

# ACCOUNTING TREATMENT OF FIXED ASSETS BASED ON PSAK NO. 16/2018 AT UNION METAL INDUSTRY MEDAN

**Yulifati Laoli, Rosmaida Tambun, Dameria Naibaho**

Accounting Department, Medan State Polytechnic, Medan, Indonesia

Email: amayonalaoli@gmail.com, rosmaidatambun17@gmail.com, damerianaibaho1962@gmail.com

## ARTICLE INFO

Received : 02 April 2022

Revision : 17 April 2022

Received : 12 May 2022

### Keywords:

Fixed assets; recognition of fixed assets; depreciation of fixed assets; financial statements

## ABSTRACT

Union Metalindo Jaya Medan is a company engaged in construction services for buildings, roads, parks, residential areas (real estate), and electrical installations or can also be declared a general contractor. To achieve the company's goals that have been set, companies need various production factors to support and facilitate operational activities, namely fixed assets. This study aimed to determine whether the accounting treatment of fixed assets at Union Metalindo Jaya Medan followed the Statement of Financial Accounting Standards No. 16 of 2018. In writing this research, the nature of the research used is a case study. With this method, the facts regarding the accounting treatment policy for tangible fixed assets are obtained by observing and analyzing a research object problem that occurs in a research location on the existing suitability and then drawing conclusions from the problems studied. After conducting research, the authors concluded that the company in the accounting treatment of fixed assets is still not following PSAK No. 16 2018. Therefore, companies must consider many things in making policies on recording the acquisition price of fixed assets and expenditures after the acquisition of fixed assets. , Depreciation of fixed assets, as well as the presentation of fixed assets in the financial statements.

## Introduction

Every company is founded indeed has one common goal: to gain profit for the company to prosper the Human Resources (HR). Goals are essential because they guide behavior and affect performance level (Ioniță, 2013). Profit maximization or maximizing the company's market value is seen as the company's fundamental goals (Adamikova & Corejova, 2021). Nevertheless, the factors that influence a company's success in daily operational activities do not only come from one source. One of the most influential factors is the existence of assets in the company the bigger the company, the more assets the company have for the smooth

operation of the company (Jannah & Diantimala, 2018). One of the assets that influence the company activities is fixed assets because the fixed assets owned by the company support the company in achieving the success of the company activities (Sitepu & Silalahi, 2019). However, in the procurement of fixed assets, companies must have careful planning because if not, careful planning can harm the company activities and affect the company.

Recognition of property, plant and equipment begins when the cost of property, plant and equipment has been recorded in the company records until the asset is written off (Firdaus, 2010). Assets also include

How To Cite: Laoli, Y., Tambun, R., & Naibaho, D. (2022). Accounting Treatment of Fixed Assets Based on PSAK No. 16/ 2018 at Union Metal Industry Medan. *Journal of Social Science*. 3(3).  
<https://doi.org/10.46799/jss.v3i3.349>

E-Issn: 2721-5202

Published By: Ridwan Institut

natural resources, human resources, a network of relationships, education, expertise, technology, arts and culture, a good reputation, and public trust, among others (Dewi, Jannah, & Jumaryadi, 2018). Fixed assets can be obtained in several ways, such as through purchases (cash, credit or instalments), capital leases, exchanges (securities or other assets), equity participation, grants or gifts, and own development (Fahmi, 2012; Indonesia, 2009).

Financial accounting standards (PSAK) No. 16 regulates the treatment of property, plant and equipment, including recognition, acquisition cost, measurement of the acquisition cost, depreciation, and derecognition of property, plant and equipment (Hidayati, Rizal, & Taufiq, 2019). Statement of financial accounting standards is a standard or norm that is used to create financial statements for which the corporation is accountable to the public (Heykal & Siagian, 2014). Moreover, regardless of the importance of fixed assets and the amount of capital required to purchase fixed assets, good and correct accounting treatment for each fixed asset possessed by the company is required (Ruata, Tinangon, & Mawikere, 2018).

In Union Metal Industry, the fixed assets owned by the company are recorded in the table of the list of fixed assets with the total acquisition price and the total depreciation expense of all these fixed assets. There is no specific grouping of fixed assets owned by the company in the description above. The researcher is interested in conducting research by taking the title "Accounting Treatment of Fixed Assets based on PSAK No. 16 2018 on Union Metal Industry".

## Method

### 1. Research Location and Time

The research will be conducted within 3 (three) months, starting from April 1, 2014, to July 1, 2014. The research will be carried out at Union Metal Industry, which is engaged in constructing buildings, bridges, roads, parks, residential areas (Real Estate), installation of machinery installations, etc. This company is located at Jl. New Dompok Km. 8 Complex D'Green City

Block A No.1-5 Tanjungpinang-Riau Islands.

### 2. Nature of Research

The nature of research is broadly divided into two types, namely:

- a. Case study method, namely researching a case intensively and in-depth.
- b. The survey method (sample survey) researches part of the population or conducts tests on samples.

In this study, a case study will be used, namely by obtaining facts regarding accounting treatment policies for tangible fixed assets by observing and analyzing a research object problem that occurs in a research location on the existing suitability and then concluding the problems studied.

### 3. Data source

In preparing this research, secondary data will be used, namely data obtained from documents related to discussions from outside the company such as books or other references that support this writing.

### 4. Method of collecting data

To obtain the best possible information with the assumption that the goals in writing can be achieved, the authors will use the following research methods (Sugiyono, 2019):

- a. Observation, namely data collection by conducting direct observations at the location to obtain accurate data.
- b. Interview, namely data collection by asking questions directly to the leaders and employees of Union Metal Industry.
- c. Documentation, namely data collection by collecting company documents and company archives related to the issues to be discussed.

### 5. Data analysis method

After the necessary data is collected, the author will analyze the data using descriptive analysis with a qualitative approach to provide an overview of the application of accounting to fixed assets owned by the company and its presentation in the financial statements of the Union Metal Industry (Moleong, 2021).

## 6. Data Analysis Model

The model used in data analysis is as follows:

- a. The data taken is the 2013 financial report.
- b. Documents required are a Statement of Financial Position (Balance Sheet), Profit and Loss Statement, and a detailed list of Depreciation of fixed assets.
- c. The company's accounting policies regarding the accounting treatment of property, plant and equipment.

## Results And Discussion

### 1. A general description of the company

Companion Metal Industry is a company established with a Trading Business License (SIUP) Number: 503.15/BP2T/2512/2018. Its business activities include retail trade on a fee or contract basis. Meanwhile, the primary merchandise/services include the construction of buildings, roads, bridges, parks, building materials, etc.

Union Metal Industry is a company engaged in selling goods/services for building construction, roads, parks, construction of residential areas (real estate), installing electrical installations, or being declared a general contractor.

## 2. Research result

Based on the data obtained, the authors will try to analyze how the accounting treatment of fixed assets within the company, the accounting treatment includes:

### a. Fixed Asset Recognition

The company recognizes Mitsubishi cars as fixed assets because these cars are included in the vehicle group. Besides that, Mitsubishi cars can also provide economic benefits in the future because they will be used as company operational vehicles to transport sand, stones, and other materials needed in construction.

Meanwhile, the Statement of Financial Accounting Standards No. 16 of 2018 states that the Cost of property, plant and equipment is recognized as an asset if and only if:

- 1) It is probable that the company obtain economic benefits from the asset in the future; and
- 2) The Cost of the asset can be measured reliably.

To further clarify the analysis of the comparison of the recognition of fixed assets of Union Metal Industry with PSAK No. 16, we can see in the table below:

**Table 1**  
**Economic benefuts based on PSAK number 16**

PSAK Number 16	Union Metal Industry	Appropriate / Not Appropriate
a. The company will probably obtain future economic benefits from these fixed assets.	The company recognize Mitsubishi cars as fixed assets because these cars can provide economic benefits for the company naamely as operational vehicles in transporting sand, stones, and other materials.	Appropriate
b. Cost can be measured reliably.	The company recognize Mitsubishi cars as fixed assets because to acquire these cars, the company incurs quite a lot of costs.	Appropriate

To obtain fixed assets in the form of Mitsubishi cars, the company incurs a reasonably high cost. In addition, the Mitsubishi car also has a useful life of more than one period. Thus, recognizing the assets purchased by the company fixed assets is following PSAK No. 16.

### b. Determination of the Acquisition Price of Fixed Assets

The company requires fixed assets in two ways, namely by cash purchases and instalment purchases (Jusup, 2012). To get a Mitsubishi car, the company purchases in instalments through the bank.

On October 31, 2013, the company has an instalment purchase of 2 Mitsubishi cars as office operational vehicles used by the company to transport sand, stone, wood, and other materials for project construction

The following is a breakdown of the costs for purchasing 1 unit of Mitsubishi Car:

Price OTR 1 (one) Unit Mitsubishi FE 74 HDV 125 PS + Dump	Rp 332.000.000,-
(*Price includes 10% VAT + mail processing fee + dump truck)	
30% down payment from IDR 332,000,000,-	IDR 99,600,000
Bank fees consist of:	
*First Installment	IDR 11,029,400,-
*Provision Fee	Rp 581.000,-
* Notary Fiduciary Fee	Rp 300.000,-
* Administrative costs	Rp 1.000.000,-
* Insurance Premium (TLO)	Total Advance 1 Unit
Mitsubishi FE7 HDV 125 PS+Dump	Rp 6.753.000,-
Total Advance 1 Unit Mitsubishi FE7 HDV 125 PS+Dump	Rp 119.263.400,-
	2 Unit x
Total Advance for 2 Mitsubishi FE7 HDV 125 PS+Dump Unit Units	Rp 238.526.800,

At the time of payment of the advance, the company recorded in the journal:

Cash proof no: 00-K28101302

28/10 (D) Down payment 30% mitsubishi 2 units Rp 238.526.800,-

(K) Kas- DP 30% Mitsubishi 2 units Rp 238.526.800,-

Meanwhile, when the fixed assets are recognized, the company records the acquisition cost at the value stated on the tax invoice, which is Rp. 235,000,000- per unit. And the value of Rp. 235,000,000 - is included in the fixed-assets list as the acquisition price of 1 unit of Mitsubishi FE74HDV/R: MHMF74P5DK105701. The company records it in the following journal:

Proof of journal number: 00-cc011113

01/11 (D) Fixed assets-Mitsubishi FE74HDV Rp 235,000,000,-  
 (D) Fixed assets-Mitsubishi FE74HDV Rp 235,000,000,-  
 (D) VAT input-VAT Mitsubishi 2 units IDR 47,000,000,-  
 (D) Fixed assets- Mitsubishi dump truck Rp 84,000,000,-  
 (D) Fixed assets-permit No. police, frame No. Rp. 63,000,000,-  
 (D) Bank debt-Ang 1 BP9839TU Rp 9,683,334,-  
 (D) By. BCA loan interest-BP9839TU interest Rp. 1,346,066,-  
 (D) Bank-Ang Payable 1 BP9840TU Rp 9,683,334,-  
 (D) By BCA loan interest-BP9840TU interest Rp. 1,346,066,-  
 (D) By adm bank-By.bank financing process Rp. 16,106,000,-  
 (D) By adm bank-By.provisi Rp 1.162.000,-  
 (K) Down payment-DP 30% mitsubishi 2 units Rp 238,526,800,-  
 (K) Bank loan-Mitsubishi BP9839&9840 Rp 464.800.000,-

From the journal, it can be seen that the company recorded the acquisition cost of Mitsubishi's fixed assets, excluding the value of VAT, Mitsubishi dump trucks, and mail processing costs (Ismawati, 2013). The value of VAT listed on the tax invoice is IDR 47,000,000 by the company recorded as input VAT which will be credited at the end of the reporting month for the VAT Period SPT.

As for the costs related to the bank as the initial process in purchasing instalments, the company capitalized them with a 30% down payment which was issued by the company on October 28, 2013, with the details as stated above. At the time of payment of the advance, the company recorded in the journal:

Cash proof no: 00-K28101302

28/10 (D) Uang Muka-DP 30% mitsubishi 2 units Rp 238.526.800,-

(K) Kas- DP 30% Mitsubishi 2 units Rp 238.526.800,-

Meanwhile, when the fixed assets are recognized, the company records the acquisition cost at the value stated on the tax invoice, which is Rp. 235,000,000- per unit. And the value of Rp. 235,000,000 - is included in the fixed-assets list as the acquisition price of 1 unit of Mitsubishi FE74HDV/R: MHMFE74P5DK105701. The company records it in the following journal: Bukti journal no: 00-cc011113

01/11 (D) Fixed assets-Mitsubishi FE74HDV Rp 235,000,000,-  
 (D) Fixed assets-Mitsubishi FE74HDV Rp 235,000,000,-  
 (D) VAT input-VAT Mitsubishi 2 units IDR 47,000,000,-  
 (D) Fixed assets- Mitsubishi dump truck Rp 84,000,000,-  
 (D) Fixed assets-permit No. police, frame No. Rp. 63,000,000,-  
 (D) Bank debt-Ang 1 BP9839TU Rp 9,683,334,-  
 (D) By. BCA loan interest-BP9839TU interest Rp. 1,346,066,-  
 (D) Bank-Ang Payable 1 BP9840TU Rp 9,683,334,-  
 (D) By. BCA loan interest-BP9840TU interest Rp. 1,346,066,-  
 (D) By.adm bank-By.bank financing process Rp. 16,106,000,-  
 (D) By.adm bank-By.provisi Rp 1.162.000,-  
 (K) Down payment-DP 30% mitsubishi 2 units Rp 238,526,800,-  
 (K) Bank loan-Mitsubishi BP9839&9840 Rp 464.800.000,-

From the journal above, it can be seen that the company recorded the acquisition cost of Mitsubishi's fixed assets, excluding the value of VAT, Mitsubishi dump trucks, and mail processing costs. The value of VAT listed on the tax invoice is IDR 47,000,000 by the company recorded as input

VAT which will be credited at the end of the reporting month for the VAT Period SPT.

As for the costs related to the bank as the initial process in purchasing instalments, the company capitalized them with a 30% down payment which was issued by the company on October 28, 2013, with the details as stated above.

The value of bank loans recorded by the company is equal to:

Price OTR 1 (one) Unit Mitsubishi FE 74 HDV 125 PS+Dump	Rp 332.000.000,-
Down payment 30% of Rp 332.000.000,-	(Rp 99.600.000,-)
Total calculation of 1 unit Mitsubishi FE7 HDV 125 PS+Dump	Rp 232.400.000,-
	2 Units x
Total debt of 2 units Mitsubishi FE7 HDV 125 PS+Dump.	Rp 464.800.000,-

Based on PSAK No. 16, acquisition costs must be recorded at the amount stated on the purchase invoice, including import duties, non-creditable purchase taxes, and other costs incurred until the asset can be used in office operations. If there is a

purchase discount, the discount is not included in the Cost of property, plant and equipment. Thus the recording of the acquisition price of fixed assets following PSAK No. 16, namely:

01/11 (D) Fixed assets-mitsubishi IDR 470.000.000,-  
 (D) VAT input-VAT mitsubishi 2 units IDR 47,000,000,-  
 (D) Fixed assets-mitsubishi-dump truck 2 units Rp. 84,000,000,-  
 (D) Fixed assets-mitsubishi-permit No.police, No.frame Rp. 63,000,000,-  
 (D) Bank debt-Ang 1 BP9839TU Rp 9,683,334,-  
 (D) By BCA loan interest-BP9839TU interest Rp. 1,346,066,-  
 (D) Bank-Ang Payable 1 BP9840TU Rp 9,683,334,-  
 (D) By BCA loan interest-BP9840TU interest Rp. 1,346,066,-  
 (D) By adm bank-By.bank financing process Rp. 16,106,000,-  
 (D) By adm bank-By.provisi Rp 1.162.000,-  
 (K) Down payment-DP 30% Mitsubishi 2 units Rp 238,526,800,-  
 (K) Bank loan-Mitsubishi BP9839&9840 Rp 464.800.000,-

Thus, in the list of fixed assets, the acquisition price for 1 unit of Mitsubishi FE7 HDV 125 PS + Dump is Rp. 617,000,000, - where this price includes the Cost of handling letters and the Cost of making a dump truck.

For more details, we can see the following comparison table:

Comparison Table of Fixed Asset Acquisition Price Determination between Union Metal Industry and PSAK No. 16

**Table 2**  
**Property cost based on PSAK Number 16**

PSAK Number 16	Union Metal Industry	Appropriate / Not Inappropriate
a. The Cost is recorded at the cost stated on the purchase invoice, including import duties and purchase taxes, which cannot be credited after deducting purchase discounts and other discounts.	The company recorded the acquisition cost at the value stated on the tax invoice less the value of VAT 10%	Appropriate
b. Any costs incurred to acquire property, plant and equipment until the asset is ready for use will be added to the Cost of property, plant and equipment.	The company do not add mailing fees and dump truck costs for Mitsubishi cars to the list.	Inappropriate
c. The Cost of property, plant and equipment is the equivalent of the cash price at the date of recognition. If the payment is deferred, the difference between the cash price and the total payment is recognized as interest expense over the credit period.	The company records the interest expense charged as interest expense on the Mitsubishi lorry purchase loan	Appropriate

This means that the determination of the acquisition price of fixed assets carried out by the Union Metal Industry company is not following PSAK No. 16 because there is a separate recording between the price of Mitsubishi cars listed on the invoice, the Cost of handling letters and the Cost of making dump trucks, all of which should be capitalized into Cost of fixed assets of Mitsubishi cars.

**c. Expenditure on Fixed Assets After Acquisition**

The company classifies expenses after the acquisition of fixed assets into expenses because any expenditure on

fixed assets after the acquisition of these fixed assets by the company is recorded as maintenance costs of fixed assets. These costs include periodic service fees, purchase of vehicle components, engine oil replacement and other costs deemed to maintain the useful life of a fixed asset. The com company never recorded expenses incurred on fixed assets into adding value to these fixed assets or recorded them as capital expenditures.

On November 27, 2013, the company add eight pieces per to the Mitsubishi lorry, the recording of the purchase per was recorded in the journal:

Cash Proof no: 00-K27111305

27/11	(D) By fixed asset maintenance-BP9839&9840-Per 8 pieces	Rp
	1.800.000,-	
	(K) Kas-By service BP9839&9840	Rp
	1.800.000,-	

In this case, the com company complied with PSAK No. 16. Only when recording the costs incurred as fixed asset maintenance costs the company should

estimate asset maintenance costs per group of fixed assets. For example, for the Cost of maintaining fixed assets on vehicles, an estimate of "vehicle asset

maintenance costs" is made so that the company sees the costs incurred for certain fixed assets and can estimate the costs that will arise in the next period. In addition, companies can also find solutions so that the costs incurred are minimized by finding the source of why these costs often occur and are there a way to prevent these costs from appearing repeatedly.

**d. Decreasing asset**

Fixed assets used for office operational activities cannot always provide maximum benefits in their use. Therefore it is necessary to estimate the depreciation of fixed assets. With the systematic recording of Depreciation of fixed assets, the company finds out the remaining value of the benefits given to these fixed assets after being used for

several periods. The company records depreciation of property, plant and equipment starting when the asset has an acquisition price, and the asset is also ready to be used in the company's operational activities. If an asset is not used at all within a certain period, the recording of the Depreciation of the fixed asset will still be carried out every month. The company records the depreciation expense of fixed assets every month by recording the entire amount of depreciation expense on existing fixed assets. The depreciation method used by the company is the straight-line method.

The company records depreciation expense on fixed assets at the end of each month using the adjusting entries as follows:

Journal evidence no: 00-AJP111302

30/11 (D) Depreciation cost-Nov'13 Rp 10,801,505,-  
(K) Accumulated depreciation-Nov'13 Rp 10,815,520,-

Based on the list of fixed assets of Union Metal Industry above, it can be seen that the company recorded Depreciation on fixed assets did not follow PSAK No. 16. This is because PSAK No. 16 is required to classify the recording of depreciation expense on an asset according to a particular group.

Companies should keep records of fixed assets following their respective fixed

asset groups. The Accumulated Depreciation of fixed assets can also be grouped based on their respective fixed asset groups.

More details on whether the Union Metal Industry in recording the Depreciation of fixed assets following PSAK No. 16 can be seen in the table below:

**Table 3  
Comparison of Depreciation of Fixed Assets by Union Metal Industry based on PSAK No. 16**

PSAK Number 16	Union Metal Industry	Appropriate / Inappropriate
a. Each part of property, plant and equipment that has a high cost to the total cost of all assets must be depreciated separately.	The company did not separate the depreciation expense from each property group, plant and equipment.	Inappropriate
b. Depreciation expense for each period is recognized in profit or loss.	The company records depreciation expense is in the income statement.	Appropriate
c. The depreciable amount of an asset is allocated on a systematic basis over its useful life	The company records depreciation expense on fixed assets until the asset's useful life expires and the asset's book value is zero.	Appropriate
d. Depreciation methods include the straight-line method, the declining balance method, and the units of production method.	The depreciation method used by the company is the straight-line method.	Appropriate

Based on the comparison above, it means that the Union Metal Industry, in

recording the depreciation expense of its fixed assets, is not following PSAK No. 16

**e. Termination and Disposal of Fixed Assets**

Fixed assets that are used and have been depreciated after their useful life has expired and have no book value are still included in the list of fixed assets but are no longer depreciated. The Cost of all

fixed assets will still be considered as company inventory.

More details on whether the Union Metal Industry in derecognition of fixed assets following PSAK No. 16 can be seen in the table below:

**Table 4**  
**Comparative of Derecognition of Fixed Assets by Union Metal Industry based on PSAK No. 16**

<b>PSAK Number 16</b>	<b>Union Metal Industry</b>	<b>Appropriate / Inappropriate</b>
The carrying amount of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.	The company still records fixed assets into the list of fixed assets owned by the company	Inappropriate

The Union Metal Industry's fixed assets derecognition does not follow PSAK No. 16.

**f. Presentation of Fixed Assets in Financial Statements**

Fixed assets in the financial statements prepared by Union Metal Industry are presented by capitalizing all asset values contained in the list of fixed assets. There is no classification regarding a particular group of fixed assets in the financial statements. The company assumes that the list of fixed assets attached to the financial statements is sufficient to represent in detail the fixed assets owned by the com company is not

following PSAK No. 16. This treatment is complicated for readers of financial statements because readers of financial statements do not know the number of fixed assets from certain groups and cannot see the depreciation value of fixed assets for each group of fixed assets.

Meanwhile, PSAK No. 16 requires a grouping in recording fixed assets and in accumulating Depreciation on these fixed assets so that the recording is presented as follows:

**Fixed assets**

Vehicle	Rp. 617.000.000,00
Vehicle possession	(Rp. 12.854.167,00)
	Rp.604.145.833,00

To further clarify the analysis of the presentation of fixed assets in the financial statements of Union Metal Industry with PSAK No. 16, we can see through the table below:



**Table 5**  
**Union Metal Industry fixed assets**

<b>PSAK Number 16</b>	<b>Union Metal Industry</b>	<b>Appropriate/ Inappropriate</b>
a. Fixed Assets are presented in the balance sheet at the asset's cost less the Accumulated Depreciation.	The presentation of Fixed Assets in the balance sheet is stated at book value, i.e. Cost less accumulated decreasing asset.	Appropriate
b. Each type of asset, such as land, buildings, vehicles, office inventory and so on, must be stated in a separate or detailed balance sheet.	The company records the entire value in the fixed asset register made by the company and does not detail the fixed asset group.	Inappropriate
c. Depreciation is recognized in profit or loss	The company records depreciation expense on fixed assets in the income statement.	Appropriate
d. Accumulated Depreciation is recorded at the end of the period	The company cumulates depreciation expense at the end of the period	Appropriate

Based on the data above, it can be seen that the Union Metal Industry presents fixed assets in the financial statements that are not following PSAK No. 16.

### Conclusion

The following are some conclusions that can be drawn from research and discussion of the accounting treatment of property, plant and equipment based on the statement of financial accounting standards No. 16.

In terms of the recognition of an asset that is categorized as fixed assets, Union Metal Industry has complied with the Statement of Accounting Standards No. 16 because every purchase of assets that are included in fixed assets is an asset that can provide benefits to the company the company's operational activities that can increase income for the company and at a cost that is considered quite material.

The company determining the acquisition price of a fixed asset does not follow PSAK No. 16, recording all values and costs associated with the property, plant, and equipment until the asset is ready for use.

The company recorded expenses after the acquisition of fixed assets following PSAK No. 16, entering any expenditure on fixed assets after acquiring fixed assets into the Cost of maintaining fixed assets. These costs include costs that are considered to maintain the useful life of a fixed asset.

The recording of depreciation expense by the company is not following PSAK No. 16

because the company do not classify fixed assets according to particular groups, so the recording of depreciation expense is also carried out by combining all depreciation expenses into one estimate. This will also make it difficult for readers of financial statements to obtain information about the value of a group of fixed assets owned by the company.

In the retirement and disposal of property, plant and equipment, the company does not comply with PSAK No. 16 because, according to PSAK No. 16, the carrying amount of property, plant and equipment is derecognized when it is disposed of or when no future economic benefits are expected from its use or disposal. At the same time, the company recognizes the carrying amount at Cost into the estimated fixed assets in the company's financial statements.

The presentation of property, plant and equipment in the financial statements is not following PSAK No. 16 because the records are not separated based on a particular group of fixed assets but are recorded by combining the entire value of fixed assets and depreciation expense on fixed assets in one fixed asset estimate.

### Reference

Adamikova, E., & Corejova, T. (2021). Possibility to reveal creative accounting when determining the value of the forwarding company's assets. *Transportation Research Procedia*, 55, 42–49. [Scopus](#)

- Dewi, S., Jannah, L. M., & Jumaryadi, Y. (2018). Analisis dan Perancangan Sistem Informasi Manajemen Aset Tetap Pada PT. Metis Teknologi Corporindo. *JUST IT: Jurnal Sistem Informasi, Teknologi Informasi Dan Komputer*, 9(1), 81–91. [Google Scholar](#)
- Fahmi, I. (2012). *Analisis Laporan Keuangan*. Bandung: Alfabeta. [Google Scholar](#)
- Firdaus, D. A. (2010). Ikhtisar lengkap pengantar akuntansi. *Edisi Ketiga, Fakultas Ekonomi Universitas Indonesia, Jakarta*. [Google Scholar](#)
- Heykal, M., & Siagian, P. (2014). Impact Analysis of Indonesian Financial Accounting Standard based on the IFRS Implementation for Financial Instruments in the Indonesian Commercial Bank. *Procedia-Social and Behavioral Sciences*, 109, 1247–1250. [Scopus](#)
- Hidayati, W., Rizal, N., & Taufiq, M. (2019). Analisis Perlakuan Akuntansi Aset Tetap Pada Koperasi Serba Usaha Manda Group Berdasarkan PSAK No. 16. *Proceedings Progress Conference*, 2(1), 672–679. [Google Scholar](#)
- Indonesia, I. A. (2009). Pernyataan standar akuntansi keuangan. *Jakarta: Salemba Empat*. [Google Scholar](#)
- Ioniță, D. (2013). Success and goals: An exploratory research in small enterprises. *Procedia Economics and Finance*, 6, 503–511. [Scopus](#)
- Ismawati, C. A. (2013). *Perlakuan Akuntansi Aktiva Tetap Berwujud dan Penyajiannya dalam Laporan Keuangan pada CV. Bahana Karya Gresik*. *Jurnal Pendidikan Akuntansi (JPAK)*, 1(3). [Google Scholar](#)
- Jannah, R., & Diantimala, Y. (2018). Faktor-Faktor Yang Mempengaruhi Perusahaan Melakukan Revaluasi Aset Tetap Sesuai Dengan PSAK 16 (2015) Di Indonesia. *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi*, 3(3), 515–526. [Google Scholar](#)
- Jusup, A. H. (2012). *Dasar-dasar Akuntansi Jilid 1 Edisi ke-7*. STIE YKPN. [Google Scholar](#)
- Moleong, L. J. (2021). *Metodologi penelitian kualitatif*. PT Remaja Rosdakarya. [Google Scholar](#)
- Ruata, D. S., Tinangon, J. J., & Mawikere, L. M. (2018). Evaluasi Perlakuan Akuntansi Aset Tetap Menurut PSAK No. 16 Pada PT Bank Maluku Maluku Cabang Tobelo. *Going Concern: Jurnal Riset Akuntansi*, 13(02). [Google Scholar](#)
- Sitepu, H. B., & Silalahi, E. R. R. (2019). Pengaruh Intensitas Aset Tetap, Leverage, Likuiditas, Pertumbuhan Perusahaan Dan Ukuran Perusahaan Terhadap Revaluasi Aset Tetap Pada Perusahaan Manufaktur Sektor Industri Dasar Dan Kimia Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Riset Akuntansi & Keuangan*, 165–190. [Google Scholar](#)
- Sugiyono. (2019). *Metode Penelitian*. Bandung: CV Alfabeta

---

**Copyright holder:**

Yulifati Laoli, Rosmaida Tambun, Dameria Naibaho (2022)

**First publication right:**

Journal of Social Science

**This article is licensed under:**

