

# PSAK 73 – Leases

## The impacts



Adoption as of **1 January 2020**  
 DSAK IAI has announced the new Leases standard.

### What's changed

#### Old Treatment for lessees:



Finance leases on balance sheet



Operating leases off balance sheet



Service contracts off balance sheet

**New**

#### New treatment for lessees:



All leases > 12 months on balance sheet



Short term leases (less than 12 months), and low value assets leases off balance sheet



Service contracts off balance sheet

### What is affected

Compliance



Ensure compliance with new PSAK requirements

Performance measurement



Key ratios and KPIs need to be redefined

Cross-department issue



Treasury, HR, IT, Tax, Sales/Procurement

### Timetable



DSAK IAI



Actions required

2017-2018

Impact assessment

2019

Implementation program

2020

Effective date

Get organized

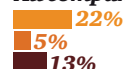
Understand the impact

Transition to the new standard

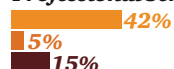
### Global lease capitalisation impact by industry\*

- Median increase in debt
- Median increase in total assets
- Median increase in EBITDA

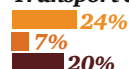
#### All companies



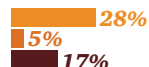
#### Professional Services



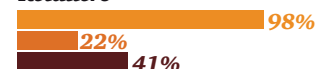
#### Transport & Logistics



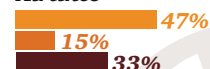
#### Wholesale



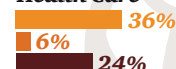
#### Retailers



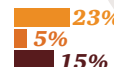
#### Airlines



#### Health Care



#### Entertainment



\* Global PwC Lease Capitalization Study

### Steps to get your house in order

#### What you need to do

Get organized



Understand the issue – project setup, governance, resources

Understand the impact



Identify all in scope lease contracts



Gather and validate data



Assess the impact on financial metrics

Transition to the new standard



Define requirements and select software solution



Implement systems and processes



Ensure business as usual

The DSAK IAI has set 1 January 2020 as the effective date for the new Leases standard. At first glance this date feels like it is far enough to not have to think about it immediately. However, the wide reaching impacts on your organisations' processes and systems are likely to be very significant. It's vital that you take the time to understand the impacts of PSAK 73 now, gather and validate leases data and build an implementation program. This approach will mean that potential issues are highlighted early and steps can be taken to resolve them, ultimately saving time and costs.



### PwC Indonesia contacts:

**Jumadi Anggana**  
 Partner  
 jumadi.anggana@id.pwc.com

**Akuntina Novriani**  
 Manager  
 akuntina.novriani@id.pwc.com

**Djohan Pinnarwan**  
 Partner  
 djohan.pinnarwan@id.pwc.com

**Elina Mihardja**  
 Manager  
 elina.mihardja@id.pwc.com

**Irwan Lau**  
 Director  
 irwan.lau@id.pwc.com

**Dwi Jayanti**  
 Manager  
 dwi.jayanti@id.pwc.com

**Helen Cuizon**  
 Senior Manager  
 helen.cuizon@id.pwc.com

[www.pwc.com/leases](http://www.pwc.com/leases)