



IFRS and Indonesian GAAP (IFAS) similarities and differences

2025





Introduction

This publication provides a summary of the key differences between the Indonesian Financial Accounting Standards (IFAS) and the International Financial Reporting Standards (IFRS Accounting Standards) that are required for annual reporting periods beginning on 1 January 2025.

This publication does not include additional specific requirements applicable for listed companies as prescribed by Indonesian Financial Service Authority (*Otoritas Jasa Keuangan/ OJK*) and also does not include any standard that has been issued but not yet effective and/or not mandatory to be applied for annual reporting periods beginning on 1 January 2025. Please refer to a separate publication on the matter which relates to OJK's additional requirement.

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 that 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 2025.

	IFRS		PSAK	Differences
IFRS 1	First-time Adoption of International Financial Reporting Standards	-	No equivalent standard	IFRS 1 will not be adopted as it has been considered or included in the transitional provisions in the individual standards/ interpretations.
IFRS 2	Share-based Payment	PSAK 102	Share-based Payment	Indonesian Financial Accounting Standard (Pernyataan Standar Akuntansi Keuangan/PSAK) 102 is consistent with IFRS 2 in all significant respects.
IFRS 3	Business Combinations	PSAK 103	Business Combinations	PSAK 103 is consistent with IFRS 3 in all significant respects, except for the additional references to the Indonesian accounting standards PSAK 328 "Accounting for Loss Insurance Contract" and PSAK 336 "Accounting for Life Insurance Contract".
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	PSAK 105	Non-current Assets Held for Sale and Discontinued Operations	PSAK 105 is consistent with IFRS 5 in all significant respects.
IFRS 6	Exploration for and Evaluation of Mineral Resources	PSAK 106	Exploration and Evaluation of Mineral Resources Mining	PSAK 106 is consistent with IFRS 6 in all significant respects.
IFRS 7	Financial Instruments: Disclosures	PSAK 107	Financial Instruments: Disclosures	PSAK 107 is consistent with IFRS 7 in all significant respects.
IFRS 8	Operating Segments	PSAK 108	Operating Segments	PSAK 108 is consistent with IFRS 8 in all significant respects.
IFRS 9	Financial Instruments	PSAK 109	Financial Instruments	PSAK 109 is consistent with IFRS 9 in all significant respects.
IFRS 10	Consolidated Financial Statements	PSAK 110	Consolidated Financial Statements	PSAK 110 is consistent with IFRS 10 in all significant respects, except for the exception to prepare consolidated financial statements for the parent entity as stipulated in IFRS 10 paragraph 4 (a).
IFRS 11	Joint Arrangements	PSAK 111	Joint Arrangements	PSAK 111 is consistent with IFRS 11 in all significant respects.

	IFRS		PSAK	Differences
IFRS 12	Disclosure of Interests in Other Entities	PSAK 112	Disclosures of Interest in Other Entities	PSAK 112 is consistent with IFRS 12 in all significant respects.
IFRS 13	Fair Value Measurement	PSAK 113	Fair Value Measurement	PSAK 113 is consistent with IFRS 13 in all significant respects.
IFRS 14	Regulatory Deferral Accounts	-	No equivalent standard under PSAK	<p>IFRS 14 is not adopted in Indonesia.</p> <p>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 Generally Accepted Accounting Principles (GAAP) accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral accounts.</p>
IFRS 15	Revenue from Contract with Customers	PSAK 115	Revenue from Contract with Customers	PSAK 115 is consistent with IFRS 15 in all significant respects.
IFRS 15	Revenue from Contract with Customers	PSAK 115	Revenue from Contract with Customers	PSAK 115 is consistent with IFRS 15 in all significant respects.
IFRS 16	Leases	PSAK 116	Leases	PSAK 116 is consistent with IFRS 16 in all significant respects.
IFRS 17	Insurance Contracts	PSAK 117	Insurance Contracts	PSAK 117 is consistent with IFRS 17 in all significant respects and effective from 1 January 2025, while for IFRS reporters, the standard has been effective on 1 January 2023.
IFRS 18	Presentation and Disclosure in Financial Statements	PSAK 118	Presentation and Disclosure in Financial Statements	<p>PSAK 118 is consistent with IFRS 18 in all significant respects. However, several differences noted are as follows:</p> <ul style="list-style-type: none"> PSAK 118 paragraph 02a regarding scope adds a provision that PSAK 118 does not apply to sharia entities because the presentation of sharia financial statements is governed by PSAK 401: Presentation of Sharia Financial Statements.

IFRS		PSAK		Differences
IFRS 18 (con't)				<ul style="list-style-type: none"> PSAK 118 Appendix A regarding the definition of Indonesian Financial Accounting Standards accommodates the role of the Financial Accounting Standards Board of the Indonesian Institute of Accountants (IAI) and the Sharia Accounting Standards Board of the IAI as the compilers of financial accounting standards, as well as the capital market regulator for entities under its supervision. <p>Both standards are effective from 1 January 2027 (early application is permitted).</p> <p>PSAK 118 supersedes PSAK 201.</p>
IFRS 19	Subsidiaries without Public Accountability: Disclosures	-	-	As at the date of this publication, IFRS 19 has not yet been adopted in Indonesia. For IFRS reporters, the standard will be effective on 1 January 2027 and early application is permitted.
IAS 1	Presentation of Financial Statements	PSAK 201	Presentation of Financial Statements	<p>PSAK 201 is consistent with IAS 1 in all significant respects. However, several differences noted are as follows:</p> <ul style="list-style-type: none"> PSAK 201 defines that IFAS consists of the statements of financial accounting standards that are issued by Financial Accounting Standards Board of the Indonesian Institute of Accountants (DSAK-IAI) and Sharia Accounting Standards Board of the Indonesian Accountants Association (DSAS-IAI), their interpretations and financial reporting rules issued by capital market authorities. IAS 1 defines IFRS as standards and interpretations adopted by the International Accounting Standards Board (IASB) which comprise IFRS, IAS and its interpretation. IAS 1 does not include sharia accounting standards and financial reporting rules issued by capital market authorities.

IFRS		PSAK		Differences
IAS 1 (con't)				<ul style="list-style-type: none"> Under PSAK 201, 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. PSAK 201 states that management is responsible for the preparation and presentation of financial statements. PSAK 201 cannot be used for sharia entity, therefore they should refer to PSAK 101.
IAS 2	Inventories	PSAK 202	Inventories	PSAK 202 is consistent with IAS 2 in all significant respects.
IAS 7	Statement of Cash Flows	PSAK 207	Statement of Cash Flows	PSAK 207 is consistent with IAS 7 in all significant respects.
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	PSAK 208	Accounting Policies, Changes in Accounting Estimates and Errors	PSAK 208 is consistent with IAS 8 in all significant respects.
IAS 10	Events after the Reporting Period	PSAK 210	Events after the Reporting Period	PSAK 210 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 210 does not require such disclosure.
IAS 12	Income Taxes	PSAK 212	Income Taxes	PSAK 212 is consistent with IAS 12 in all significant respects.
IAS 16	Property, Plant and Equipment	PSAK 216	Fixed Assets	PSAK 216 is consistent with IAS 16 in all significant respects.
IAS 19	Employee Benefits	PSAK 219	Employee Benefits	PSAK 219 is consistent with IAS 19 in all significant respects.

	IFRS		PSAK	Differences
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	PSAK 220	Accounting for Government Grants and Disclosure of Government Assistance	PSAK 220 is consistent with IAS 20 in all significant respects.
IAS 21	The Effects of Changes in Foreign Exchange Rates	PSAK 221	The Effects of Changes in Foreign Exchange Rates	PSAK 221 is consistent with IAS 21 in all significant respects.
IAS 23	Borrowing Costs	PSAK 223	Borrowing Costs	PSAK 223 is consistent with IAS 23 in all significant respects.
IAS 24	Related Party Disclosures	PSAK 224	Related Party Disclosures	PSAK 224 is consistent with IAS 24 in all significant respects.
IAS 26	Accounting and Reporting by Retirement Benefit Plans	PSAK 226	Accounting and Reporting by Retirement Benefit Plans	PSAK 226 is consistent with IAS 26 in all significant respects.
IAS 27	Separate Financial Statements	PSAK 227	Separate Financial Statements	PSAK 227 is consistent with IAS 27 in all significant respects, except for the fact that PSAK 227 does not allow a parent entity to present its own separate financial statements as standalone general purpose financial statements. PSAK 227 stipulates that the separate financial statements have to be presented as supplementary information to the consolidated financial statements.
IAS 28	Investments in Associates and Joint Ventures	PSAK 228	Investments in Associates and Joint Ventures	PSAK 228 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 110.
IAS 29	Financial Reporting in Hyperinflationary Economies	PSAK 229	Financial Reporting in Hyperinflationary Economies	PSAK 229 is consistent with IAS 29 in all significant respects.
IAS 32	Financial Instruments: Presentation	PSAK 232	Financial Instruments: Presentation	PSAK 232 is consistent with IAS 32 in all significant respects.

	IFRS		PSAK	Differences
IAS 33	Earnings per Share	PSAK 233	Earnings per Share	PSAK 233 is consistent with IAS 33 in all significant respects.
IAS 34	Interim Financial Reporting	PSAK 234	Interim Financial Reporting	PSAK 234 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 the current interim period SoCI.
IAS 36	Impairment of Assets	PSAK 236	Impairment of Assets	PSAK 236 is consistent with IAS 36 in all significant respects.
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	PSAK 237	Provisions, Contingent Liabilities and Contingent Assets	PSAK 237 is consistent with IAS 37 in all significant respects.
IAS 38	Intangible Assets	PSAK 238	Intangible Assets	PSAK 238 is consistent with IAS 38 in all significant respects.
IAS 39	Financial Instruments: Recognition and Measurement	PSAK 239	Financial Instruments: Recognition and Measurement	PSAK 239 is consistent with IAS 39 in all significant respects.
IAS 40	Investment Property	PSAK 240	Investment Property	PSAK 240 is consistent with IAS 40 in all significant respects.
IAS 41	Agriculture	PSAK 241	Agriculture	PSAK 241 is consistent with IAS 41 in all significant respects.

Comparing the interpretation of IFRS (International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (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 2025:

	IFRIC/ SIC		ISAK	Differences
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	ISAK 101	Changes in Existing Decommissioning, Restoration and Similar Liabilities	ISAK 101 is consistent with IFRIC 1 in all significant respects.
IFRIC 2	Members' Shares in Cooperative Entities and Similar Instruments	-	No equivalent interpretation under PSAK	IFRIC 2 is not adopted since cooperatives in Indonesia do not issue shares to their members.
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	-	No equivalent interpretation under PSAK	IFRIC 5 is not adopted.
IFRIC 6	Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	-	No equivalent interpretation under PSAK	IFRIC 6 is not adopted.
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies	ISAK 107	Applying the Restatement Approach under PSAK 229: Financial Reporting in Hyperinflationary Economies	ISAK 107 is consistent with IFRIC 7 in all significant respects.
IFRIC 10	Interim Financial Reporting and Impairment	ISAK 110	Interim Financial Reporting and Impairment	ISAK 110 is consistent with IFRIC 10 in all significant respects.
IFRIC 12	Service Concession Arrangements	ISAK 112	Service Concession Arrangements	ISAK 112 is consistent with IFRIC 12 in all significant respects.
IFRIC 14	IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	ISAK 114	PSAK 219 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	ISAK 114 is consistent with IFRIC 14 in all significant respects.
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	ISAK 116	Hedges of a Net Investment in a Foreign Operation	ISAK 116 is consistent with IFRIC 16 in all significant respects.

IFRIC/ SIC		ISAK		Differences
IFRIC 17	Distributions of Non-cash Assets to Owners	ISAK 117	Distributions of Non-cash Assets to Owners	ISAK 117 is consistent with IFRIC 17 in all significant respects.
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	ISAK 119	Extinguishing Financial Liabilities with Equity Instruments	ISAK 19 is consistent with IFRIC 19 in all significant respects.
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	ISAK 120	Stripping Costs in the Production Phase of a Surface Mine	ISAK 120 is consistent with IFRIC 20 in all significant respects.
IFRIC 21	Levies	ISAK 121	Levies	ISAK 121 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.
IFRIC 22	Foreign Currency Transactions and Advance Consideration	ISAK 122	Foreign Currency Transactions and Advance Consideration	ISAK 122 is consistent with IFRIC 22 in all significant respects.
IFRIC 23	Uncertainty over Income Tax Treatments	ISAK 123	Uncertainty over Income Tax Treatments	ISAK 123 is consistent with IFRIC 23 in all significant respects.
SIC-7	Introduction of the Euro	-	No equivalent interpretation under PSAK.	SIC 7 is not adopted. For IFRS reporters, it is effective from 1 January 1998.
SIC-10	Government Assistance No Specific Relation to Operating Activities	ISAK 210	Government Assistance No Specific Relation to Operating Activities	ISAK 210 is consistent with SIC 10 in all significant respects.
SIC-25	Income Taxes- Changes in the Tax Status of an Entity or its Shareholders	ISAK 225	Income Taxes- Changes in the Tax Status of an Entity or its Shareholders	ISAK 225 is consistent with SIC 25 in all significant respects.
SIC-29	Service Concession Arrangements: Disclosures	ISAK 229	Service Concession Arrangements: Disclosures	ISAK 229 is consistent with SIC 29 in all significant respects.
SIC-32	Intangible Assets- Web Site Costs	ISAK 232	Intangible Assets- Web Site Costs	ISAK 232 is consistent with SIC 32 in all significant respects.

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

PSAK 338: “*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 103 “Business Combinations”. A restructuring transaction which occurred within under common control entities is considered to have no economic substance, despite the transfer of any legal form between the entities.

PSAK 370: “*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 370 is also applicable by non-publicly accountable entities that choose to adopt the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP). The standard becomes effective from the date of enactment of the Tax Amnesty Law.

ISAK 331: “*Interpretasi atas Ruang Lingkup PSAK 240: Properti Investasi*”/ Interpretation on the scope of PSAK 240: Investment Property

The objective of this standard is to clarify the characteristics of a building that meets the definition of investment property by PSAK 240. The interpretation provides the general characteristics of a building such as walls, floors and roofs that are attached to the building.

ISAK 332: “*Definisi dan Hierarki Standar Akuntansi Keuangan*”/Definition and Hierarchy of Indonesian Financial Accounting Standards

The definition of IFAS under PSAK 201 and PSAK 208 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 208 particularly where the capital market regulations conflict 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.

ISAK 335: “*Penyajian Laporan Keuangan Entitas Berorientasi Nonlaba*”/ Presentation of Financial Statements for Non-profit Oriented Entities

The interpretation clarifies the application of PSAK 201 to not-for-profit oriented entities and states that not-for-profit oriented entities should follow the minimum presentation requirements for financial statements, including their structure and items, as required by PSAK 201. However, not-for-profit oriented entities are able to amend the description of line items and titles of financial statements as necessary in the circumstances. ISAK 335 also provides an illustrative example for not-for-profit oriented entities.

ISAK 336: “Interaksi antara Ketentuan Mengenai Hak atas Tanah dalam PSAK 216: Aset Tetap dan PSAK 116: Sewa”/Interaction Between Standard of Land Rights in PSAK 216: Fixed Assets and PSAK 116: Leases

The interpretation provides guidance to determine whether the accounting for the land rights is scope of PSAK 116 or scope of PSAK 216. The substance of transaction and contractual rights and obligations is the main consideration instead of its legal form.

Shariah accounting standards

One of the accounting standard pillars in Indonesia is SAK Umum or General Financial Accounting Standards which also covers specific sharia transactions. IAI has a separate accounting sharia standard board (*Dewan Standar Akuntansi Syariah - DSAS*) who issues specific accounting rules for sharia transactions.

Specific matters that are covered in shariah accounting standards are sharia transactions that are applicable to the parties involved in the transactions. Currently, there are 15 accounting standards and two interpretations, as follows:

1. PSAK 401: Presentation of Sharia Financial Statements
2. PSAK 402: Murabahah Accounting
3. PSAK 403: Salam Accounting
4. PSAK 404: Istishna Accounting
5. PSAK 405: Mudharabah Accounting
6. PSAK 406: Musharakah Accounting
7. PSAK 407: Ijarah Accounting
8. PSAK 408: Accounting for Sharia Insurance Transaction
9. PSAK 409: Zakah and Infaq/Shadaqah Accounting
10. PSAK 410: Sukuk Accounting
11. PSAK 411: Wa'd Accounting
12. PSAK 412: Wakaf Accounting
13. PSAK 413: Impairment
14. PSAK 414: Impairment of Sharia Financial Assets for Entities Applying the Indonesian Financial Accounting Standards for Private Entities
15. PSAK 459: Accounting for Sharia Banking
16. ISAK 401: Deferred Murabahah Revenue Recognition Without Significant Inventory Risk
17. ISAK 402: Murabahah Receivable Impairment



For professional accounting advice, please contact:

Djohan Pinnarwan
djohan.pinnarwan@pwc.com

Irwan Lau
irwan.lau@pwc.com

Andri Effendi
andri.effendi@pwc.com

Helen Bagalanon
helen.b.bagalanon@pwc.com

Gayatri Permatasari
gayatri.permatasari@pwc.com

Iffah Busnia
iffah.busnia@pwc.com

PwC Indonesia

Jakarta
WTC 3
Jl. Jend. Sudirman Kav. 29-31
34th, 36th-43rd Floor
Jakarta 12920 - INDONESIA
T: +62 21 5099 2901 / 3119 2901
F: +62 21 5290 5555 / 5290 5050
www.pwc.com/id

Surabaya
Pakuwon Tower
Tunjungan Plaza 6, 50th Floor,
Unit 02-06
Jl. Embong Malang No.21-31
Surabaya 60261 INDONESIA
T: +62 31 9924 5759
www.pwc.com/id

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