

ANALYSIS OF THE EFFECT OF PSAK 73 IMPLEMENTATION ON THE FINANCIAL PERFORMANCE OF FOOD AND BEVERAGE COMPANIES LISTED ON THE IDX IN 2019-2021

Marciano

Magister Akuntansi Universitas Trisakti Jakarta, Indonesia

E-mail: rajamarciano7@gmail.com

*Correspondence: rajamarciano7@gmail.com

Submitted: April 25th 2023

Revised: May 07th 2023

Accepted: May 13th 2023

Abstract: The company's business activities are increasing and growing, creating a fairly tight business competition. In terms of accounting regulations, companies are also competing to apply records that are in accordance with standards for the benefit of stakeholders. The application of PSAK 73 itself is a challenge for companies to implement in their business activities. This study aims to analyze the impact of implementing PSAK 73 on the financial performance of food and beverage companies listed on the Indonesian Stock Exchange for the 2019-2021 period. Financial performance will be measured by financial ratios such as ROA (Return on Assets), ROI (Return on investment), ROE (Return on Equity), Current Ratio and DER (Debt to Equity). The results showed that the ratios of ROA, ROI, ROE, Current Ratio and DER experienced significant differences after the implementation of PSAK 73.

Keywords: PSAK 73, Return on Asset, Return on Investment, Return On Equity, Current Ratio, Debt to Equity.

INTRODUCTION

Business activities and competition in Indonesia are increasingly tight, making business actors try to implement policies that support business competition, starting from this business actors also began to apply strategy in financial policy, so that financial performance can show the best and positive results for stakeholders. Especially in the presentation of financial statements and also the implementation of internal policies which are the main

highlights for stakeholders. This increasingly competitive activity makes companies from each sector try to implement the best service for customers (Puspitasari & Andono, 2016).

The main topic in this paper is related to the implementation of PSAK 73, the author analyzes the impact on financial performance. PSAK 73 on leases, which was adopted from IFRS 16 on Leasing. The Indonesian Institute of Accountants made PSAK 73 rules to define the principles,

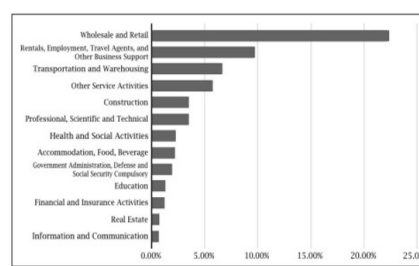
measurement and disclosure of leases (IAI 2022). The purpose of implementing PSAK 73 is to ensure tenants provide information that has relevance to legitimate transactions. Information can be used by financial statement users and stakeholders to evaluate the impact of the implementation of PSAK 73 on financial statement users.

Kieso (2010) revealed that tenants can obtain rental yields such as fixed interest financing, protection against risk and obsolete assets, economics and flexibility. Other than that, leases can also be a way for related entities to manage off-balance sheet financing. So far, the entity records the lease as an operating lease, while in an operating lease the entity uses assets without the need to include these assets in the entity's balance sheet. Meanwhile, in PSAK 73, lease financing requires assets and liabilities to be capitalized in leases. This certainly makes the financial statements inaccurate, in PSAK 30 entities are given a choice whether to recognize as an operating lease or as a financing lease.

The selection of lease options itself can actually help the company in meeting the needs of assets that will be used to support company operations. Because the company does not need to spend large amounts of money so that it can minimize the costs incurred, in terms of maintenance costs, the rental option also provides maintenance guarantee benefits from vendors. These things are the question for this study, whether the implementation of PSAK 73 will have a significant effect directly on the financial performance of food and beverage companies listed on the

Indonesia Stock Exchange.

The 2021 report of the Indonesian Financial Services Association (APPI) describes that there are 161 finance companies that have licenses from the Financial Services Authority (OJK), this is reduced from 2020 to 176, this is because many finance companies have had their licenses revoked by the OJK. The food and beverage company itself in 2020 according to the report of the Indonesian Financial Services Association (APPI) ranks 8th in the statistics of the most rental users. This is quite a challenge for the author, because to explore the effect of PSAK 73 on financial performance, the author must collect statistical data that must go through a calculation and analysis process. For APPI data we can see in the diagram below:



Gambar 1. Frekuensi distribusi

Lease capitalization that occurs can affect the company's financial performance. Based on research by (Sari et al., 2016) which says "After the implementation of this standard, companies with significant operating leases are likely to experience an increase in assets, an increase in liabilities, and a decrease in equity, which can affect their financial ratios. significant". Therefore, the capitalization of rental value based on PSAK 73 which raises lease rights and liabilities

can mainly affect the company's financial ratios in the part of leverage and activity, also supported by the results of previous research from Öztürk. (2016), (Pardo & Giner, 2018), (Morales Díaz & Zamora Ramírez, 2018), Safitri et al., (2019), (Tofanelo et al., 2021), (Rahmawati & Nani, 2021), and (Putri et al., 2021) Company value also changes as a result of changes in a company's financial performance because a company's value is an indicator of how investors perceive performance corporate finance where this can be seen in previous research for example by Donny Christian Honny, Rindu Rika Gamayuni and Widya Eka Putri entitled *The effect of financial performance on firm value after the implementation of PSAK 73 concerning capitalization of leases* (2022), where this study took samples of wholesale and retail companies. Then there is also research from Rudy Winata and Elizabeth Sugiarto D entitled Analysis of the impact of PSAK 73 implementation on the financial performance of state-owned companies listed on LQ 45 shares (2022), and also research from Rini Susiani and Bintang Purnomo Adji entitled Review of International Geographical implementation of PSAK 73 Leases and its Impact on Company and financial Performance (2021). So this study will see the effect of the company's financial performance on company value after the implementation of PSAK 73 concerning lease capitalization in *Food and Beverage* subsector service companies in Indonesia. Because for this subsector no one has researched so researchers will take samples from this subsector and also researchers take

research for 3 years, namely 2019, 2020, and 2021. The author also added the variable Return On Investment (ROI) as a research variable.

Literature Review of Signaling Theory

The signaling theory put forward by Ross (1977), states that top management who has more information about their company will be encouraged to share it with potential investors to raise prices shares of the company. In other words, the company will choose to include good information about its company in its financial statements to further encourage the interest of potential investors. Investors need information about a company to be able to move to the next stage, namely investment decision making. The more information an investor can receive, the greater the influence in determining an investment. Giving the right signals to external parties, especially investors, can help companies increase their company value. Based on this, organizations believe that positive data is provided, regardless of whether finances can build premiums from financial backers to be able to invest resources into the organization.

PSAK 73

PSAK 73 is a financial accounting standard approved by the Financial Accounting Standards Board (DSAK) in 2017 which is an adoption of IFRS 16 Leases which came into effect on January 1, 2020, but early application is only allowed if implementing PSAK 72: revenue from contracts with customers. PSAK 73 replaces PSAK 30: Lease, ISAK 8: Determining whether an agreement contains a lease,

ISAK 23: Operating incentive lease, ISAK 24: Evaluation of the substance of transactions involving legal forms of lease, and ISAK 25: Land rights. PSAK 73 substantially changes the accounting for tenants and almost all leases are treated as finance leases. This is because the previous concept is considered unable to meet the needs of users of financial statements because it does not always show the accuracy of lease transactions if the tenant is not required to recognize assets and liabilities arising from operating leases (IAI, 2017).

PSAK 73 aims to establish the principles of recognition, measurement, presentation, and disclosure of leases by introducing a single accounting model, specifically for tenants. The lessee is required to recognize the Right of Use Asset and lease obligations, unless the short-term lease has a lease period of 12 months or less and the lease of the low-value asset (IFRS US\$5000) without regard to materiality, when the new asset is material.

Financial Performance

According to (Fahmi, 2012), financial performance is an analysis used to determine the extent to which companies can apply financial procedures well. In this study, financial performance is measured by several financial ratios such as ROA (Return on Assets), ROE (Return on Equity), ROI (Return On Investment), DER (Debt to Equity Ratio), and Current Ratio. ROA is used to measure how well a company uses its assets to make a profit. ROE is used to measure the extent to which the company utilizes its capital to achieve profits, ROI is used to measure how much profit is obtained from the company's investment,

DER is used to measure how much capital comes from from debt, then the Current Ratio is used to measure how the company is able to carry out or meet current obligations with current assets owned.

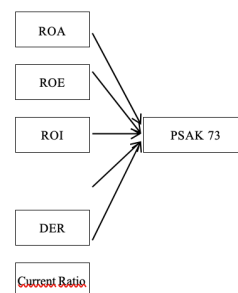


Figure 2. Thinking Framework

Hypothesis Formulation

The Effect of PSAK 73 Implementation on Return On Assets

Return On Asset (ROA) is used to measure a company's ability to create profits by utilizing its assets. ROA itself is calculated by comparing net income with total assets owned. According to (Nafisah et al., 2018) ROA can show the return on company assets. Financing assets will appear in post assets on the balance sheet so that according to the author, the implementation of PSAK 73 will have a significant impact on the ROA value.

The Effect of PSAK 73 Implementation on Return On Equity

According to Husnan (2018), ROE is a ratio to measure and compare net profit with own capital. As high as the ratio is, the company will be considered effective in using its capital to generate profits. Own capital is generated from assets minus liabilities, indirectly, the value of financing assets affects the company's capital, so according to the author, the

implementation of PSAK 73 will have a significant impact on the ROE value.

The Effect of PSAK 73 Implementation on Return On Investment

Sofyan Harahap (2007) revealed that ROI is a ratio to find out how much net profit is obtained from the company's net capital. Investors also often take into account ROI when they want to invest in a company to find out and predict how much profit they can potentially generate from a given investment. According to the author, the implementation of PSAK 73 does not have a significant effect on the value of ROI.

The Effect of PSAK 73 Implementation on the Debt to Equity Ratio

A high ratio value indicates that the value of debt is disproportionate or has a higher difference than the value of the company's equity, which indicates the company's dependence on funds from outside the company. Related to this, it can be a problem for the continuity of the company in paying off the amount of debt it has due to the low value of the company's equity which is usually used as a benchmark for guaranteeing the ability to pay debts owed. based on previous research showing the effect of Debt to Equity Ratio (DER) on company value by (Pohan & Dwimulyani, 2017), (Adita & Mawardi, 2018), and (Hidayat, 2018) if after lease capitalization is carried out and makes The disproportionate value of the company's debt then shows the excess use of lease options made. This impact can certainly make it difficult for companies to pay off debts and affect investors' assessment of the company's value. Based on this, the

research hypothesis is the Debt to Equity Ratio (DER) after the application of lease capitalization has a significant effect on the value of the company.

The Effect of PSAK 73 Implementation on Current Ratio

Current ratio or lancer ratio is used to measure the company's ability to meet its short-term obligations by using its lancer assets. Self-financing lease assets are usually included in leasehold assets, and lease obligations, so according to the author, the implementation of PSAK 73 will not have a significant impact on the current ratio value. This hypothesis itself will be tested by the author with a sample of food and beverage companies.

RESEARCH METHODOLOGY

Research Design, Population and Sample

This study uses a comparative descriptive method, where the author will compare the financial ratios that have been calculated by the author during the 3 years of research. The author will make a comparison of the financial ratios used during 2019-2021, to analyze how much impact the application of PSAK 73 has on the ratios used as performance variables finance. It is expected that this research will produce information that can be used for the benefit of many parties, especially related to the implementation of PSAK 73.

The population in this study is companies engaged in food and beverage listed on the Indonesia stock exchange during 2019 – 2021, the criteria for the sample are that the company is active and has never been delecting during the research period. Now. There are 47 total

companies in the food and beverage sector on the Indonesia Stock Exchange, and for this study the author will use the entire population of these companies.

Data Type

This study uses data from the website of the Indonesia Stock Exchange (Secondary), 47 companies engaged in *Food and Beverage*.

Research Variables

Return On Asset

Return on Assets is a ratio used to measure the amount of Assets used in a company to generate profits. The ROA formula according to Cashmere (2019) is:

$$\text{ROA} = (\text{Laba Bersih}/\text{Total Asset}) \times 100\%$$

Return On Investment

Return On Investment merupakan rasio untuk mengukur nilai atau hasil pengembalian atas jumlah aset yang digunakan dalam perusahaan. Rumus ROI menurut Kasmir (2017) adalah.

$$\text{ROI} = (\text{Total Sales}/\text{Investment}) \times 100\%$$

Return On Equity

Return On Equity is a ratio to measure how much capital contributes to net income generated. The ROE formula according to Hery (2016) is.

$$\text{ROE} = (\text{Net Profit}/\text{Total Equity}) \times 100\%$$

Debt to Equity Ratio

Debt to Equity Ratio is a ratio used to measure how much capital comes from debt. The ROE formula according to Cashmere (2019) is

$$\text{DER} = (\text{Total Debt}/\text{Total Equity}) \times 100\%$$

Current Ratio

Current Ratio is a ratio used to measure a company's ability to meet its current liabilities with its lancar assets. The *Current Ratio* formula according to Cashmere (2019) is.

$$\text{Current Ratio} = (\text{Total Current Assets}/\text{Total Liabilities lancar}) \times 100\%$$

Research Plan

The author plans to complete this research in approximately 2 months, it is hoped that within two months the author can maximize this research to produce good research.

Funding

For this research itself, the author used his own funds. There is no specific grant for this research.

CONCLUSION

This research analyzes the impact of implementing PSAK 73 on the financial performance of food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the period of 2019-2021. Based on the research findings, it can be concluded that the implementation of PSAK 73 has a significant impact on the financial performance of food and beverage companies listed on the IDX. The implementation of PSAK 73 affects the recognition and measurement of financial instruments by companies, altering the methods used to report the values of assets, liabilities, and net income in financial statements. These changes affect

financial ratios such as liquidity, debt, and profitability. Additionally, companies are required to provide more comprehensive and transparent disclosures regarding their financial instruments. These changes encourage food and beverage companies to reconsider their financial strategies, particularly in terms of managing the risks associated with financial instruments. It is important for companies to understand the long-term implications of implementing PSAK 73 and make necessary adjustments in their financial planning and execution of strategies. This research provides valuable insights for food and beverage companies listed on the IDX in dealing with the implementation of PSAK 73. With a good understanding of its impact, companies can make better decisions in managing their financial instruments and improving overall financial performance. However, it should be noted that this research is limited to the period of 2019-2021 and only includes food and beverage companies listed on the IDX. Further research can be conducted to examine the long-term impact of implementing PSAK 73 on the food and beverage industry as a whole.

REFERENCE

- Adita, A., & Mawardi, W. (2018). Pengaruh Struktur Modal, Total Assets Turnover, dan Likuiditas terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Intervening (Studi Empiris pada Perusahaan Real Estate dan Properti yang Terdaftar di BEI Periode 2013-2016). *Jurnal Studi Manajemen Organisasi*, 15(1), 14.
- Fahmi, I. (2012). *Analisis kinerja keuangan: panduan bagi akademisi, manajer, dan investor untuk menilai dan menganalisis bisnis dari aspek keuangan*.
- Hidayat, D. W. W. (2018). *Pengaruh Profitabilitas, Leverage Dan Pertumbuhan Penjualan Terhadap Penghindaran Pajak: Studi Kasus Perusahaan Manufaktur Di Indonesia*.
- Morales Díaz, J., & Zamora Ramírez, C. (2018). IFRS 16 (leases) implementation: Impact of entities' decisions on financial statements. *Aestimatio: The IEB International Journal of Finance*, 17, 60-97.
- Nafisah, N. I., Halim, A., & Sari, A. R. (2018). Pengaruh return on assets (ROA), debt to equity ratio (DER), current ratio (CR), return on equity (ROE), Price earning ratio (PER), total assets Turnover (TATO), dan earning per share (Eps) terhadap nilai perusahaan manufaktur yang terdaftar Di BEI. *Jurnal Riset Mahasiswa Akuntansi*, 6(2).
- Pardo, F., & Giner, B. (2018). The capitalization of operating leases: Analysis of the impact on the IBEX 35 companies. *Intangible Capital*, 14(3), 445-483.
- Pohan, C. D., & Dwimulyani, S. (2017). Analisis Pengaruh Kinerja Keuangan, Good Corporate Governance Dan Corporate Social Responsibility Terhadap Nilai Perusahaan Pada Perusahaan Pertambangan Di Bursa Efek Indonesia. *Jurnal Magister Akuntansi Trisakti*, 4(1), 37-54.
- Puspitasari, K., & Andono, F. A. (2016). Analisis Pengukuran Kinerja Non Keuangan pada Industri Jasa
-

-
- Eksplorasi Mineral dan Batu Bara pada PT. X di Jakarta. *Calyptra*, 5(1), 1–11.
- Putri, A. D., Ghazali, A., & Ahluwalia, L. (2021). Analysis Of Company Capability Using 7s Mckinsey Framework To Support Corporate Succession (Case Study: Pt X Indonesia): Analisa Kapabilitas Perusahaan Dengan Menggunakan Framework 7s Mckinsey Untuk Mendukung Kesuksesan Perusahaan (Studi Kasus: Pt X Indonesia). *Manajemen Bisnis*, 11(1), 44–53.
- Rahmawati, D., & Nani, D. A. (2021). Pengaruh Profitabilitas, Ukuran Perusahaan, Dan Tingkat Hutang Terhadap Tax Avoidance. *Jurnal Akuntansi Dan Keuangan*, 26(1), 1–11.
- Sari, E. S., Altintas, T., & Tas, N. (2016). The effect of the IFRS 16: constructive capitalization of operating leases in the Turkish retailing sector. *Journal of Business Economics and Finance*, 5(1), 138–147.
- Tofanelo, R. E. S., Nunes, R. V., & Sales, G. A. W. (2021). IFRS 16–Impact on-the assets of the major airlines operating in Brazil. *International Journal of Economics and Finance*, 13(9), 1–14.



© 2023 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>).
