

ABSTRACT

THE IMPACT OF CHANGES PSAK 28 (REVISED 2012) TOWARDS FINANCIAL PERFORMANCE OF GENERAL INSURANCE COMPANIES LISTED ON INDONESIA STOCK EXCHANGE

By

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IFRS convergence in 2012 led to changes in some of PSAK to conform to international standards, one of which is PSAK 28 (Revised 2012) about Accounting for General Insurance. This study aims to determine the effect of changes in PSAK 28 (Revised 2012) towards the performance of general insurance companies in Indonesia. Financial performance measures used are ROA, Risk Based Capital (RBC) Ratio, and Liquidity. This study using purposive sampling method and acquired 10 insurance companies listed on the Indonesia Stock Exchange, with a 2010-2014 study period. The collected data is then processed statistically using classic assumption test, simple linear regression testing, and hypothesis testing. According to analysis carried out showed that the revised PSAK 28 in 2012 did not affect the RBC ratio of insurance companies, but has an effect on ROA and the liquidity of the insurance company.

Keywords : PSAK 28, general insurance, financial performance, liquidity, ROA, RBC, financial statement.