



## PSAK 73 and Changes to the Structure of Financial Statements: Is Transparency Increasing or Just a Reclassification?

Gabriel Ananta<sup>1</sup>, Stevi Natasia Chandritike<sup>2</sup>, Yusnaini Yusnaini<sup>3</sup>

<sup>1,2,3</sup> Program Studi Akuntansi, Fakultas Ekonomi Universitas Sriwijaya,  
Jl. Srijaya Negara Bukit Besar Palembang, Sumatera Selatan

\*Penulis Korespondensi: [yusnaini@fe.unsri.ac.id](mailto:yusnaini@fe.unsri.ac.id)

**Abstract.** *The convergence of global accounting standards is driving fundamental changes in financial reporting through the adoption of IFRS-based standards aimed at improving the quality and transparency of corporate financial information. Modern lease accounting standards, based on IFRS 16, change the approach to recognizing lease transactions by requiring the recognition of right-of-use assets and lease liabilities in the company's statement of financial position. This change arose in response to the weaknesses of the previous standard, which allowed off-balance sheet financing practices, resulting in economic liabilities not being fully reflected in the balance sheet. This study aims to evaluate whether changes in the structure of financial statements resulting from the adoption of modern lease standards actually improve financial statement transparency or merely represent a change in the classification of accounting presentation. The research method uses a systematic literature review of international academic research related to the impact of IFRS 16 on the quality of financial reporting and corporate financial ratios. The results of the study indicate that the implementation of IFRS 16 generally improves financial statement transparency by increasing the disclosure of economic liabilities and improving the quality of corporate leverage information. However, this standard also increases reporting complexity and expands management's judgment room in estimating lease terms and discount rates.*

**Keywords:** PSAK 73, IFRS 16, Financial Report Transparency, Lease Accounting, Quality of Financial Reporting, IFRS Convergence, Off-balance Sheet Financing

### 1. INTRODUCTION

The convergence of global accounting standards through the adoption of International Financial Reporting Standards (IFRS) is a systematic effort to improve the transparency, comparability, and quality of financial reporting information across jurisdictions. One of the most significant reforms in the last decade was the adoption of IFRS 16 Leases, which fundamentally changed the accounting treatment of lease transactions. This standard replaced IAS 17 by eliminating the operating lease classification for lessees and requiring the recognition of almost all lease contracts as right-of-use assets and lease liabilities in the statement of financial position. This reform was designed to address the practice of off-balance sheet financing, which had previously allowed companies to report lower levels of leverage than their actual economic exposure (IFRSs, 2016) .

Prior to the adoption of IFRS 16, most lease contracts—particularly in asset-intensive sectors such as transportation, retail, and telecommunications—were classified as operating leases and disclosed only in the notes to the financial statements. Consequently, long-term contractual obligations were not explicitly reflected in the balance sheet, potentially creating distortions in the measurement of leverage and financial risk. With lease capitalization, IFRS 16 significantly changes the structure of the statement of financial position by increasing a company's total assets and total

liabilities. Empirical evidence shows that the adoption of IFRS 16 leads to a material increase in leverage ratios and changes in capital structure, particularly in entities with high lease intensity (Lopes & Penela, 2025).

These changes are not limited to the balance sheet but also impact the income statement and performance ratios. The reclassification of lease expense into depreciation and interest expense results in a mechanical increase in EBITDA, although not accompanied by changes in operating cash flow (Lopes & Penela, 2025). This impact has direct implications for profitability, solvency, and operational performance indicators frequently used by investors and creditors in their decision-making processes. Other research indicates that after the adoption of IFRS 16, liquidity and profitability ratios undergo significant changes, which in some cases impact the interpretation of corporate risk (Morozova & Tarasova, 2023). Furthermore, the increased recognition of liabilities in the balance sheet also impacts indicators such as return on assets (ROA) and the debt ratio, potentially altering market perceptions of a company's financing structure (Balasem, 2024).

While IFRS 16 conceptually aims to increase transparency by expanding the recognition of contractual obligations, academic literature reveals debate over the extent to which these changes actually improve information quality. On the one hand, lease capitalization increases

## **2. LITERATURE REVIEW**

### **Financial Report Transparency**

Financial report transparency is a qualitative characteristic that indicates the extent to which reports present relevant, reliable, and verifiable information to support economic decision-making by stakeholders. Transparency is closely associated with the reduction of information asymmetry between management and investors through higher disclosure quality and clearer presentation of financial information. The adoption of global reporting standards increases disclosure depth, accuracy, and comparability, thereby improving the usefulness of accounting information for users of financial statements (Lotfi et al., 2025).

The global implementation of IFRS aims to harmonize accounting standards and produce more consistent financial reporting across companies and jurisdiction. Harmonization reduces diversity in reporting practices and increases investor confidence in published financial information. IFRS enhances the transparency and comparability of financial reports through the application of uniform accounting principles and improved disclosure standards (Gardi et al., 2023). Other evidence also indicates that comparability gains are more visible in markets with stronger enforcement mechanisms (Białek-Jaworska et al., 2022).

Furthermore, cross-country research indicates that IFRS adoption is positively associated with higher levels of mandatory disclosure and broader voluntary disclosure practices. Companies operating under stricter regulator and supervisory regimes tend to demonstrate greater reporting transparency after IFRS adoption due to institutional pressure and monitoring intensity. Empirical findings show that regulatory strength and enforcement quality moderate the transparency benefits derived from IFRS convergence (González Muñoz et al., 2025). This indicates that standards alone are insufficient without supporting governance and oversight structures (Gardi et al., 2023).

IFRS has also been shown to increase stakeholder trust in financial reports by improving information quality and reducing information asymmetry. Higher trust levels contribute to lower perceived information risk and can influence capital allocation decisions in financial markets. Transparency improvements are associated with better analyst forecast accuracy and more stable valuation assessments after IFRS convergence (Białek-Jaworska et al., 2022). These findings position IFRS not only as a technical reporting framework but also as a strategic legitimacy instrument in global capital markets (Gardi et al., 2023).

The development and oversight of IFRS standards globally are carried out by the IFRS Foundation, which seeks to ensure that international accounting standards enhance reporting quality, transparency, and accountability worldwide. Standard-setting due process emphasizes disclosure usefulness and faithful representation of economic substance. Evaluation reports on major standards also highlight that transparency improvements are expected to arise from better recognition of economic obligations and clearer disclosure structures, although they may be accompanied by increased reporting complexity (Dhokare, 2023).

### **Evolution Lease Accounting Modern**

The development of modern lease accounting was driven by the need to address the limitations of the previous standard, which allowed companies to conceal economic liabilities through off-balance sheet classification of operating leases. Under the earlier model, many long-term lease commitments were disclosed only in the notes and not recognized in the statement of financial position, which reduced the faithful representation of financial obligations. Academic and professional analyses conclude that this treatment weakened leverage assessment and distorted solvency indicators used by investors and creditors (Lopes & Penela, 2025).

The modern lease standard introduces a single recognition model for leases that requires recognition of right-of-use assets and lease liabilities for nearly all lease contracts. This model is designed to improve comparability and ensure that financial statements reflect the economic substance of lease transactions rather than their legal form. Standard impact evaluations show that capitalization of leases substantially changes reported assets, liabilities, and expense patterns, thereby increasing balance sheet transparency (Susanti et al., 2021).

Empirical research shows that adoption of the new lease standards increases the transparency of lease-related information and reduces information gaps between firms with different leasing strategies. Studies document improvements in analyst forecast accuracy and more consistent interpretation of financial risk after lease capitalization is applied. The new-model also provides more decision-useful data for evaluating long-term commitments and financing structures (Białek-Jaworska et al., 2022).

Beyond traditional financial reporting metrics, recent studies indicate that expanded lease recognition and disclosure also influence non-financial evaluation dimensions such as ESG and risk transparency indicators. Firms with high lease intensity show measurable changes in external transparency scores and risk assessments after implementation of the modern lease standards. These findings indicate that lease accounting reform has broader governance and market-perception consequences, not merely technical reporting effects (Balasem, 2024).

### **Impact of IFRS 16 on the Structure of Financial Statements**

The implementation of IFRS 16 significantly alters the structure of companies' financial statements, primarily through the increased recognition of assets and liabilities resulting from the capitalization of operating leases. Empirical evidence indicates that following the adoption of IFRS 16, companies experience notable increases in total assets, liabilities, EBITDA, and interest expense (Lopes & Penela, 2025). This change is particularly pronounced for firms with substantial lease obligations, as previously off-balance sheet arrangements are now fully recognised on the statement of financial position (Chung, 2022).

The capitalization of operating leases modifies key financial ratios, including leverage and liability-to-asset ratios, which directly affect the perception of credit risk and the valuation of the company by investors and creditors (Chung, 2022). As a result, financial analysts and stakeholders are required to adjust their evaluative techniques, accounting for shifts in solvency, profitability, and liquidity metrics due to the recognition of lease liabilities (Lopes & Penela, 2025). This adjustment enhances the economic representation of the company, providing a more transparent view of obligations, but it may also alter market perceptions of financial stability and risk exposure.

IFRS 16 also addresses prior weaknesses in accounting standards that allowed firms to manipulate financial ratios through the classification of operating leases. By mandating the recognition of lease liabilities directly on the balance sheet, the standard improves the quality and reliability of information available to investors and creditors in assessing a company's financial position (Lopes & Penela, 2025). Recent studies further demonstrate that the adoption of IFRS 16 has implications beyond financial reporting, influencing managerial decision-making related to capital structure, investment strategies, and lease versus buy decisions, thereby impacting overall corporate governance and strategic planning (Sura & Ventura, 2024).

Additionally, research indicates that the adoption of IFRS 16 enhances comparability between different accounting regimes by bringing lease liabilities onto the balance sheet, which narrows information asymmetry and improves cross-border financial report comparability (Altamuro et al., 2025). The IFRS Foundation has also noted that the recognition of right-of-use assets and lease liabilities reduces opportunities for off-balance-sheet financing and contributes to more faithful representation of financial obligations, thereby strengthening transparency for investors and creditors (IFRSs, 2016).

### **3. RESEARCH METHODS**

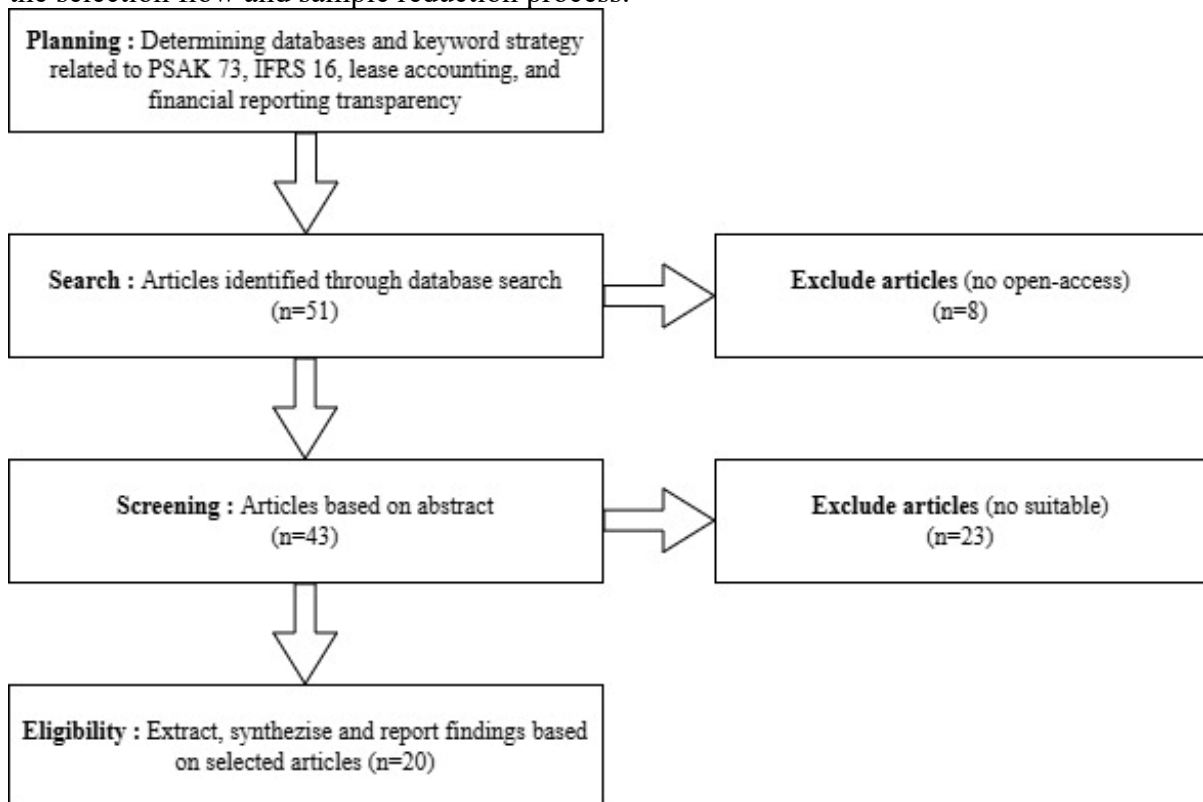
This study applies a qualitative approach using the Systematic Literature Review (SLR) method to critically evaluate prior academic research concerning the implementation of PSAK 73 as the Indonesian adoption of IFRS 16 and its impact on the structure and transparency of financial statements. The SLR approach was selected because it enables a structured, transparent, and replicable process in identifying, selecting, and synthesizing relevant scholarly evidence. Through this method, the study aims to consolidate empirical findings, identify patterns of consistency or contradiction in the literature, and assess whether the structural changes introduced by IFRS 16 represent substantive transparency improvements or merely accounting reclassification effects.

The literature search was conducted using academic databases indexed in Scopus, Google Scholar, and other internationally recognized journal repositories using Publish or Perish application. The search process employed specific keywords aligned with the

research objectives, including: “IFRS 16,” “PSAK 73,” “lease accounting,” “financial statement structure,” “financial report transparency,” “off-balance sheet financing”. The search period was limited to publications from 2021 to 2025, reflecting the period following the issuance and implementation phase of IFRS 16.

To ensure relevance and quality, several inclusion and exclusion criteria were applied. The inclusion criteria consisted of: (a) peer-reviewed journal articles; (b) empirical or analytical studies examining IFRS 16 or PSAK 73; (c) research discussing financial statement structure, financial ratios, transparency, or reporting quality; and (d) publications written in English or Indonesian. The exclusion criteria included: (a) articles not accessible in full text; (b) studies not directly related to lease accounting reform; (c) conference abstracts without complete methodological explanation; and (d) duplicated records across databases.

The identification stage initially produced a pool of relevant articles obtained from database searches. After removing duplicate entries and inaccessible documents, the remaining articles were screened based on titles and abstracts to assess alignment with the research focus. Studies that did not specifically address the structural or transparency implications of IFRS 16 were excluded at this stage. The remaining full-text articles were then evaluated in depth to determine their methodological rigor, research relevance, and contribution to the debate on transparency versus reclassification. A structured summary of the database search and article screening procedure is presented in Figure 1 to clarify the selection flow and sample reduction process.



**Figure 1.** SLR Protocol Information Sources

The final selection consisted of studies that explicitly examined the impact of IFRS 16 or PSAK 73 on balance sheet recognition, leverage ratios, profitability indicators, disclosure quality, and market perception. The selected literature was then analyzed through qualitative synthesis by categorizing findings into two major

perspectives: (1) evidence supporting increased transparency and improved faithful representation, and (2) evidence suggesting that observed changes largely reflect mechanical accounting reclassification without altering underlying economic substance.

The overall screening process can be summarized in four sequential stages: planning and database selection; identification of articles through keyword search; screening and eligibility assessment based on inclusion–exclusion criteria; and final synthesis of selected studies. This structured procedure ensures methodological transparency and enhances the reliability of the conclusions drawn regarding whether PSAK 73 represents a substantive improvement in financial reporting quality or primarily a structural accounting adjustment.

#### 4. RESULT & DISCUSSION

##### Journal classification based on Identity, Index and Number of Journals

In Table 1, the researchers classified the selected journals based on their identity, indexing status, and number of articles to ensure the academic credibility, validity, and relevance of the literature utilized in this study. The journal selection process was conducted systematically by prioritizing internationally reputable and indexed journals to establish a strong theoretical and empirical foundation for the research. Through a rigorous screening procedure, a total of 20 peer-reviewed articles published between 2021 and 2025 were identified and analyzed based on their relevance to the research topic and contribution to recent scholarly discussions.

**Table 1.** Journal Identity and Number of Articles

NO	Journal Name	Index Journal	Total Article	Percentage
1	Review of Accounting Studies	Q1	1	5%
2	Sustainability	Q1	1	5%
3	Cogent Business & Management	Q2	1	5%
4	Educational Administration: Theory and Practice	Q2	1	5%
5	International Journal of Management and Economics	Q2	1	5%
6	International Journal of Financial Studies	Q2	1	5%
7	Journal of Risk and Financial Management	Q2	1	5%
8	Advances in Accounting	Q2	1	5%
9	Review of International Geographical Education	Q2	1	5%
10	Jurnal Ekonomi, Manajemen, dan Akuntansi	SINTA	1	5%
11	Jurnal Ilmiah Manajemen Kesatuan	SINTA	1	5%
12	Gema Wiralodra	SINTA	1	5%
13	Economia Aziendale Online – Business and Management Sciences International Quarterly Review	Google Scholar	1	5%
14	European Journal of Applied Business Management	Google Scholar	1	5%

15	Bulgarian Journal of International Economics and Politics	DOAJ	1	5%
16	E3S Web of Conferences	Proceedings	1	5%
17	Advances in Economics, Business and Management Research	Proceedings	1	5%
18	Research Journal of Finance and Accounting	Others	1	5%
19	World Economics & Finance Bulletin (WEFB)	Others	1	5%
20	Global Research in Economics and Advanced Theory (GREAT) Journal	Others	1	5%

### Journal Index Identification

Based on Table 2, it can be seen that the selected articles are distributed across several journal index categories, including Scopus-indexed journals (Q1 and Q2), SINTA-accredited journals, Google Scholar, DOAJ, conference proceedings, and other indexed sources. The classification of the articles is presented in detail in the following table.

**Table 2.** Journal Index

No.	Index	Total	Percentage
1	Q1	2	10%
2	Q2	7	35%
3	SINTA	3	15%
4	Google Scholar	2	10%
5	DOAJ	1	5%
6	Proceedings	2	10%
7	Others	3	15%
	<b>Total</b>	<b>20</b>	<b>100%</b>

Analysis of the journal index distribution in Table 2 indicates that Q2-indexed journals represent the largest proportion of publications, contributing 7 articles or 35% of the total. This is followed by SINTA-indexed journals and journals categorized as Others, each contributing 3 articles or 15% respectively. Q1-indexed journals account for 2 articles or 10% of the total publications, demonstrating the inclusion of highly reputable international sources. Similarly, journals indexed in Google Scholar and conference proceedings each contribute 2 articles or 10%. Meanwhile, DOAJ-indexed journals contribute 1 article or 5% of the total. Overall, the distribution reflects a balanced composition of internationally indexed journals, nationally accredited journals, and other scholarly sources supporting the research framework.

### Dependent Variable

The dependent variable is the variable that is influenced by the independent variable. It is measured to determine whether changes in the independent variable have an impact on the outcome. The distribution of the dependent variables used in the selected 20 articles is presented in Table 3 below.

**Table 3. Dependent Variables**

No.	Dependent Variable	Number of Article	Percentage
1	Financial Performance / Financial Ratios	9	45%
2	Firm Value	3	15%
3	Financial Reporting Quality	2	10%
4	Earnings Management	2	10%
5	Stock Price	1	5%
6	Accounting Comparability	1	5%
7	Investment Decision	2	10%
	<b>Total</b>	<b>20</b>	<b>100%</b>

### Independent Variable

Independent variables are variables that influence or cause changes in other variables. In the context of this study, the independent variables identified in the selected 20 articles primarily relate to the implementation of IFRS 16/PSAK 73 and other supporting determinants such as corporate governance, firm characteristics, and macroeconomic factors. The distribution of the independent variables is presented in Table 4 below.

**Table 4. Independent Variables**

No.	Independent Variable	Number of Article	Percentage
1	IFRS 16 / PSAK 73 Implementation	12	60%
2	Corporate Governance	2	10%
3	Firm Characteristics (Size, Industry, Leverage)	3	15%
4	Macroeconomic Factors	1	5%
5	Profitability	1	5%
6	Ownership Structure	1	5%
	<b>Total</b>	<b>20</b>	<b>100%</b>

**Table 5. Research Result**

Author and Year	Results
(Altamuro et al., 2025), (Balasem, 2024), (Białek-Jaworska et al., 2022), (Chung, 2022), (Dhokare, 2023), (Gardi et al., 2023), (González Muñoz et al., 2025), (Ini & Damola, 2024), (Lopes & Penela, 2025), (Lotfi et al., 2025), (Purwitasari & Kuntadi, 2023), (Anwar, M. F., Indah, D. P., 2024), (Sura & Ventura, 2024), (Susanti et al., 2021), (Susiani et al., 2021), (Anwar, M. F., Indah, D. P., 2024), (Saputro, 2023), (Irsyadillah et al., 2024), (van Wyk & Enslin, 2025)	(+)
(Ardana, 2025), (Jayanti, 2022), (Morozova & Tarasova, 2023)	(-)
(+) Efek Positif, (-) Efek Negatif	

### Discussion

The implementation of IFRS 16 fundamentally transformed the structure of the statement of financial position by requiring companies to recognize right-of-use assets

and lease liabilities for nearly all lessee contracts. This recognition creates a significant shift because many lease arrangements that were previously categorized as operating leases and therefore kept off-balance sheet—must now be capitalized as liabilities. As emphasized by (Dhokare, 2023), this transition directly increases a firm's total assets and liabilities, reflecting a more faithful representation of economic obligations. Supporting this argument, (Białek-Jaworska et al., 2022) find that cross-country empirical evidence consistently shows a substantial escalation in reported balance sheet figures following lease capitalization, demonstrating the pervasive and structural nature of the standard's impact.

This recognition shift changes not only numerical balances but also the reporting boundary of obligations, because items that were previously disclosed narratively are now measured and recognized quantitatively. Recognition at the statement level increases analytical visibility compared to note-only disclosure (IFRSs, 2016). Evidence from Indonesian implementation also confirms that capitalization under PSAK 73 produces material balance sheet expansion effects across reporting entities (Susanti et al., 2021).

Empirical evidence from emerging markets further reinforces the substantive effect of IFRS 16, with studies documenting increases of approximately 12% in assets and 15% in liabilities after adoption, illustrating that the change extends beyond mere accounting presentation (Jayanti, 2022). In addition, IFRS 16 enhances visibility into long-term commitments, allowing stakeholders to better assess leverage and exposure to financial risks that were previously obscured under off-balance sheet reporting (Dhokare, 2023). These findings collectively suggest that IFRS 16 strengthens the reliability of financial information by ensuring that lease obligations are more transparently reported (Anwar, M. F., Indah, D. P., 2024).

These findings indicate that prior reporting frameworks understated contractual leverage exposure in recognized statements. Capitalization therefore reduces hidden obligation components that previously required external adjustment by analysts (Dhokare, 2023). Independent comparative studies also conclude that capitalization improves obligation visibility across firms using different leasing strategies (Lopes & Penela, 2025).

The adoption of IFRS 16 also reshapes solvency and capital structure analyses because lease liabilities are treated similarly to debt in contemporary financial evaluation frameworks. Negkakis (2025) highlights that this treatment directly influences solvency ratios and increases perceived financial leverage, particularly for firms with extensive lease dependence. Complementing this view, (Białek-Jaworska et al., 2022) show that industries such as retail, transportation, and hospitality experience the most pronounced effects, given their high lease intensity. Therefore, the empirical evidence strongly concludes that IFRS 16 induces significant structural adjustments to financial statements, improving the representation of economic liabilities and enhancing analytical accuracy (Dhokare, 2023).

One of the central objectives of IFRS 16 is to improve reporting transparency by mandating the recognition of lease commitments on the balance sheet. By doing so, IFRS 16 enhances the degree to which financial statements reflect the economic substance of transactions, a stark improvement from the previous standard which allowed extensive off-balance sheet financing (Balasem, 2024). This alignment with substance-over-form principles increases the clarity and reliability of reported financial information, reinforcing the role of IFRS 16 in elevating reporting quality across jurisdictions (Dhokare, 2023).

Beyond transparency, empirical research suggests that IFRS 16 contributes to improved capital market efficiency, as investors gain greater access to information regarding long-term financial obligations (Ardana, 2025). Enhanced comparability also emerges as a key benefit because the recognition model for leases becomes more standardized across firms and countries (Białek-Jaworska et al., 2022). Moreover, companies are now required to provide detailed disclosures, including discount rate assumptions, lease terms, and contract structures, further strengthening information depth and reducing asymmetry among financial statement users (Dhokare, 2023). These improvements collectively signify a substantial advancement in disclosure quality.

However, the increased transparency introduced by IFRS 16 also brings heightened complexity, as the standard requires management to apply significant judgment when determining lease terms, discount rates, and renewal assumptions. This judgment-intensive process increases the risk of variability in interpretation across entities (Balasem, 2024). Despite this complexity, IFRS 16 still offers a notable improvement in reporting quality because the disclosures and recognition principles yield richer information compared to the previous lease accounting framework (Dhokare, 2023). The trade-off between transparency and complexity thus becomes a key consideration for preparers and regulators.

The adoption of IFRS 16 also exerts a direct influence on financial ratios, particularly leverage indicators, as lease liabilities now form part of the company's total debt. Magli et al. (2018) demonstrate that this inclusion increases debt ratios and alters solvency assessments, potentially affecting credit evaluations and borrowing capacity. Profitability ratios are also impacted, with metrics such as ROA declining due to the expanded asset base required under the capitalization model (Jayanti, 2022). These empirical outcomes indicate that IFRS 16 produces tangible economic consequences on performance measurement beyond accounting reshaping.

Interestingly, some operating metrics show improvement under IFRS 16. For example, EBITDA typically increases because operating lease expenses are replaced by depreciation and interest components (PwC, 2016). However, the degree of impact varies substantially across companies depending on initial leverage levels and the intensity of lease utilization (Negkakis, 2025). Cross-country evidence confirms that the shifts in financial ratios under IFRS 16 influence investor perceptions of risk and can consequently shape investment decisions (Jayanti, 2022). Combined, these findings underscore that IFRS 16 carries real and material effects on performance assessment (Białek-Jaworska et al., 2022).

Although IFRS 16 does not alter the underlying cash flows of a firm, it modifies the presentation and classification of lease transactions in financial statements. This change in presentation significantly affects analytical interpretations of leverage, profitability, and solvency, underscoring how financial statement structure influences decision-making (Dhokare, 2023). Supported by evidence from multiple jurisdictions, (Białek-Jaworska et al., 2022) emphasize that shifts in analytical outcomes stem from the new recognition requirements rather than changes in economic reality. Consequently, IFRS 16 can be regarded as a substantive enhancement to reporting quality rather than a mere technical reclassification (Balasem, 2024), as it materially strengthens users' ability to evaluate long-term risks and economic obligations.

## 5. COCLUSION & SUGGESTIONS

### Conclusion

The implementation of PSAK 73, as the Indonesian adoption of IFRS 16, has brought substantial improvements to the transparency and reliability of financial reporting. By requiring companies to recognize right-of-use assets and lease liabilities, the standard enhances the visibility of long-term commitments that were previously not presented on the balance sheet. This shift allows stakeholders to obtain a clearer understanding of a company's leverage, financial risk, and overall capital structure.

Although the standard introduces higher reporting complexity and demands greater managerial judgment particularly in determining discount rates, lease terms, and renewal assumptions the overall benefits to reporting quality are significant. PSAK 73 contributes to more faithful representation of economic obligations and strengthens the usefulness of financial statements for decision-making. In essence, PSAK 73 serves as a substantive improvement in reporting quality rather than a mere technical adjustment to accounting presentation.

### Suggestions

Future research is encouraged to further explore how the adoption of PSAK 73 influences earnings quality and earnings management practices, given the increased reliance on managerial estimates within the standard. Studies focusing on industry-specific impacts would also provide valuable insights, as the magnitude of the standard's effects may vary across sectors with different leasing intensities.

Additionally, expanding research across countries would help identify how institutional environments, regulatory enforcement, and market characteristics influence the outcomes of IFRS 16 adoption. Future studies could also investigate how investors, lenders, and analysts respond to the structural changes introduced by the standard, particularly in terms of risk assessment, valuation, and investment decision-making.

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