

Analysis Of Implementation Of Fixed Asset Accounting According To Psak No. 16 In Pt Gajah Tunggal Tbk

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Abstract.

In supporting the company's growth and development activities to achieve its goals, the company requires an asset or assets. Assets are a form of wealth and resources owned by the company. Fixed assets have a very important position in the company so that it can run well. The purpose of this study was to determine the suitability of the application of fixed asset accounting at PT Gajah Tunggal Tbk to the recognition of property and equipment, measurement of the time of disclosure of property, plant and equipment, measurement after disclosure of property, plant and equipment, derecognition of property and equipment, and disclosure of property, plant and equipment compared to PSAK No. 16. The data used in this scientific writing is Secondary Data in the form of information regarding the Accounting Application of Fixed Assets of PT Gajah Tunggal Tbk in the 2019 Financial Statements. The data analysis method used in this scientific writing is the descriptive-comparative analysis method. From the results of this study, it can be concluded that PT Gajah Tunggal Tbk in carrying out its Fixed Assets accounting policies in accordance with PSAK No. 16 but PT Gajah Tunggal Tbk has not adopted PSAK No. 16 in its financial statements. The author assumes the application of accounting by PT Gajah Tunggal Tbk regarding PSAK No. 16 has complied with financial accounting standards. Therefore, the application of accounting for PT Gajah Tunggal's fixed assets must be maintained, carried out effectively and the company can adopt PSAK 16 in its financial statements.

Keywords: *Accounting for Fixed Assets, Statement of Financial Accounting Standards (PSAK) No. 16.*

I. INTRODUCTION

The company is a modern organization that has activities to achieve its goals. Increased growth and development is the most important thing for the company. However, developing and maintaining a company is not easy. There are many important factors that must be considered to run a company well. In developing and carrying out its goals, the company is always faced with obstacles both from within the company and from outside the company. Therefore, it is necessary to carry out controls within the company that can assist the operational and non-operational activities of the company and minimize the risk of irregularities or errors in every company activity. In supporting growth and activities the company's development to achieve its goals, the company requires an asset or assets. Assets are a form of wealth owned by the company and are resources for the company to do business. The source of spending shows who spends wealth, so assets must always be the same as the source of spending. The party providing the source of expenditure has the right to claim the company's assets (Soemarso SR, 2013). The grouping of types of assets consists of current assets and fixed assets. Fixed assets themselves have a very important position in the company in terms of function, management and supervision because they require large amounts of funds and are embedded in the long term. According to Waluyo (2012) fixed assets are part of the balance sheet reported by management in each period or every year. Assets Fixed can be utilized permanently or for a period of more than one year.

Fixed assets are classified into tangible assets and intangible assets (Supriyati, 2016). The accounting policy for fixed assets is based on PSAK No. 16 starting from the acquisition and valuation of fixed assets, revaluation of fixed assets, expenditures during the use of fixed assets, depreciation of fixed assets, termination and disposal of fixed assets, as well as the presentation of fixed assets in the financial statements (Erni, 2015). The process of recording and presenting fixed assets must be in accordance with current financial accounting standards, so that there is no material misstatement that will have an impact on the inaccurate information presented and mislead users of financial statements (Elvin, 2019). PT Gajah Tunggal Tbk is the largest tire manufacturer in Southeast Asia, producing and distributing other related rubber products such as synthetic rubber, tire threads, inner tubes, flaps, o-rings and many more. PT Gajah Tunggal Tbk was established with the main objective of becoming a market leader in Indonesia with a strong financial position and being a manufacturer of quality tires. In addition, PT Gajah Tunggal Tbk has a goal to make a profit so that the company's operational activities can continue to run. The reason the author chose the research object of PT Gajah Tunggal Tbk is that PT Gajah Tunggal Tbk is a company that has been around for a long time and on a national scale engaged in the automotive industry, namely the manufacture of tires where the company must have quite a lot of fixed assets and high value, and here the author wants to know how is the suitability of the application of fixed asset accounting policies at PT Gajah Tunggal Tbk with PSAK 16. The author is interested in compiling research on the application of fixed asset accounting according to PSAK no. 16 from PT Gajah Tunggal Tbk to determine the utilization of existing fixed assets and their application in corporate decision making.

II. LITERATURE REVIEW

Fixed assets

According to IAI through PSAK No. 16 (Revised 2011) stated that fixed assets are tangible assets that are owned for use in the production or supply of goods. or services for rental that to other parties, or for administrative purposes; and is expected to be used for more than one period. According to the Indonesian Institute of Accountants (2012), fixed assets are assets that are owned and traded (either self-made or obtained from purchases, exchanges, and donations) whose value is relatively high and the benefits are more than one accounting period and are used in the company's activities or operations. According to Martani, et al (2012) fixed assets are tangible assets that are held for use in the production and supply of goods and services, for rental to other parties, or for administrative purposes and are expected to be used for more than one period. Samryn, (2015) fixed assets are generally a component of long-term assets that have the greatest value in the company. Fixed assets are a group of company assets that meet all of the following criteria:

- 1) Have a useful life, or economic life of more than one year.
- 2) Owned for the purpose of assisting the company's activities. In the sense that it is owned not for sale or used as an ingredient to complete the product.
- 3) Referred to as fixed assets tangible if the physical condition of the goods can be seen and touched. Fixed assets that do not meet these criteria are called intangible fixed assets.

Derecognition

According to PSAK No. 16 states that the carrying amount of property, plant and equipment is derecognized upon disposal or when no future economic benefits can be expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are included in profit or loss when the property, plant and equipment is derecognized, but these gains cannot be considered as income. The disposal of fixed assets can be carried out in various ways, including:

1. Sale of fixed assets,
2. Expiration of the useful life of fixed assets, and
3. Exchange of fixed assets.

Disclosures

Based on PSAK No. The financial statements disclose for each class of property, plant and equipment:

1. The measurement basis used in determining the gross carrying amount,
2. The depreciation method used,
3. The useful life or depreciation rate used, and
4. The gross carrying amount and accumulated depreciation.

III. RESEARCH METHODS Research Objects The

object of this research is the 2019 annual financial report of PT Gajah Tunggal Tbk (www.gt-tires.com).

Types and Sources of Data

This research is a type of qualitative research. In this study the authors take data from the annual financial statements which will then be analyzed in accordance with the application of PSAK No. 16 concerning the Application of Fixed Assets Accounting. Sources of data obtained in this study is a source of secondary data. The author earns through the official website of PT Gajah Tunggal Tbk. The data source is in the form of annual financial statements for the period 2019.

IV. DISCUSSION

Recognition of Fixed Assets at PT GAJAH TUNGGAL TBK

PSAK No. 16, states that the cost of property, plant and equipment should be recognized as an asset if and only if: It is probable that future economic benefits associated with the asset will flow to the entity, and this research, namely descriptive and comparative analysis techniques, namely by collecting data, analyzing the past comparing the object of research with PSAK No. 16 Fixed Assets. The cost of property, plant and equipment can be measured reliably. Assets can also be recognized as fixed assets if these assets allows the entity obtain the future economic benefits greater than the related assets compared to the economic benefits generated if these assets are acquired

Table 4.1. Comparison of SFAS No. 16 with PT Gajah Tunggal Tbk

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Description |
|-----------|---|--|---|
| | The cost of property, plant and equipment is recognized as an asset if and only if: a. It is probable that the entity will | At PT Gajah Tunggal Tbk, Other costs incurred subsequently to add, replace or repair property and equipment are recorded as cost of assets if and only if the benefits are probable. | Described in detail, PT Gajah Tunggal Tbk has |

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Information |
|-----------|---|--|---|
| 07 | obtaining future economic benefits from the asset, and b. Its cost can be measured reliably. | future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably. | implement PSAK 16. (APPROPRIATE) |

Source: *Processed Data 2020*

Measurement of Fixed Asset Recognition at PT GAJAH TUNGGAL TBK

In carrying out its operational activities, companies need fixed assets and how to obtain fixed assets. The process acquisition may incur costs or sacrifices to acquire a fixed asset. The cost of property, plant and equipment includes the purchase price of fixed assets and costs incurred until the asset is ready for use.

Table 4.2 . Comparison of PSAK No. 16 with PT GAJAH TUNGGAL TBK

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Description |
|-----------|---|---|---|
| 15 | Fixed assets that qualify for recognition as assets | Recognition of all financial assets are initially measured at fair value plus transaction costs, except for financial assets which are measured at fair value through profit or loss, if any , which is initially measured at fair value. Group financial assets are classified as assets. | The policy accounting is not in accordance with PSAK No. 16 Fixed Assets because PT Gajah Tunggal Tbk does not use cost but |

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Description is |
|-----------|-------------------|---|--|
| | measured at cost. | financial assets at fair value through profit or loss (FVTPL), financial assets available for sale (AFS) and loans and receivables. | using the income statement. (NOT APPROPRIATE) |

Source: Processed Data 2020

Measurement After Recognition of Fixed Assets at PT GAJAH TUNGGAL TBK

According to PSAK No. 16 (Revised 2018) The measurement after initial recognition states that the entity chooses the cost model or the revaluation model as its accounting policy and applies The policy applies to all property, plant and equipment in the same class, the cost model after recognition as an asset, property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, and the residual value and useful life of an asset are reviewed at least at the end of each year.

Table 4.3. Comparison of PSAK No. 16 with PT GAJAH TUNGGAL TBK

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Remarks |
|---------------|---|---|---|
| 29 The | entity chooses the cost model in paragraph 30 or the revaluation model in paragraph 31 as its accounting policy and applies that policy to all assets | PT Gajah Tunggal Tbk has chosen and applied the cost model as its accounting policy . | It has been explained in the financial statements of PT Gajah Tunggal Tbk (SESUAI) |

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Information |
|------------------|--|---|--|
| 30 43 | remains in the same class. After the cost model is recognized as an asset, property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Each part of property, plant and equipment has a significant cost to the total cost of all property, plant and equipment are depreciated separately. | The measurement policy after recognition at PT Gajah Tunggal uses the cost model as its fixed asset accounting policy. Fixed assets are recorded at cost after deducting accumulated depreciation and accumulated impairment losses. Depreciation is recognized using the straight-line method after calculating the residual value based on the estimated life of the property, plant and equipment. Each fixed asset owned by the company will be depreciated separately. | PT Gajah Tunggal has implemented its policies in accordance with PSAK No. 16 Fixed Assets. (APPROPRIATE) The cost model applied to PT Gajah Tunggal Tbk. (APPROPRIATE) It has been explained and is in accordance with the application of PSAK No. 16 Fixed Assets. (APPROPRIATE) |

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Information |
|-----------|--|--|---|
| 51 | The residual value and useful life of an asset are reviewed at least at the end of each financial year and if the results of the study differ from the previous estimate, the difference is recorded as an accounting estimate in accordance with PSAK 25: accounting policies, changes in accounting estimates, and errors. | The economic useful life, residual value and depreciation method are reviewed at the end of each year and the effect of any changes in the estimation results are different. | It has been explained and is in accordance with the application of PSAK No. accounting policies. 16 Fixed Assets. (APPROPRIATE) |

Source: Processed Data 2020

Derecognition of Fixed Assets at PT GAJAH TUNGGAL TBK

All financial assets of PT Gajah Tunggal Tbk are derecognized on the trading date where the purchase and sale of financial assets is based on contracts that require the delivery of financial assets within the timeframe determined by custom prevailing market. The Group transfers the financial assets and substantially all the risks and rewards of ownership of the assets to another entity. Fixed assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets.

Table 4.4. Comparison of PSAK No. 16 with PT GAJAH TUNGGAL TBK

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Description |
|-----------|---|--|---|
| 67 68 | The carrying amount of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gains or losses arising from derecognition of equipment are included in profit or loss when the property, plant and equipment is derecognized. | Fixed assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Gains or losses on retirement or disposal are determined from the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss in the period in which the disposal or disposal occurs. | It has been explained and is in accordance with the application of PSAK No. accounting policies. 16 (APPROPRIATE) It has been explained and is in accordance with the application of the accounting policy of PSAK No. 16. (APPROPRIATE) |

Source: Processed Data 2020

Disclosure of Fixed Assets at PT. ELEPHANT TUNGGAL TBK

Based on PSAK No. 16 financial statements disclose for each class of property, plant and equipment:

1. The measurement basis used in determining the gross carrying amount,
2. The depreciation method used, 3. The useful life or depreciation rate used, and
3. Gross carrying amount and accumulated depreciation.

Table 4.5. Comparison of PSAK No. 16 with PT GAJAH TUNGGAL TBK

| Paragraph | PSAK 16 | PT Gajah Tunggal Tbk | Information |
|-----------|--|--|---|
| 73 | The financial statements disclose for each class of property, plant and equipment: a. The measurement basis used in determining the gross carrying amount, b. The depreciation method used, Useful life or depreciation rate used The gross carrying amount and accumulated depreciation (together with any accumulated impairment losses) at the beginning and end of the period. | Depreciation is recognized on a straight-line basis after taking into account the residual value of fixed assets over the period except the land is not depreciated with estimated useful life, as follows: Buildings and Facilities 10-25 years - Machinery and Equipment Factory 5-25 years Transport equipment 5 years - Office Furniture and Equipment 5 years | It has been explained and is in accordance with the application of PSAK No. accounting policy. 16 Fixed Assets. (APPROPRIATE) |

Source: Processed Data 2020

V. CONCLUSIONS AND RECOMMENDATIONS

Conclusion

Based on the comparative data from the analysis above, it can be concluded that:

1. The application of Accounting for Fixed Assets of PT Gajah Tunggal Tbk has complied with the rules with PSAK No. 16 in its financial statements. However, the company itself has not adopted PSAK 16 in its financial statements.

2. Compatibility of Fixed Assets Policy PT Gajah Tunggal Tbk is appropriate although there is a difference in Paragraph 15 in terms of Measurement at Recognition where property, plant and equipment are initially recognized at cost but PT Gajah Tunggal's property and equipment are initially recognized at fair value.

Suggestions

1. For Authors

Based on the conclusions above, the authors get many benefits in the form of knowledge that is useful for readers. The author realizes that this writing has many shortcomings and is far from perfect. Therefore, the authors expect criticism and suggestions regarding the discussion of scientific research that has been carried out so that in the future it will be even better and the author can improve it.

2. For Further Researchers

For further researchers who want to conduct similar research, it is recommended to choose an appropriate research object and have complete data regarding PSAK No. 16 Applicable Fixed Assets.

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