

IFRS and Indonesia GAAP (IFAS) Similarities and Differences

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Introduction

This publication provides a summary of the key differences between the Indonesian Financial Accounting Standards (IFAS) and the International Financial Reporting Standards (IFRS) that are required for annual reporting periods beginning on 1 January 2017.

This publication does not include additional specific requirements applicable for listed companies as prescribed by Indonesian Financial Service Authority (Otoritas Jasa Keuangan / OJK). Please refer to the other specific publication on this matter. This summary is not a substitute for reading the accounting standards and interpretations themselves. While every effort has been made to ensure accuracy, this publication is not comprehensive and information may have been omitted which may be relevant to a particular user.

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Comparing International Financial Reporting Standards (IFRS)/International Accounting Standards (IAS) with Indonesian Financial Accounting Standards (IFAS)

Below are the key comparisons between the IFAS and the IFRS/IAS required for annual reporting periods beginning on 1 January 2017.

IFRS		PSAK		Differences
IFRS 1	<i>First-time Adoption of International Financial Reporting Standards</i>	-	<i>No equivalent standard</i>	IFRS 1 will not be adopted as it has been considered or included in the transitional provisions in the individual standards/interpretations.
IFRS 2	<i>Share-based Payment</i>	PSAK 53	<i>Share-based Payment</i>	PSAK 53 is consistent with IFRS 2 in all significant respects.
IFRS 3	<i>Business Combinations</i>	PSAK 22	<i>Business Combinations</i>	PSAK 22 is consistent with IFRS 3 in all significant respects.
IFRS 4	<i>Insurance Contracts</i>	PSAK 62 PSAK 28 PSAK 36	<i>Insurance Contracts</i> <i>Accounting for Loss Insurance</i> <i>Accounting for Life Insurance</i>	PSAK 62 is adopted from IFRS 4 except for the requirement in IFRS 4 to measure the insurance liabilities on an undiscounted basis because it contradicts PSAK 28 and PSAK 36. In May 2017, the IASB has issued IFRS 17. The standard will be effective on 1 January 2021 and early application is permitted. IFRS 17 supersedes IFRS 4. PSAK 28 and 36 are complementary to the requirement in PSAK 62. There are no standards in IFRS/IAS which are equivalent to PSAK 28 and 36.
IFRS 5	<i>Non-current Assets Held for Sale and Discontinued Operations</i>	PSAK 58	<i>Non-current Assets Held for Sale and Discontinued Operations</i>	PSAK 58 is consistent with IFRS 5 in all significant respects.
IFRS 6	<i>Exploration for and Evaluation of Mineral Resources</i>	PSAK 64	<i>Exploration and Evaluation of Mineral Resources Mining</i>	PSAK 64 is consistent with IFRS 6 in all significant respects.
IFRS 7	<i>Financial Instruments: Disclosures</i>	PSAK 60	<i>Financial Instruments: Disclosures</i>	PSAK 60 is consistent with IFRS 7 in all significant respects, except for any references to IFRS 9 which has not yet been adopted locally (please see the respective standards for notable differences).
IFRS 8	<i>Operating Segments</i>	PSAK 5	<i>Operating Segments</i>	PSAK 5 is consistent with IFRS 8 in all significant respects.
IFRS 9	<i>Financial Instruments</i>	PSAK 71	<i>Financial Instruments</i>	IFRS 9 supersedes IAS 39 and IFRIC 9. IFRS 9 is effective from 1 January 2018 and early adoption is permitted. In July 2017, DSAK – IAI has issued PSAK 71 to be effective in 1 January 2020. Early adoption is permitted.

IFRS		PSAK		Differences
IFRS 10	<i>Consolidated Financial Statements</i>	PSAK 65	<i>Consolidated Financial Statements</i>	PSAK 65 is consistent with IFRS 10 in all significant respects, except for the exception to prepare consolidated financial statement for the parent entity as stipulated in IFRS 10 paragraph 4 (a). The current version of PSAK 65 has not adopted the amendment to IFRS 10 related to sale or contribution of assets between an investor and its associate or joint venture. IASB deferred the effective date of the amendment indefinitely.
IFRS 11	<i>Joint Arrangements</i>	PSAK 66	<i>Joint Arrangements</i>	PSAK 66 is consistent with IFRS 11 in all significant respects.
IFRS 12	<i>Disclosure of Interests in Other Entities</i>	PSAK 67	<i>Disclosures of Interest in Other Entities</i>	PSAK 67 is consistent with IFRS 12 in all significant respects. The current version of PSAK 67 has not adopted the changes in IFRS 12 regarding the clarification of the scope of the standard which arise from the Annual Improvements 2014- 2016 cycle. Such changes will be effective in PSAK 67 beginning 1 January 2018. However, early adoption is permitted. Refer to other PwC Firm publication “In depth - New IFRSs for 2017” for further details.
IFRS 13	<i>Fair Value Measurement</i>	PSAK 68	<i>Fair Value Measurement</i>	PSAK 68 is consistent with IFRS 13 in all significant respects, except for any references to IFRS 9 which has not yet been adopted locally (please see the respective standards for notable differences).
IFRS 14	<i>Regulatory deferral accounts</i>	-	<i>No equivalent standard under PSAK</i>	IFRS 14 has not been adopted in Indonesia. IFRS 14 is only applicable to entities that apply IFRS 1 as first-time adopters of IFRS. It permits such entities, on adoption of IFRS, to continue to apply their previous GAAP accounting policies for the recognition, measurement, impairment, and de-recognition of regulatory deferral accounts.
IFRS 15	<i>Revenue from contract with customers</i>	PSAK 72	<i>Revenue from contract with customers</i>	IFRS 15 replaces IAS 18 and the standard brings up a new model for recognizing revenue which will significantly impact some industries. IFRS 15 will be effective for annual periods beginning on or after 1 January 2018 and early application is permitted. In July 2017, DSAK – IAI has issued PSAK 72 to be effective in 1 January 2020. Early adoption is permitted.

IFRS		PSAK		Differences
IFRS 16	<i>Leases</i>		<i>PSAK 30 adopted from IAS 17. Refer to section below</i>	<p>IFRS 16 has not been adopted in Indonesia. For IFRS reporters, the standard will be effective for annual periods beginning on or after 1 January 2019 and early application is permitted, only if the entities already adopted IFRS 15.</p> <p>IFRS 16 replaces IAS 17 and the standard brings up a new accounting model for lessees and update definition of lease that will significantly impact the financial statements of lessees.</p>
IAS 17	<i>Insurance Contracts</i>		<i>PSAK 62 adopted from IFRS 4, refer to section above</i>	<p>IFRS 17 has not yet been adopted in Indonesia. For IFRS reporters, the standard will be effective on 1 January 2021 and early application is permitted. IFRS 17 supersedes IFRS 4.</p>
IAS 1	<i>Presentation of Financial Statements</i>	PSAK 1	<i>Presentation of Financial Statements</i>	<p>PSAK 1 is consistent with IAS 1 in all significant respects. However, several differences noted are as follows:</p> <ul style="list-style-type: none"> • PSAK 1 defines that IFAS is consist of the Statements of Financial Accounting Standards, their interpretations and financial reporting rules issued by capital market authorities. IAS 1 does not include the latter. • Under PSAK 1, where compliance with the PSAK would be so misleading that it would conflict with the objectives of the financial statements, an entity is not allowed to depart from the relevant standards; however it may disclose the fact that: (a) the application of those standards would be misleading and (b) an alternative reporting basis should be applied to achieve fair presentation of the financial statements. IAS 1, under similar circumstances, allows for departure from the prevailing standards. • Under IAS 1, an entity may use titles for the statements other than those used in this Standard. For example, an entity may use the title ‘statement of comprehensive income’ instead of ‘statement of profit or loss and other comprehensive income’. • PSAK 1 states that management are responsible for preparation and presentation of financial statement.
IAS 2	<i>Inventories</i>	PSAK 14	<i>Inventories</i>	<p>PSAK 14 is consistent with IAS 2 in all significant respects.</p>

IFRS		PSAK		Differences
IAS 7	<i>Statement of Cash Flows</i>	PSAK 2	<i>Statement of Cash Flows</i>	<p>PSAK 2 is consistent with IAS 7 in all significant respects.</p> <p>The current PSAK 2 has not yet adopted the amendment to IAS 7 as part of IASB's Disclosure Initiative project. Such amendment will be effective in PSAK 2 beginning 1 January 2018. However, early adoption is permitted.</p> <p>Refer to other PwC Firm publication "In depth - New IFRSs for 2017" for further details.</p>
IAS 8	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	PSAK 25	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	PSAK 25 is consistent with IAS 8 in all significant respects.
IAS 10	<i>Events after the Reporting Period</i>	PSAK 8	<i>Events after the Reporting Period</i>	PSAK 8 is consistent with IAS 10 in all significant respects, except that IAS 10 requires disclosure in cases where owners or other parties have the power to amend financial statements after issue. PSAK does not require such disclosure.
IAS 11	<i>Construction Contracts</i>	PSAK 34	<i>Construction Contracts</i>	<p>PSAK 34 is consistent with IAS 11 in all significant respects.</p> <p>On May 2014, the IASB has issued IFRS 15. The standard will be effective on 1 January 2018 and early application is permitted. IFRS 15 supersedes IAS 11.</p>
IAS 12	<i>Income Taxes</i>	PSAK 46	<i>Income Taxes</i>	<p>PSAK 46 is consistent with IAS 12 in all significant respects.</p> <p>The current PSAK 46 has not yet adopted the amendment to IAS 12 regarding recognition of deferred tax assets for unrealized losses. Such amendment will be effective in PSAK 46 beginning 1 January 2018. However, early adoption is permitted.</p> <p>Refer to other PwC Firm publication "In depth - New IFRSs for 2017" for further details.</p>

IFRS		PSAK		Differences
IAS 16	Property, Plant and Equipment	PSAK 16	Fixed Assets	PSAK 16 is consistent with IAS 16 in all significant respects. PSAK 16 provides reference to ISAK 25 in relation to land rights. The current PSAK 16 has not yet adopted the amendment to IAS 16 regarding the accounting treatment of bearer plants. Such amendment will be effective in PSAK 16 beginning 1 January 2018. However, early adoption is permitted.
		ISAK 25	Land Rights	ISAK 25 still maintains that land that is held under HGB, HGU and Hak Pakai rights is not amortised unless there is an indication that the renewal or extension of the rights is not probable or cannot be obtained. Costs to obtain those rights for the first time are capitalised as fixed assets but subsequent costs to extend or renew the rights are recognised as intangible assets and then amortised based on paragraph 11 of ISAK 25.
IAS 17	Leases	PSAK 30	Leases	PSAK 30 is consistent with IAS 17 in all significant respects. On January 2016, the IASB has issued IFRS 16, 'Leases'. This will require far-reaching changes in accounting by lessees in particular. The standard will be effective on 1 January 2019 and early application is permitted if IFRS 15 is also adopted. IFRS 16 supersedes IAS 17.
IAS 18	Revenue	PSAK 23	Revenue	PSAK 23 is consistent with IAS 18 in all significant respects. On May 2014, the IASB has issued IFRS 15. The standard will be effective on 1 January 2018 and early application is permitted. IFRS 15 supersedes IAS 18.
IAS 19	Employee Benefits	PSAK 24	Employee Benefits	PSAK 24 is consistent with IAS 19 in all significant respects.
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	PSAK 61	Accounting for Government Grants and Disclosure of Government Assistance	PSAK 61 is consistent with IAS 20 in all significant respects.
IAS 21	The Effects of Changes in Foreign Exchange Rates	PSAK 10	The Effects of Changes in Foreign Exchange Rates	PSAK 10 is consistent with IAS 21 in all significant respects.
IAS 23	Borrowing Costs	PSAK 26	Borrowing Costs	PSAK 26 is consistent with IAS 23 in all significant respects.
IAS 24	Related Party Disclosures	PSAK 7	Related Party Disclosures	PSAK 7 is consistent with IAS 24 in all significant respects.
IAS 26	Accounting and Reporting by Retirement Benefit Plans	PSAK 18	Accounting and Reporting by Retirement Benefit Plans	PSAK 18 is consistent with IAS 26 in all significant respects.

IFRS		PSAK		Differences
IAS 27	<i>Separate Financial Statements</i>	PSAK 4	<i>Separate Financial Statements</i>	PSAK 4 is consistent with IAS 27 in all significant respects, except the fact that PSAK 4 does not allow a parent entity to present its own separate financial statements as standalone general purpose financial statements. PSAK 4 stipulates that the separate financial statements have to be presented as supplementary information to the consolidated financial statements.
IAS 28	<i>Investments in Associates and Joint Ventures</i>	PSAK 15	<i>Investments in Associates and Joint Ventures</i>	PSAK 15 is consistent with IAS 28 in all significant respects, except for the exemption from applying the equity method of accounting for its associates or joint venture if the parent is exempt from preparing consolidated financial statements by the scope exception in IFRS 10 paragraph 4 (a). Such scope exception is not adopted in PSAK 65. The current version of PSAK 15 has not adopted the amendment to IAS 28 related to sale or contribution of assets between an investor and its associate or joint venture. IASB deferred the effective date of the amendment indefinitely.
IAS 29	<i>Financial Reporting in Hyperinflationary Economies</i>	PSAK 63	<i>Financial Reporting in Hyperinflationary Economies</i>	PSAK 63 is consistent with IAS 29 in all significant respects.
IAS 31	<i>Interests in Joint Ventures</i>	PSAK 12	<i>Interests in Joint Ventures</i>	The issuance of IFRS 11/PSAK 66 has superseded IAS 31/PSAK 12.
IAS 32	<i>Financial Instruments: Presentation</i>	PSAK 50	<i>Financial Instruments: Presentation</i>	PSAK 50 is consistent with IAS 32 in all significant respects.
IAS 33	<i>Earnings per Share</i>	PSAK 56	<i>Earnings per Share</i>	PSAK 56 is consistent with IAS 33 in all significant respects.
IAS 34	<i>Interim Financial Reporting</i>	PSAK 3	<i>Interim Financial Reporting</i>	PSAK 3 is consistent with IAS 34 in all significant respects. However, under the prevailing capital market regulations, listed companies are required only to report cumulative year-to-date information (and related comparatives) for the Statement of Comprehensive Income (“SoCI”) and are not required to present current interim period SoCI.
IAS 36	<i>Impairment of Assets</i>	PSAK 48	<i>Impairment of Assets</i>	PSAK 48 is consistent with IAS 36 in all significant respects.
IAS 37	<i>Provisions, Contingent Liabilities and Contingent Assets</i>	PSAK 57	<i>Provisions, Contingent Liabilities and Contingent Assets</i>	PSAK 57 is consistent with IAS 37 in all significant respects.
IAS 38	<i>Intangible Assets</i>	PSAK 19	<i>Intangible Assets</i>	PSAK 19 is consistent with IAS 38 in all significant respects.
IAS 39	<i>Financial Instruments: Recognition and Measurement</i>	PSAK 55	<i>Financial Instruments: Recognition and Measurement</i>	PSAK 55 is consistent with IAS 39 in all significant respects.

IFRS		PSAK		Differences
IAS 40	<i>Investment Property</i>	PSAK 13	<i>Investment Property</i>	PSAK 13 is consistent with IAS 40 in all significant respects.
		ISAK 31	<i>Scope of PSAK 13: Investment Property</i>	ISAK 31 clarifies that a building meets the definition of property investment in PSAK 13 if it possesses physical features generally associated with a building such as walls, floors, and a roof. This interpretation is effective beginning 1 January 2017.
IAS 41	<i>Agriculture</i>	PSAK 69	<i>Agriculture</i>	In December 2015, DSAK – IAI has issued PSAK 69 to be effective in 1 January 2018. Early adoption is permitted. PSAK 69 is consistent with IAS 41 in all significant respects.

Comparing the Interpretation of IFRS (IFRIC and SIC) and Indonesian Interpretation of Financial Accounting Standards (ISAK)

Below are the key comparisons between the ISAK and the interpretations of IFRS effective for annual reporting periods beginning on 1 January 2017.

IFRIC / SIC		ISAK		Differences
IFRIC 1	<i>Changes in Existing Decommissioning, Restoration and Similar Liabilities</i>	ISAK 9	<i>Changes in Existing Decommissioning, Restoration and Similar Liabilities</i>	ISAK 9 is consistent with IFRIC 1 in all significant respects.
IFRIC 2	<i>Members' Shares in Co-operative Entities and Similar Instruments</i>		<i>No equivalent interpretation under PSAK</i>	IFRIC 2 is not adopted since cooperatives in Indonesia do not issue shares to their members.
IFRIC 4	<i>Determining whether an Arrangement contains a Lease</i>	ISAK 8	<i>Determining whether an Arrangement Contains a Lease</i>	ISAK 8 is consistent with IFRIC 4 in all significant respects. IFRS 16 will supersede IFRIC 4 when it becomes effective on 1 January 2019 or when it is early applied.
IFRIC 5	<i>Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds</i>		<i>No equivalent interpretation under PSAK</i>	IFRIC 5 is not adopted.
IFRIC 6	<i>Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment</i>		<i>No equivalent interpretation under PSAK</i>	IFRIC 6 is not adopted.
IFRIC 7	<i>Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies</i>	ISAK 19	<i>Applying the Restatement Approach under PSAK 63: Financial Reporting in Hyperinflationary Economies</i>	ISAK 19 is consistent with IFRIC 7 in all significant respects.
IFRIC 9	<i>Reassessment of Embedded Derivatives</i>	ISAK 26	<i>Reassessment of Embedded Derivatives</i>	ISAK 26 is consistent with IFRIC 9 in all significant respects.
IFRIC 10	<i>Interim Financial Reporting and Impairment</i>	ISAK 17	<i>Interim Financial Reporting and Impairment</i>	ISAK 17 is consistent with IFRIC 10 in all significant respects.
IFRIC 12	<i>Service Concession Arrangements</i>	ISAK 16	<i>Service Concession Arrangements</i>	ISAK 16 is consistent with IFRIC 12 in all significant respects.
IFRIC 13	<i>Customer Loyalty Programmes</i>	ISAK 10	<i>Customer Loyalty Programmes</i>	ISAK 10 is consistent with IFRIC 13 in all significant respects. IFRS 15 will supersede IFRIC 13 when it becomes effective on 1 January 2018 or when it is early applied.
IFRIC 14	<i>IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	ISAK 15	<i>PSAK 24 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	ISAK 15 is consistent with IFRIC 14 in all significant respects.

IFRIC / SIC		ISAK		Differences
IFRIC 15	<i>Agreements for the Construction of Real Estate</i>	PSAK 44	<i>Accounting for Real Estate Development</i>	<p>There are differences in the accounting for real estate development between PSAK 44 and IFRIC 15.</p> <p>PSAK 44 regulates specific provisions with regard to revenue recognition of different types of real estate development, cost components, allowance allocation and disclosures. IFRIC 15, however, is a broader interpretation of the accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. IFRIC 15 addresses whether the agreement falls within the scope of IAS 11 (Construction Contracts) or IAS 18 (Revenue) and when the revenue from the construction of real estate should be recognised.</p> <p>IFRS 15 will supersede IFRIC 15 when it becomes effective on 1 January 2018 or when it is early applied.</p>
IFRIC 16	<i>Hedges of a Net Investment in a Foreign Operation</i>	ISAK 13	<i>Hedges of a Net Investment in a Foreign Operation</i>	ISAK 13 is consistent with IFRIC 16 in all significant respects.
IFRIC 17	<i>Distributions of Non-cash Assets to Owners</i>	ISAK 11	<i>Distributions of Non-cash Assets to Owners</i>	ISAK 11 is consistent with IFRIC 17 in all significant respects.
IFRIC 18	<i>Transfers of Assets from Customers</i>	ISAK 27	<i>Transfers of Assets from Customers</i>	<p>ISAK 27 is consistent with IFRIC 18 in all significant respects.</p> <p>IFRS 15 will superseded IFRIC 18 when it becomes effective on 1 January 2018 or when it is early applied.</p>
IFRIC 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i>	ISAK 28	<i>Extinguishing Financial Liabilities with Equity Instruments</i>	ISAK 28 is consistent with IFRIC 19 in all significant respects.
IFRIC 20	<i>Stripping costs in the production phase of a surface mine</i>	ISAK 29	<i>Stripping costs in the production phase of a surface mine</i>	ISAK 29 is consistent with IFRIC 20 in all significant respects.
IFRIC 21	<i>Levies</i>	ISAK 30	<i>Levies</i>	ISAK 30 is consistent with IFRIC 21 in all significant respects, except to all references to IFRIC 6 ‘Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment’ as it is not adopted.
SIC-7	<i>Introduction of the Euro</i>		<i>No equivalent interpretation under PSAK.</i>	SIC 7 is not adopted. For IFRS reporters, it is effective from 1 January 1998.
SIC-10	<i>Government Assistance- No Specific Relation to Operating Activities</i>	ISAK 18	<i>Government Assistance- No Specific Relation to Operating Activities</i>	ISAK 18 is consistent with SIC 10 in all significant respects.
SIC-12	<i>Consolidation-Special Purpose Entities</i>	ISAK 7	<i>Consolidation-Special Purpose Entities</i>	The issuance of IFRS 10/PSAK 65 has superseded SIC-12/ISAK 7.

IFRIC / SIC		ISAK		Differences
SIC-13	<i>Jointly Controlled Entities-Non-Monetary Contributions by Venturers</i>	ISAK 12	<i>Jointly Controlled Entities-Non-Monetary Contributions by Venturers</i>	The issuance of IFRS 11/PSAK 66 has superseded SIC-13/ISAK 12.
SIC-15	<i>Operating Leases-Incentives</i>	ISAK 23	<i>Operating Leases-Incentives</i>	ISAK 23 is consistent with SIC 15 in all significant respects.
SIC-25	<i>Income Taxes-Changes in the Tax Status of an Entity or its Shareholders</i>	ISAK 20	<i>Income Taxes-Changes in the Tax Status of an Entity or its Shareholders</i>	ISAK 20 is consistent with SIC 25 in all significant respects.
SIC-27	<i>Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>	ISAK 24	<i>Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>	ISAK 24 is consistent with SIC 27 in all significant respects.
SIC-29	<i>Service Concession Arrangements: Disclosures</i>	ISAK 22	<i>Service Concession Arrangements: Disclosures</i>	ISAK 22 is consistent with SIC 29 in all significant respects.
SIC-31	<i>Revenue-Barter Transactions Involving Advertising Services</i>	-	<i>No equivalent interpretation under PSAK.</i>	SIC-31 is not adopted. IFRS 15 will supersede SIC 31 when it becomes effective on 1 January 2018 or when it is early applied.
SIC-32	<i>Intangible Assets-Web Site Costs</i>	ISAK 14	<i>Intangible Assets-Web Site Costs</i>	ISAK 14 is consistent with SIC 32 in all significant respects.

There are other specific PSAKs that have no equivalent standards under IFRS i.e.:

PSAK 38: “Akuntansi Restrukturisasi Entitas Sepengendali” / *Accounting for Restructuring Under Common Control Entities*

The objective of this standard is to specify the accounting for restructuring under common control entities which have not been covered by PSAK 22 “Business Combinations”. A restructuring transaction which occurred within entities under common control is considered to have no economic substance, despite the transfer of any legal form between the entities.

PSAK 45: “Pelaporan Keuangan Entitas Nirlaba” / *Financial Reporting for Non-Profit Organisations*

The objective of this standard is to specify the financial reporting for non-profit organizations.

PSAK 70: “Akuntansi Aset dan Liabilitas Pengampunan Pajak” / *Accounting for Tax Amnesty Assets and Liabilities*

The objective of this standard is to provide specific accounting treatment related to the application of the Tax Amnesty Law. PSAK 70 is also applicable by non-publicly accountable entities that chose to adopt the Standar Akuntansi Keuangan Entitas Tanpa Akuntabilitas Publik (SAK ETAP). The standard becomes effective from the date of enactment of the Tax Amnesty Law.

ISAK 32: “Interpretasi atas Definisi dan Hierarki Standar Akuntansi Keuangan” / *Interpretation on the Definition and Hierarchy of Indonesian Financial Accounting Standards*

The definition of IFAS under PSAK 1 and PSAK 25 includes those pronouncements issued by capital market regulators applicable for entities under its supervision. This interpretation clarifies such definition and the hierarchy of IFAS under PSAK 25 particularly where the capital market regulations conflicts with the existing PSAK/ISAK. In such inconsistencies, an entity is required to follow the requirements of PSAK/ISAK to be able to make an explicit and unreserved statement of compliance with IFAS.

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