the study, it shows that:

1. There is a difference in the value of the Debt to Asset Ratio between before and after the implementation of PSAK 69;
2. There is no difference in the value of the Debt to Equity Ratio between before and after the implementation of PSAK 69;
3. There is no difference in the value of the Current Ratio between before and after the implementation of PSAK 69;
4. There is a difference in the value of Return on Assets between before and after the implementation of PSAK 69.

The results of this study are in line with research conducted by Maharani and Falikhatun (2019) which states that there is a difference between ROA and DAR in companies that use fair value at hysterical costs.

5.2 Suggestion

Based on the conclusions previously described, the suggestions that can be given for further research are as follows:

1. For future researchers, it is expected to be able to expand the scope of financial performance measurement by using broader financial ratios such as retun on equity, as well as other ratios that have a role in the implementation of PSAK 69
2. Further researchers can observe the impact of implementing PSAK 69 with a longer period. This will certainly provide more samples with accurate and more representative results.

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