

## ANTAM COMPANY FINANCIAL REPORT IN INDONESIA

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### *Abstract*

*The purpose of this study is to examine how Indonesian manufacturing companies' financial statements are affected by the implementation of Financial Accounting Standards. The use of SAKs is essential to ensuring that the financial statements provided are pertinent, trustworthy, and comparable in light of the growing complexity of business and the increasing demands for accountability and transparency. Using a quantitative methodology, this study gathers information from the 2021–2023 financial statements of eight industrial businesses listed on the Indonesia Stock Exchange. Multiple regression analysis is the analytical technique employed to examine the link between the quality of financial statements as assessed by indicators of relevance, reliability, comparability, and understandability, and the application of SAK. The study's findings offer empirical support for the notion that applying SAK can enhance the quality of financial statements. They also offer suggestions for policymakers, accountants, and scholars.*

**Keywords:** *Financial Accounting Standards, Manufacturing, Financial Statements*

## 1. INTRODUCTION

To increase the caliber and reliability of financial reports produced by businesses, Indonesia must implement Financial Accounting Standards, which are derived from International Financial Reporting Standards and modified to suit local requirements (Suryanto et al., 2022). According to research, it's critical to apply SAK across a variety of organizations, including cooperatives, small and medium-sized businesses (UKM), and boarding schools, in order to give stakeholders access to accurate and transparent financial information. Research does, however, draw attention to issues like low knowledge, insufficient outreach, and disparities in the skill levels of the human resources engaged in the financial reporting process. The quality of financial reporting has been shown to be positively impacted by initiatives to improve knowledge of accounting standards, drive to prepare financial reports, and successfully socialize SAK. These factors ultimately support the general credibility and dependability of financial information in the Indonesian business environment. (Suryanto, 2020)

The economic performance and sustainability reporting procedures are highly influenced by various factors, including corporate governance, profitability, and size of the organization (Suryanto et al., 2021). By incorporating sustainability practices, the business can strengthen its decision-making procedures, satisfy investors, and cooperate with international efforts to promote sustainable development. All of these things will contribute to the development of a more robust and open Antam sector that promotes long-term economic stability and expansion.

Numerous research studies have noted the difficulties in implementing Financial Accounting Standards to Entities Without Public Accountability, particularly in the Antam sector. One of the biggest challenges facing businesses, particularly small and medium-sized organizations (SMEs), is a lack of thorough understanding (Yusuf et al., 2022). Research highlights the fact that SMEs frequently have poor understanding of accounting concepts, which makes it challenging to create financial reports in accordance with SAK rules (Suryanto et al., 2023). Furthermore, in order to enhance the caliber of financial reporting and decision-making

procedures, this research emphasizes the need of raising SAK awareness and understanding among SMEs [5]. By tackling these issues, education and training programs may greatly boost Antam's SAK implementation's success, which will ultimately improve financial management techniques and overall competitiveness. restricted access to highly skilled labor and the expenses associated with meeting these requirements. Because of this issue, financial reporting' quality varies and frequently falls short of stakeholders' expectations.

In Indonesia, Financial Accounting Standards (SAK) are significant, particularly for the Antam corporation. Research has demonstrated that the Antam company's financial performance is greatly impacted by the application of SAK standards, such as SAK ETAP and SAK EMKM (Suryanto et al., 2022). These standards offer instructions for creating financial reports that guarantee transparency and support the choices made by investors. According to research on MSMEs in Indonesia, small and medium-sized businesses can enhance their financial reporting processes by socializing SAK norms (Suryanto et al., 2022). Furthermore, the goal of the advancement of SAK standards, which includes the introduction of SAK EP, is to lower implementation costs, harmonize financial reporting with international accounting standards, and streamline financial reporting for private enterprises, particularly MSMEs (Suryanto, 2021). Overall, investor trust, performance assessment, and financial openness are all increased when SAK is used in Antam enterprises in Indonesia.

The Antam Indonesia company's financial reports' quality is greatly impacted by the application of Indonesian Financial Accounting Standards (SAK). Studies conducted on MSMEs in different regions, including Pasir Putih Village and Kaum Kolot Village, demonstrate the difficulties in fully putting SAK standards into practice, which results in insufficient financial reporting and human resource competency (Yusuf et al., 2023). Furthermore, research on cooperatives like the Nurul Iman Cooperative highlights how crucial it is to adhere to SAK standards for thorough financial reporting, as deviations may lead to presentations that are lacking crucial elements like financial report notes (Yusuf et al., 2022). To increase the caliber and reliability of financial reports produced by businesses, Indonesia must implement Financial Accounting Standards, which are derived from International Financial Reporting Standards and modified to suit local requirements (Suryanto, 2021). According to research, it's critical to apply SAK across a variety of organizations, including cooperatives, small and medium-sized businesses (UKM), and boarding schools, in order to give stakeholders access to accurate and transparent financial information. Research does, however, draw attention to issues like low knowledge, insufficient outreach, and disparities in the skill levels of the human resources engaged in the financial reporting process. The quality of financial reporting has been shown to be positively impacted by initiatives to improve knowledge of accounting standards, drive to prepare financial reports, and successfully socialize SAK. These factors ultimately support the general credibility and dependability of financial information in the Indonesian business environment (Suryanto, 2020).

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## **2. RESEARCH METHODS**

This study looks at the association between SAK adoption and financial report quality using a quantitative technique and correlational study design. The Antam corporation listed on the IDX between 2018 and 2023 is the research population. Using the criteria of businesses that fully adopted SAK and had comprehensive financial report data during the research period, the sample was chosen through the use of a purposive selection technique. Secondary data from the company's annual financial reports, reports from the independent auditor, and IDX publications were used. Multiple regression analysis was used to analyze the data and determine how applying SAK will affect the caliber of financial reporting. Indicators of the quality of financial reports are determined by relevance, dependability, comparability, and understandability.

### 3. RESULT AND DISCUSSION

#### Frame Work

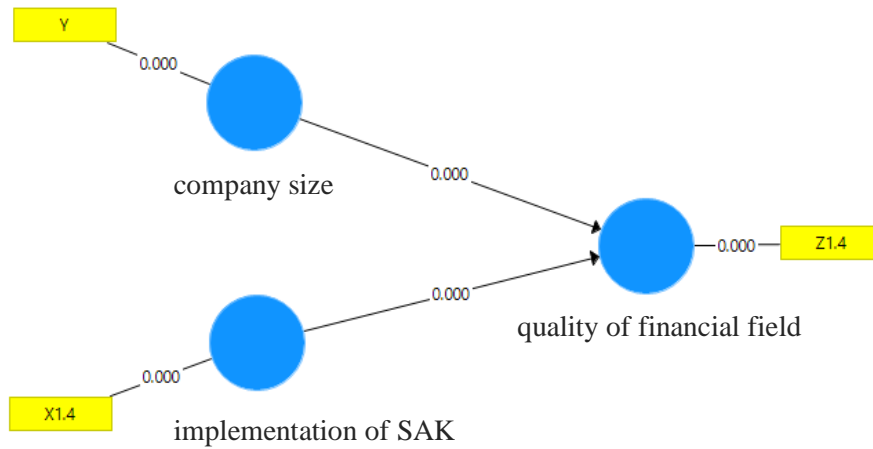


Figure 1

#### 1. Descriptive Statistical Analysis of Antam Compan

Table 1 Descriptive Statistical Analysis

	<i>Company Size</i>	<i>Implementation of SAK</i>	<i>LK quality</i>
<i>Coun</i>	40	40	40
<i>Mean</i>	25,702.2	4.75	4,8
<i>Std</i>	2,693.42	0,44	0,40
<i>Min</i>	20.531	4	4
25%	24.297	5	5
50%	27,159,5	5	5
75%	28,789,25	5	5
<i>Max</i>	29,654	5	5

#### Outer Loading Validity Test

Table 2 Outer Loadings

	<b>X</b>	<b>Y</b>	<b>Z</b>
<b>X1.4</b>	<b>1,000</b>		
<b>Y</b>		<b>1,000</b>	
<b>Z1.4</b>			<b>1,000</b>

Based on the outer loading validity test, it is known that the resulting value is 1,000 for all variables, thus it is declared valid.

## 2. Path Analysis

Table 3 Mean, STDEV, T-Values, P-Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
<b>X -&gt; Z</b>	1,000	1,000			<b>0,015</b>

Based on the results of the coefficients, it is known that the P Values are 0.015, thus the relationship between the Implementation of SAK and the Quality of Financial Reports is stated to have an influence.

## 3. R Square

Table 4 Coefision of Determination

	R Square	R Square Adjusted
<b>Z</b>	1,000	1,000

Based on the results of the R Square test, an R Square value of 1,000 is produced, thus it is stated that the influence of the SAK Implementation Variable has a 100% influence on the Quality of Financial Reports.

Image of Test of the Effect of SAK Implementation variables on the Quality of Financial

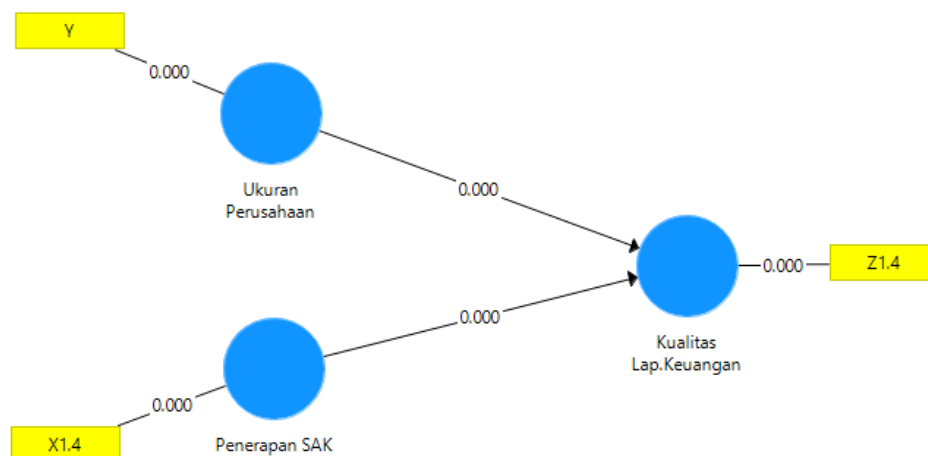


Figure 2

## 4. CONCLUSION

This research concludes that the implementation of Financial Accounting Standards (SAK) has a positive and significant effect on the quality of financial reports at the Antam company in Indonesia. Good implementation of SAK ensures that the financial reports presented are more relevant, reliable, comparable and easy to understand.

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