Journal of Contemporary Information Technology,
Management, and Accounting
Vol. 1 No. 1, Jan 2021
ISSN: 2715-677X (online)
pp. 17-27

Effect of Application of PSAK 69: Agriculture on Assets Biological against the Company Value of Agro-Industry in Indonesia Stock Exchange

Yussi Stiefania[1]

[1)] *Uiversitiy of Jember, Kalimantan St. II/24, Tegalboto, Jember, 68121, East Java, Indonesia*
Email: yussi.stiefania@gmail.com

ARTICLE INFO

Article history:
Received: 8 January 2021
Revised: 30 January 2021
Accepted: 5 February 2021

Key words:
Agroindustry, Fair Value, PSAK 69, Value of Companies.

ABSTRACT

The treatment of biological assets has undergone a transformation which was previously measured using a cost-based approach, until January 1, 2018, the new rules of PSAK 69: Agriculture were effectively enforced, which implies fair value-based implementation. The existence of this new policy can affect several aspects of the company both in policy and in financial aspects, namely the resulting gain and loss on adjustments to biological assets. This will potentially affect the value of a company. This study reveals the facts related to whether there is an effect of the impact of the application of PSAK 69 on the value of the company that applies it. The quantitative approach is used and supported by secondary data collected through documentation techniques. The research sample was selected by purposive sampling method. The population of the research data was 21 agro-industrial companies listed on the IDX. Then as many as 15 companies (firm years) were declared to meet the sample criteria. This study is accompanied by two control variables: leverage and profitability. Data processing using statistical applications includes descriptive statistical test analysis techniques, classical assumption test, linear regression test, and hypothesis testing. The conclusions found by researchers are that there is a significant positive effect of the application of PSAK 69 on the value of agro-industrial firms, as well as the influence of leverage and profitability on firm value. Thus, the application of PSAK 69 can affect the increase or decrease in the value of agro-industrial companies.

1. INTRODUCTION

Indonesia's abundant natural resource potential has an impact on the prospects for the agricultural sector industry. As a result, many agricultural companies in Indonesia have succeeded in becoming leading companies with quite attractive performance for investors. This is evidenced by the floors of several agricultural companies in the capital market, namely the Indonesia Stock Exchange. To ensure the quality of financial report information, the Indonesian Institute of Accountants (IAI) as the regulatory agency regulates several standards contained in Financial Accounting Standards (SAK) so that companies in Indonesia can use them as guidelines in preparing their financial reports. PSAK No. 1 (Revised 2015) implies several conceptual rules for the presentation of corporate financial statements in general. In addition, the IAI Financial Accounting Standards Board (DSAK IAI) responded to the needs of agricultural companies by

adopting IAS 41: Agriculture and then presenting a new PSAK related to the treatment of biological assets which on December 16 2015 was outlined in PSAK 69: Agriculture. The PSAK 69 will be effective for agricultural companies in Indonesia as of January 1, 2018.

In PSAK 69 paragraph 11, it suggested that companies measure their biological assets using the fair value approach (fair value) before deducting the cost of sales. Where previously, it was not clearly stated in the PSAK regarding the measurement of biological assets and the company ended up using the method historical cost in measuring its biological assets. The existence of this transformation will certainly affect the increase or decrease in the value of the entity's biological assets. Profits or losses on the valuation of biological assets will be recognized in the company's income statement later. The effect of the implementation of PSAK 69 on company profits also indicates an impact on the overall performance of the company, both liquidity, solvency and profitability. In the eyes of investors and potential investors, financial performance will tend to be highlighted which will later be used as one of the considerations in making investment decisions. This is because the financial performance is considered capable of projecting the returns that investors will get.

Several studies later reflect that financial performance can be comprehensively reflected in firm value because financial performance is one of the factors that influence the size of the firm's value. Thus, it means that the adoption of PSAK 69 will have the potential to affect company value, especially the agricultural sector (Romadoni 2020) which reveals that the application of PSAK 69 has been empirically proven to have an effect on financial performance, especially the profitability ratio. This means that the application of PSAK 69 can also affect the increase or decrease in company value. However, this is not in line with the research results (Fachmi 2020) showing that there is no difference between profitability before and after the implementation of PSAK 69 in agricultural companies. This means that there is no effect of the application of PSAK 69 on financial performance and of course also on company value. In addition, currently in Indonesia in particular, literature related to empirical studies whether or not the effect of the application of PSAK 69 on firm value is still not available because it has only been implemented for almost 3 years since January 1, 2018.

So based on the background description above, it shows the inconsistency of previous research. and the unavailability of research related to the effect of the application of PSAK 69 on firm value, the authors are motivated to conduct research with the title "Effect of application of PSAK 69: Agriculture on Assets Biological against the Company Value of Agro-Industry in Indonesia Stock Exchange" which is expected that this research can provide evidence. empirical related to whether or not there is an effect of the impact of the application of PSAK 69 on the value of agro-industrial companies on the IDX.

As a reference in the formulation of the research hypothesis, the researcher first determines the research variables that will be used. The variables used in this study include the dependent variable, the independent variable, and the control variable. In this study, the dependent variable used is firm value. The firm value is proxied by the company's Price Book Value (PBV). PBV was chosen because, according to investors' perceptions, stock prices are identical and related to the value of a company. According to (Pratiwi 2018) the higher the PBV ratio indicates that the entity has prospects for investment in the future.

In this study, the independent variable used is the impact of the application of PSAK 69: Agriculture. Measurement of variables is based on the difference in the value of rupiah over adjustments to biological assets due to the implementation of PSAK 69. The measurement method is as applied (Sodan

2015). The control variables in this study include leverage and profitability. The Control variable was leverage chosen by the researcher because it has a positive effect on firm value, meaning that the higher the leverage or company funding that comes from debt, the higher the value owned by the company. This is as research (Rudangga dan Sudiarta 2016) along with (Suwardika dan Mustanda 2017) that leverage has a significant effect on firm value. In this case, the company's leverage is proxied by the Debt to Equity Ratio (Mboka dan Cahyono 2020).

The profitability control variable was chosen by the researcher because it could affect the increase or decrease in firm value. The higher the profitability (profitability), the higher the firm value (Kusuma, Suhadak, dan Arifin 2013). In this case, profitability is proxied by the ratio Return on Equity (ROE) which is in line with research (Lubis, Sinaga, dan Sasongko 2017) and (Lumoly, Murni, dan Untu 2018) which use ROE as a proxy for company profitability.

Based on the exposure to the types of variables used in the study, the hypotheses formulated to be tested in this study are as follows: The effect of PSAK 69 (X1), Leverage (X2), and Profitability (X3) on firm value (Y)

H1: The impact of implementing PSAK 69 has a positive effect on firm value (PBV)

H2: Leverage (DER) has a positive effect on firm value (PBV)

H3: Profitability (ROE) has a positive effect on firm value (PBV)

Based on the background that has been described, this study seeks to examine the problem, namely whether there is an effect of the application of PSAK 69: Agriculture on biological assets on the value of agro-industrial companies in the Indonesia Stock Exchange.

Based on the background and problem formulations described above, the objective to be achieved in this study is to examine the effect of the application of PSAK 69: Agriculture on biological assets on the value of agro-industrial companies in the Indonesia Stock Exchange.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

Signaling Theory

Signaling theory talks about managers who use accounts in financial statements to signal the company's future expectations and goals (Godfrey et al. 2006). This theory contains how actions should be taken by companies to provide signals to users of financial statement information including various information related to what activities have been carried out by company management in order to realize company owner expectations along with various other information indicating that the company has added value. better than other companies. In addition, signal theory also provides an explanation for the reasons why companies have the motivation to present financial statement information to external parties. This motivation or motivation is the result of information asymmetry between the company and external parties, where the amount of information held by the company regarding future prospects is more than that owned by external parties.

Due to the information asymmetry, external parties have the potential to tend to underestimate the company in response to their protection from potential risks. However, companies can still maintain or even increase their company value by minimizing the asymmetry of the information. The method used by the company is to provide signals to external parties through the media in the form of reliable and relevant financial statement information which in turn reduces external parties' concerns about the uncertainty of the company's future prospects. Positive signals from the organization are expected to get a positive response from the market, this will provide a competitive advantage for the company and provide higher value for the company (Suastyani dan Wirajaya 2019).

The information that will be received by investors through the financial statements issued by the company will first be translated into a good signal (good news) or a bad signal

(bad news). On the one hand, if the implementation of new regulations affects the increase in asset value and has an impact on increasing profit as well as company value, then the information will be classified as a form of positive signal (good news) because it reflects the good condition of the company. Likewise, on the other hand, if the implementation of new regulations tends to reduce the value of assets and result in decreased profits and even company value, then the information will be responded to and interpreted as bad news because the company is in a bad condition.

PSAK 69 Agriculture

PSAK 69 concerning Agriculture which was officially approved by the Financial Accounting Standards Board of the Indonesian Institute of Accountants (DSAK IAI) on 16 December 2015 is a form of adoption of IAS 41 Agriculture. Meanwhile, the effective enforcement of PSAK 69: Agriculture only started on January 1, 2018. For the enactment of this PSAK, agricultural companies have standards comparable to the treatment of biological assets as well as agricultural products and activities in financial reports which include recognition, measurement, and disclosure. Scope of PSAK 69: Agriculture includes:

1. Biological assets, except productive plants.
2. Agricultural products at the point of harvest.
3. Unconditional government grants related to biological assets measured at fair value less costs to sell are recognized in profit or loss if and only if the government grant becomes receivable.

Recognition of biological assets based on PSAK 69 is that if the assets meet several criteria, namely the entity controls biological assets as a past event, the future economic benefits are likely to flow to the entity, and the biological assets can be measured at fair value or cost reliably.

After PSAK 69 becomes effective, biological assets are required to be measured using the fair value approach. (Ikatan Akuntan Indonesia 2018b) discloses that biological assets are measured at initial recognition and at the end of each reporting period at fair value less costs to sell, except for cases where fair value cannot be measured reliably. PSAK 69 (2018) also states, agricultural products harvested from biological assets are measured at fair value less costs to sell at the point of harvest. An entity shall disclose the combined gain or loss arising during the period on the initial recognition of biological assets and agricultural products, and from changes in fair value less costs to sell biological assets.

The Impact of PSAK 69 on Financial Statements

Since the adoption of PSAK 69, recognition, measurement and reporting of biological assets uses the fair value approach basis, whereas prior to the application of PSAK 69 the approach used historical cost. The impact, of course, causes an increase or decrease in the value of biological assets. Finally, at the end of the financial reporting year, there will be an unrealized gain or loss on the increase or decrease in the value of biological assets.

PSAK 68: Fair Value (2015)

PSAK 68 (2015) defines that fair value is the price received to sell an asset or the price to be paid to transfer a liability in an orderly transaction between market participants at the measurement date. (Ikatan Akuntan Indonesia 2018a) also regulates the existence of a fair value hierarchy consisting of 3 levels of input, as follows:

1. Input Level 1
   Input Level 1 is an unadjusted accounting price in an active market for assets or liabilities that are identical (similar) and accessible to the entity on the measurement date. Quoted prices in active markets provide the most evidence reliable of fair value and are used without adjustment to measure fair value.
2. Level 2
   Input Level 2 is input other than the quoted price included in Level 1 for assets

and liabilities, both directly and indirectly observed.

3. Level 3
   Inputs Level 3 are unobservable inputs for an asset or a liability. Unobservable input is used in fair value measurement to the extent that the relevant observable input is not available.

Company Value

According to (Rudangga and Sudiarta 2016), company value is a certain condition that has been achieved by a company as a reflection of public trust in the company after going through a process of activity for several years, namely from the time the company was founded to date. An increase in company value can be achieved if there is cooperation between company management and other parties including shareholders and stakeholders in making financial decisions with the aim of maximizing their working capital (Sukirni 2012). Later, the increase in company value will simultaneously send a signal to external parties through reporting accounting information that shows that the company is in good or profitable condition and is able to provide a positive picture regarding the company's future prospects. Firm value can be seen through the market value of the company's book value data from its equity (Manoppo dan Arie 2016).

Leverage

According to (Febryanti, Sayekti, and Agustini 2020) Leverage is a measurement that shows how much the level of assets is financed by debt. Leverage itself is also a tool for companies to achieve an increase in capital so that they can increase company profits. The increase and decrease in the level of debt has an influence on the market valuation of the company. In addition, research (Salehi dan Manesh 2012) states that there is a positive and significant relationship between leverage and firm value, as well as research results (Lim 2012) which states that leverage has a positive and significant effect on firm value.

Profitability

According to (Tandelilin 2010) one of the important indicators to assess the company's prospects in the future is to see the extent to which the company's profitability has grown. So it can be concluded that profitability is a form of measure for a company's ability to generate profits from its operational activities during a certain period. The size of the profitability generated by a company can affect the value of the company by looking at profitability as the size and performance of the company which is shown from the profit generated by the company (Rudangga dan Sudiarta 2016). Based on the results of research (Nurmayasari 2012) and (Almajali, Alamro, dan Al-Soub 2012), it was found that profitability has a positive influence on firm value. The influence was allegedly due to positive investor sentiment which led to an increase in stock prices so that the company value increased.

3. RESEARCH METHOD

Based on the type of data to be studied, the type of research to be carried out is descriptive verification. The approach used in this research is a quantitative approach method. The technique or method used to collect data in this study is the documentation technique. This study contains a total of four variables, namely the independent variable is the impact of the application of PSAK 69, the dependent variable is firm value, and the control variable is leverage and profitability.

In this study, the type of data that will be used is secondary data obtained from the company's financial statements agro-industrial sector in 2018-2019 were downloaded from the page namely Indonesia Stock www.idx.co.id Exchange Price Book Value data as a proxy for company value is obtained from the IDX Fact Book and IDX Annually Statistic for the 2018-2019 financial statements.

The population in this study is the annual financial statements of the agro-industrial sector companies in 2018-2019, namely 20 financial reports. The sample selection in this study was based on the

method nonprobability sampling with purposive sampling technique. The criteria considered for determining the sample in this study include the following:

Companies engaged in the agro-industry sector and are listed on the Indonesia Stock Exchange and have published financial reports for a full period in 2018-2019.

1. Agro-industrial sector companies present reports financial in rupiah units.
2. Agro-industrial sector companies that have implemented PSAK 69: Agriculture for the 2018-2019 financial statements.
3. Agro-industrial sector companies have biological assets that are managed.
4. Agro-industrial sector companies that have applied fair value to the measurement of their biological assets and agricultural products.

This research uses data analysis methods with tools software IBM SPSS Statistic Version 23in testing the data. Some of the data testing steps are as follows:

1. Descriptive Statistical Analysis
2. Classical Assumption
   a. Test Normality
   b. Test Heteroscedasticity
   c. Test Multicollinearity
   d. Test Autocorrelation
3. Test Linear Regression Test Here is the general form of the equation of the linear regression test that will be used by researchers:
   Y = a +b1X1+b2X2+b3X3+ e
   Description:
   Y : Value Company
   X1 : Impact of Application of SFAS 69
   X2 : Leverage
   X3 : Profitability
   a : Constant
   b : Regression coefficients
   e : Error
4. Hypothesis
   a. The coefficient of determination (R2)
   b. Test F (ANOVA)

4. RESULT AND DISCUSSION

This study uses secondary data sources, namely financial report data published byAgriculture sector companies *Go Public* in Indonesia, *IDX Annually Statistic*, and *dataIDX Fact Book data* in 2018-2019. Based on the sample criteria, the company data that meet these criteria consist of 15 companies (*firm years*) as follows:

Table 1. List of Research Sample Companies

No	Share Code	Company Name
1	ANDI	Andira Agro Tbk.
2	AALI	Astra Agro Lestari Tbk.
3	UNSP	Bakrie Sumatera Plantations Tbk.
4	DSNG	Dharma Satya Nusantara Tbk.
5	BWPT	Eagle High Plantation Tbk.
6	BEEF	Estika Tata Tiara Tbk.
7	GZCO	Gozco Plantations Tbk
8	JAWA	Jaya Agra Wattie Tbk.
9	LSIP	PP London Sumatra Indonesia Tbk.
10	PALM	Provident Agro Tbk.
11	SIMP	Salim Ivomas Pratama Tbk.
12	SGRO	Sampoerna Agro Tbk.
13	SSMS	Sawit Sumbermas Sarana Tbk.
14	SMAR	SMART Tbk.
15	TBLA	Tunas Baru Lampung Tbk.

Source: www.idx.co.id

Testing Descriptive Statistical Analysis Test

Figure 1. Descriptive Statistical Test Results

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
X1_PSAK.69	30	-,0197	,0199	,001953	,0068948
X2_LEVERAGE	30	-10,314	7,945	1,09907	2,713141
X3_PROFITABILITAS	30	-,725	1,289	,03820	,369201
Y_NILAI.PERUSAHAAN	30	-,27	14,92	1,5098	2,61740
Valid N (listwise)	30				

Based on the results of research data processing, the data processed amounted to 30 data (*firm years*) derived from secondary data in 2018-2019 with 15 data samples each. Data for variable $X_{1,}$ namely the impact of PSAK 69 application, which is proxied by deflation of the fair value of biological assets, shows a minimum value of -0.197. This value represents the value of the company Eagle High Plantation Tbk. (BWPT) in 2019. As for

the maximum value, shown as 0.0199 is Gozco Plantations Tbk. (GZCO) for 2019. Furthermore, at X_2 thecontrol variable *leverage* which is proxied by DER shows a minimum value of -10.314 which comes from the company Bakrie Sumatra Plantations Tbk. (UNSP) for 2018 and the maximum value of 7,945 are company data from Jaya Agra Wattie Tbk. (JAWA) in 2019. For X_3, the profitability control variable proxied by ROE shows a minimum value of -0.725 belonging to the company Jaya Agra Wattie Tbk. (JAWA) in 2019, while the maximum value obtained was 1,289 at the Bakrie Sumatra Plantations Tbk. (UNSP) in 2018. Then the variable Y (PBV) shows the minimum value of -0.27, namely the data of the company Bakrie Sumatra Plantations Tbk (UNSP) in 2019, and the maximum value of 14.92 is the company data of Andira Agro Tbk. (ANDI) in 2018.

Next, the average (*mean*) value and standard deviation of variable X_1 The impact of the application of PSAK 69 shows the numbers of 0.001953 and 0.0068948 respectively. This value indicates that the standard deviation has a value above the average value, meaning that there is a gap between the maximum and minimum values for the variable. In the X Variable$_2$ (DER) the average value is 1.09907 and the standard deviation value is 2.713141, indicating the standard deviation value is above the average value which also means that there is a gap in the maximum and minimum value of the variable. Then for the Variable3 (ROE), the average value is recorded at 0.3820 with a standard deviation of 0.369201, so it can be concluded that the standard deviation value is below the average value where the gap between the maximum and minimum values of the variable is low. The Y variable, namely PBV, has an average value of 1.5098 and a standard deviation of 2.61740 so that the conclusion is that the standard deviation is above the average value or there is a gap in the minimum and maximum value of the variable.

Classical Assumption Test

After the classical assumption test was carried out, the test results showed that the research data did not meet the requirements, so the researcher transformed the data to obtain data that met the requirements. The transformation used in this research is the outlier data removal method. In the research data, it was found that 3 data needed to be deleted based on the outliers, namely the 1st, 13th, and 30th data. Therefore, the number of research samples after the elimination of outliers is 27 data. Furthermore, the classical assumption test was carried out again, and the results showed that the data still did not pass the autocorrelation test. So, the next data transformation is carried out using the technique Chocrane-Orcuttto improve the autocorrelation assumption. In the second transformation, the lag statistical formula is used, which is the difference between sample i and sample i - 1. As a result, the number of research samples processed is 26 data. The results of the second transformation show that the research data has met all the requirements of the classical assumption test.

Linear Regression Test Linear

A regression test is intended to determine whether or not the effect of two or more independent variables on the dependent variable. The following are the results of the linear regression test:

Figure 2. Linear Regression Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,799	,190		4,198	,000		
	Lag_X1	42,451	20,264	,512	2,095	,048	,519	1,925
	Lag_X2	,228	,077	1,145	2,944	,008	,205	4,881
	Lag_X3	1,402	,611	1,017	2,294	,032	,158	6,348

a. Dependent Variable: Lag_Y

The equations obtained through the results of linear regression are:

PBV = 0.190 + 42.451 (Impact of PSAK 69) +0.228DER+1.402 (ROE) + e

The constant has a value of 0.190 which means it is the amount firm value (PBV) when the value of the independent variable equals zero. The number of regression coefficients for variable X_1 is 42.451 which

means that every 1 increase in the impact value of the application of PSAK 69 also increases the PBV value by 42.451. In the X variable$_2$ of 0.228, it means that every 1 increase in the DER value will increase the PBV value of 0.228, as well as the X variable$_3$ of 1.402, indicating that every 1 increase in the ROE value can increase the PBV value by 1.402.

Hypothesis

The coefficient of determination Test (R2)

Test determination coefficient helpful to know how much the size of a model explains the dependent variables. Interpretation will be obtained through the terms when the value of R_2 is getting smaller, the more limited the ability of the variable. independentConversely, if the value of R_2 is getting closer to 1 the independent variables are able to explain the dependent variable is almost in its entirety. The following are the results of the determination coefficient test:

Figure 3. The results of the determination coefficient test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,799	,190		4,198	,000		
	Lag_X1	42,451	20,264	,512	2,095	,048	,519	1,925
	Lag_X2	,228	,077	1,145	2,944	,008	,205	4,881
	Lag_X3	1,402	,611	1,017	2,294	,032	,158	6,348

a. Dependent Variable: Lag_Y

The results of the determination coefficient test show the value of Adjusted R Square 0.225. This means that 22.5% of the independent variables, namely the impact of the application of PSAK 69, *leverage*, and profitability are able to explain the dependent variable, namely firm value, while the remaining 77.5% is explained or influenced by other factors outside the research.

F Test

A Simultaneous F test is used to determine whether all or one of the variables independent in the regression model has an influence on the dependent variable. The provisions that are considered in this test are if the significance value is <0.05, the independent variable simultaneously affects the dependent variable. The results of the F test can be observed in the following figure:

Figure 4. Simultaneous F Test Results

It is known from Figure 15 that the

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,564[a]	,318	,225	,52344	2,248

a. Predictors: (Constant), Lag_X3, Lag_X1, Lag_X2

b. Dependent Variable: Lag_Y

significance value is 0.035 <0.05, indicating that the independent variables in the regression model have an effect on the dependent variable.

T Test

The Partial t test aims to determine the extent of the influence of the independent variable on the dependent variable partially. The results of the partial t test with a significance of 5% are presented in the following figure:

Figure 5. Partial t test results

The effect of partially independent

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2,812	3	,937	3,421	,035[b]
	Residual	6,028	22	,274		
	Total	8,840	25			

a. Dependent Variable: Lag_Y

b. Predictors: (Constant), Lag_X3, Lag_X1, Lag_X2

variables on the independent variables is explained as follows:

1. Effect of the Impact of the Application of PSAK 69 (X_1) on Firm Value (Y)
   The test results show The significance value of the variable X_1 or the application of PSAK 69 is 0.048 <0.05, so that H_1 is accepted, meaning that there is a significant positive effect of the application of PSAK 69 on firm value.
2. Effect of *Leverage* (X_2) on Firm Value (Y)
   The significance value of variable X_2, namely *leverage*, shows a result of 0.008 <0.05, so it can be concluded that H_2 is accepted. In other words, there is a significant positive effect of *leverage* on firm value.
3. Effect of Profitability (X_3) on Firm Value (Y)
   Based on the results of the partial t test, the significance value for Xobtained$_3$ is or profitability of 0.032 <0.05. This shows that H_3 is accepted, which means that there

is a significanteffect positive between profitability on firm value.

The Effect of the Impact of the PSAK 69 Application Value Firm

Based on the results of the research analysis, it is found that the impact of the application of the PSAK 69 has a positive significant effect on firm value. It shows that the higher the value the impact of the application of SFAS 69 which in this case is to gain as a result of fair value adjustments will lead to an increase of the value of the company. These results are similar to the results of research (Fachmi 2020) which states that there is an increase in company value after the implementation of PSAK 69: Agriculture.

The Effect of Leverage on Firm Value The

Results of statistical test analysis show that *leverage* corporate has a significant positive effect on firm value, meaning that an increase in *leverage* will also result in an increase in firm value. Similar results are also found in research (Taniman dan Jonnardi 2020) which show that the results have an effect of *leverage* on the value of a company.

The Effect of Profitability on Firm Value The

Analysis of the results of the study states that profitability has a significant positive effect on firm value. This means that an increase in company profitability will be followed by an increase in firm value. These results are in line with the results of research conducted (Fauziah dan Sudiyatno 2020) and (Vanessa 2020) which state that firm value has a positive effect on firm value.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

Research This study tries to examine whether or not there is an effect of the impact of the application of PSAK 69, *leverage*, and profitability on firm value. The analysis of the regression model test results shows that there is a positive effect of the impact of the application of PSAK 69 on firm value. The next result is that there is a positive effect of *leverage* on firm value and there is an effect of profitability on firm value. It can be concluded that Ho in this study was rejected, or in other words, the independent variables have an influence on the dependent variable.

This study is expected to be able to provide several contributions, including providing additional knowledge and understanding of empirical evidence related to the effect of deregulation of biological assets based on PSAK 69 on the value of the agro-industrial sector *Go Public* in Indonesia, which can be used as an evaluation material and input for investors, namely in terms of information. companies related to the impact of the existence of PSAK 69 so as to increase the effectiveness of investment decision making and anticipate the failure of predictions, as well as being a form of positive contribution to the IAI Financial Accounting Standards Board to assess and evaluate as well as the basis for determining policies in the development of subsequent related PSAK. The limitations that the researchers found during the research process were when the sample formulation, from a total population of 20 companies, only 15 companies met the sample criteria, the independent variables selected by the researcher were also only able to have an influence of 22.5% on the dependent variable, then when the stage data processing, data abnormalities occurred in the first normality test and autocorrelation symptoms occurred in the second normality test.

For the limitations encountered by researchers, there are suggestions that researchers can convey for further research, namely the results of the study indicate that there are 77.5% of other variables that are not included in the regression model of this study, so it is necessary to consider the addition of other variables that may affect firm value. Furthermore, it is also necessary to adopt and understand data manipulation methods so that the data under study meets the data normality requirements.

REFERENCES

Almajali, Amal Yassin, Sameer Ahmed Alamro, dan Yahya Zakarea Al-Soub. 2012. "Factors Affecting The Financial Performance of Jordanian Insurance Companies Listed at Amman Stock Exchange." *Journal of Management Research* 4 (2): 266.

Fachmi, A. Hajar Nur. 2020. "Analisis Komparasi Manajemen Laba, Profitabilitas, dan Nilai Perusahaan Sebelum dan Sesudah Implementasi PSAK 69 (Studi Empiris pada Perusahaan Agrikultur yang Terdaftar di Bursa Efek Indonesia Periode 2017-2018)." Jember.

Fauziah, Izza Noor, dan Bambang Sudiyatno. 2020. "Pengaruh Profitabilitas dan Pertumbuhan Perusahaan Terhadap Nilai Perusahaan dengan Struktur Modal Sebagai Variabel Moderasi." *Dinamika Akuntansi, Keuangan dan Perbankan* 9 (2): 107–18.

Godfrey, Jayne, Allan Hodgson, Ann Tarca, Jane Hamilton, dan Scott Holmes. 2006. *Accounting Theory*. Australia: John Willey & Sons Australia, Ltd.

Ikatan Akuntan Indonesia. 2018a. *PSAK 68 Pengukuran Nilai Wajar*. Dewan Standard Akuntansi Keuangan.

———. 2018b. *PSAK 69 Agrikultur*. Dewan Standard Akuntansi Keuangan.

Kusuma, Ginanjar Indra, Suhadak Suhadak, dan Zainul Arifin. 2013. "Analisis Pengaruh Profitabilitas (Profitability) dan Tingkat Pertumbuhan (Growth) terhadap Struktur Modal dan Nilai Perusahaan (Studi pada Perusahaan Real Estate and Property yang Terdaftar di Bursa Efek Indonesia (BEI) Periode 2007-2011)." *Jurnal Administrasi Bisnis* 7 (2).

Lim, Thian Cheng. 2012. "Determinants of Capital Structure Empirical Evidence from Financial Services Listed Firms in China." *International Journal of Economics and Finance* 4 (3): 191–203.

Lubis, Ignatius Leonardus, Bonar M. Sinaga, dan Hendro Sasongko. 2017. "Pengaruh Profitabilitas, Sruktur Modal, Dan Likuiditas Terhadap Nilai Perusahaan." *Jurnal Aplikasi Bisnis dan Manajemen (JABM)* 3 (3): 458.

Lumoly, Selin, Sri Murni, dan Victoria N. Untu. 2018. "Pengaruh Likuiditas, Ukuran Perusahaan dan Profitabilitas terhadap Nilai Perusahaan (Studi pada Perusahaan Logam dan Sejenisnya yang Terdaftar di Bursa Efek Indonesia)." *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi* 6 (3): 1108–17.

Manoppo, Heven, dan Fitty Valdi Arie. 2016. "Pengaruh Struktur Modal, Ukuran Perusahaan Dan Profitabilitas Terhadap Nilai Perusahaan Otomotif Yang Terdaftar Di Bursa Efek Indonesia Periode 2011-2014." *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi* 4 (2).

Mboka, Antonius, dan Lukman Cahyono. 2020. "Pengaruh Leverage dan Ukuran Perusahaan Terhadap Profitabilitas pada Perusahaan Sub-Sektor Farmasi Periode 2013-2017." *ADVANCE* 7 (1): 15–25.

Nurmayasari, Andi. 2012. "Analisis Pengaruh Profitabilitas, Ukuran Perusahaan, Leverage, dan Kebijakan Dividen terhadap Nilai Perusahaan (Studi Kasus pada Perusahaan Manufaktur di BEI Tahun 2007-2010)."

Pratiwi, Wike. 2018. "Analisis Perlakuan Akuntansi Aset Biologis Berbasis PSAK-69 Agrikultur pada PT Perkebunan Nusantara XII Kalisanen Kabupaten Jember." In *UNEJ e-Proceeding*, 140–50. Jember: Universitas Jember.

Romadoni, Muhlis. 2020. "Analisis Perbandingan Kinerja Keuangan Sebelum dan Sesudah Penerapan PSAK 69 pada Perusahaan Agroindustri di

Indonesia (Studi Empiris pada Perusahaan yang Terdaftar di Bursa Efek Indonesia)." *Jurnal Ekonomi Akuntansi dan Manajemen*, 152–67.

Rudangga, I Gusti Ngurah Gede, dan Gede Merta Sudiarta. 2016. "Pengaruh Ukuran Perusahaan, Leverage, dan Profitabilitas terhadap Nilai Perusahaan." *E-Jurnal Manajemen Universitas Udayana* 5 (7).

Salehi, Mahdi, dan Nazanin Bashiri Manesh. 2012. "A Study of The Roles of Firm and Country on Specific Determinates in Capital Structure: Iranian Evidence." *International Management Review* 8 (2): 51–62.

Sodan, Slavko. 2015. "The Impact of Fair Value Accounting on Earnings Quality in Eastern European Countries." *Procedia Economics and Finance* 32: 1769–86.

Suastyani, Kadek Novia, dan I Gede Ary Wirajaya. 2019. "Pengaruh Intellectual Capital, Corporate Social Responsibility Disclosure pada Kinerja Pasar (Studi Perusahaan Perbankan Di BEI)." *Jurnal Akuntansi* 26 (1): 510–35.

Sukirni, Dwi. 2012. "Kepemilikan Manajerial, Kepemilikan Institusional, Kebijakan Deviden dan Kebijakan Hutang Analisis terhadap Nilai Perusahaan." *Accounting Analysis Journal* 1 (2).

Suwardika, I Nyoman Agus, dan I Ketut Mustanda. 2017. "Pengaruh Leverage, Ukuran Perusahaan, Pertumbuhan Perusahaan, dan Profitabilitas Terhadap Nilai Perusahaan pada Perusahaan Properti." *E-Jurnal Manajemen Universitas Udayana* 6 (3): 1248–77.

Tandelilin, Eduardus. 2010. *Portofolio dan Investasi Teori dan Aplikasi*. Yogyakarta: Kanisius.

Taniman, Arfin, dan Jonnardi. 2020. "Pengaruh Leverage, Likuiditas, dan Ukuran Perusahaan Terhadap Nilai Perusahaan." *Jurnal Multiparadigma Akuntansi Tarumanegara* 2: 1372–79.

Vanessa, Michelle. 2020. "Pengaruh Profitabilitas, Likuiditas, Pertumbuhan Perusahaan dan Struktur Modal Terhadap Nilai Perusahaan." Tangerang.