

IMPLEMENTATION PSAK 109 ABOUT ACCOUNTING OF ZAKAT AT BAZNAS OF WEST NUSA TENGGARA PROVINCE INDONESIA

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Abstract

The purpose of this research was to know the application of Statement of Financial Accounting Standards (PSAK) 109 about accounting of zakat at Baznas in West Nusa Tenggara. This research used case study approach. The results of this study explains that Baznas of West Nusa Tenggara has adopted PSAK 109 fully, this is proven that Baznas has made the financial statements consisting of balance sheet, statement of changes in funds, statement of changes under management, cash flow statement, and notes to the financial statements and in the notes to the financial statements of Baznas in 2016 that was explained that the financial statements are prepared based on PSAK 109. for non-kosher, the recording is separated but recognized as payment of interest and recognized as a source of revenue.

Keywords: PSAK 109, Baznas of West Nusa Tenggara province, Financial Statements

INTRODUCTION

The position of zakat in Islam occupies a very special place. zakat is the third pillar of Islam which of the five pillars of Islam. Paying zakat is a pillar of Islam which is parallel to the other pillars of Islam and the position of zakat in Islam is very basic and fundamental so that the word Zakat (Zakat) is often used simultaneously with the word prayer, which confirms the existence of a complementary connection between prayers and zakat. So that it is important position in life of

a muslim to Allah SWT give a power to the National Amil Zakat Agencies to ask Zakat from them who has the duty even by force.

Zakat is a worship that has two dimensions, these are vertical and horizontal. Zakat is a worship of a form of obedience to Allah (*Habluminnallah; vertical*) to make a good character for a Muslim who give a zakat (muzakki) and the receiver (mustahiq), and as a duty to all humans (*Habluminnas; horizontal*), who has the important role in fostering and achieving the benefit of society such as spread and foster kinship to all Muslims and people in general, uplift the poor and helped them out of hardship and suffering

Demographically, the majority of Indonesia is Islam that is 208 million people or 88.1% of the population. The large number is a huge potential for empowering zakat as one instrument of redistributing income to overcome the social problems faced by the country due to the disparity of income distribution, one of them is poverty. Poverty is a crucial problem in Indonesia. In March 2017, the number of poor people (the population with per capita per month is under the poverty line) in Indonesia. This reached 27.77 million (10.64 percent), increased by 6.90 thousand persons compared with the conditions in September 2016 for 27.76 million (10.70 percent) ([www. Bps.go.id](http://www.Bps.go.id)). The Indonesian government gave serious attention to overcome poverty and allocating funds was also very large in their efforts to overcome poverty. Poverty has become a multidimensional problem, no longer limited to the inability of the economy, but also failure to comply with basic rights and discrimination against a person or group of people to live a life with dignity.

The poverty situation is, if it is associated with the role of charity as a means to redistribute wealth from the rich to the poor segments of society, it seems it can be concluded that the charity has not been successfully managed optimally and yet effective as a medium capable of reducing poverty in Indonesia. National Amil Zakat Agencies (BAZNAS) and Bogor Agriculture Institution (IPB) tries to calculate, based on Gross Domestic Product (GDP) in 2010, the zakat potential in Indonesia was Rp. 217 Trillion. With ekstrapolasi method, the potential zakat 2015 was Rp. 280 trillion and realization was 4 trillion or less than 1.4% of its potential. (<https://www.spi.or.id/profil-kemiskinan-di-indonesia-2016-dalam-angka-berkurang-namun-di-desa-makin-dalam-and-severe/>) the huge potential inversely related with very small realization.

Based on Law No. 38 year 1999 about the Management of Zakat enhanced to be Law No. 23 year 2011 about the Management of Zakat, the Government regulates the right to manage zakat institutions, and these are National Amil Zakat Agencies (BAZNAS) and Amil zakat institution (LAZ). BAZNAS is a nonstructural independent government agency and accountable to the President through the Minister while Amil Zakat Institution (LAZ) which was

established by the community for approval BAZNAS, where LAZ task is to help BAZNAS in the implementation of the collection, distribution, and utilization of zakat.

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Research of Ibrahim (2009), Wulandari (2015) the application of financial accounting standards (PSAK) 45 is about nonprofit organizations and financial accounting standards (PSAK) 109 is management of zakat conducted both in the Amil Zakat Agencies (BAZ) and Amil Zakat Institution (LAZ) and Collecting Unit of Zakat (UPZ) in Indonesia with multiple results, whereas studies of compliance entities to apply IAS 45 are still low. This was proved by research generated by Prayudi (2011), Kristin, *et al.* (2011), Bahesti, *et al.* (2012), Puspitasri, *et al.* (2012), Effendi (2016). Based on observations and preliminary interview, Baznas Regency/City and Baznas of West Nusa Tenggara has not fully adopted PSAK 109 in preparing and reporting management of zakat, donation, charity and almost all Baznas Regency/City still use the recording by using the *cash basic* where the recording was made during ZIS received and dispensed. Provincial Baznas should have been adopted PSAK 109 in the report of ZIS funds managed, so Baznas districts/cities will follow. Even based on the initial findings, there are informants who do not know about PSAK 109 thus accounting for the zakat made simpler still.

LITERATURE REVIEW

Definition of Zakat

Viewed in terms of language, words zakat has several meanings; these are *albarakatu* 'blessing', *al-append the name* 'growth and development', *al-thaharatu* 'sanctity' and *ash-shalahu* 'keberesan' while the term charity is the name of a particular collection of certain property, according to certain properties, and to be given to certain groups.

Donation is giving treasure which includes charity and non-charity. Donation is mandatory and there is a sunnah. The Obligating Infaq is charity, expiation, and nadzar. While Infaq sunnah which are infaq to the poor of Muslims, infaq of natural disasters and humanitarian infaq. According to statement of financial accounting standards (PSAK) 109, infaq/Sadaqah is a treasure given voluntarily by owners, whether that designation is limited (specified) and not restricted. Sadaqah is giving a treasure to the poor people, poor, needy, or other parties entitled to receive sadaqah, without compensation, without coercion, without limitation amount, at any time and regardless of the amount. This Sadaqah law is the Sunnah, not obligatory. Therefore, to differ it from the obligatory zakat, sadaqah jurists use the term *tathawwu* 'or an *ash shadaqah nafilah*.

Muzakki and Mustahiq

Based on statement of financial accounting standards (PSAK) 109, Mustahiq is the person or entity who has the rights to receive zakat consisting of fakir, foor, Riqab/Budak Mukatab, ghorim, muallaf, fisabilillah, ibnu sabil ,and amil, while muzakki is Muslim individual who has the obligation to pay (perform) charity.

Entities of Zakat Management

Based on Law No. 23 of 2011, Organization of zakat in Indonesia consists of National Amil Zakat (BAZNAS) and Amil Zakat Institution (LAZ). This is consistent with the sound of paragraphs 1 and 2 of Article 5: "to carry out the management of zakat, the Government established BAZNAS (paragraph 1). That located in the capital of the State "(paragraph 2). In Article 15 in order to implement the management of zakat at the provincial and district/city and provincial BAZNAS formed districts/cities. Furthermore, in Article 17 to assist BAZNAS in the implementation of the collection, distribution and utilization of zakat, the public can form LAZ (Amil Zakat Institution).

The development of zakat management in West Nusa Tenggara started around the year 2000 with respect to the Law No.38 of 1999 on Management of Zakat. In institutional formed an agency called Amil Zakat Agencies, Infaq, and Dole Regional (BAZISDA). In 2011, Law No. 38

in 1999 perfected into Law No.23 of 2011 so BAZISDA turned into Bazda thus changed its name to BAZNAS. Determination BAZNAS name assigned by West Nusa Tenggara Governor's decision No. 457-2015 on March 26, 2015 concerning the appointment of the leadership of the NTB provincial BAZNAS service in 2015-2020 period. The number of personnel Baznas in West Nusa Tenggara Province at the moment is 23 people consisting of 5 elements of leadership and 18 of executive elements.

BAZNAS of West Nusa Tenggara together with 32 other provinces in 2016 had signed an agreement that BAZNAS will take a role in helping the government to alleviate poverty at 10% of total poverty in Indonesia. While in the 2016-2020 Strategic Plan in BAZNAS of West Nusa Tenggara took the 2% target poor who can be alleviated from poverty. Therefore BAZNAS of West Nusa Tenggara has several programs that are in line to distribute and empower zakat. In the distribution of zakat, it is still taking into account the scale of priorities with regard to principles of fairness, equity, justice, territorial. BAZNAS zakat distribution and empowerment of NTB is divided into five (5) programs, these are West Nusa Tenggara Healthy, Intelligent of West Nusa Tenggara, NTB Preaches, West Nusa Tenggara care, West Nusa Tenggara Attack, Zakat Community Development.

Accounting for Zakat

System of accounting and reporting to the Board and the Institute can be divided into two parts; these are for the limited funds (*restricted funds*) zakat and infaq and for unrestricted funds (*unrestricted funds*): funds Sadaqah, nevertheless, as a whole, ZIS organization must prepare a comprehensive financial report (thorough) that combines both activities and the financial statements of the fund. Amil (Amil Zakat Agencies) financial statements in accordance with financial accounting standards PSAK No. 109 are the Balance Sheet (Statement of Financial Position), Statement of Changes in Fund, Statement of Changes in Assets under Management, Cash Flow Statement, and Notes to Financial Statements. Balance Sheet and Statement of Revenue, Expenses and Changes in Fund for the organization of ZIS is a combination of the two funds, namely zakat and funds shadaqah, while the Statement of Changes in Financial Position and Notes to Financial Statements should be added so that a financial report thorough depicting financial condition ZIS organization. In this note explains the accounting policies and procedures applied by the organizations concerned in order to obtain the figures in the financial statements.

DISCUSSION

Source of Funding and collection

Sources Fund Receipt of National Amil Zakat Institution (BAZNAS) of West Nusa Tenggara consists of reception of charity, acceptance of donation/charity, assistance of National and Local Budget (APBN/APBD) funds, grants, interest income from bank deposits, other revenues. Acceptance of zakat is dominated by the acceptance of civil servants who enter the work area where West Nusa Tenggara provincial government where subject of zakat is regional work unit (SKPD) and vertical scale institution and not targeting the provinces and local communities to be mustahiq by reason of society into the working area of Baznas Regency/City. It was based on interviews with informants as follows:

We are still getting zakat of the civil servants, the main civil servants provincial level, including vocational and high school. SMK and SMA becomes the authority of the province starting this year.

Have you gotten Taxes (PPN)? Later I do, Agencies vertical provincial level, which is vertical to the center including Mataram University or IAIN, regional work unit (SKPD) of provincial level, the company the provinces, Private enterprise, provincial level, provincial scale, mosque province

From civil servants, there is also derived from the partnership but was highest until one billion that we got from recording of supply of Tools and Service, we still have a business with them because they got a job and got benefit from local government.

There is no from societies, but sometime they paid here, the general public is controlled by local government.

Therefore in 2017, we have planned Rp. 10 billion, last year right to 8 billion, the previous year we got 8 billion or more and and got 8 billion more again so that now from 10 has become 13 billion but we have revised to be 15 billion because if we do not revise we can't got it because in RKAT the incom and outcome must be balance.

It is should in appreciated that Basnaz of West Nusa Tenggara in 2017 got award as the Baznas Best Collector in Indonesia. It is expected to enhance public trust or confidence to distribute or give zakat, donation, donate via amill especially Baznas of West Nusa Tenggara.

Distribution

The distribution of zakat funds is done by Baznas of West Nusa Tenggara remain guided by 8 Asnap; these are the poor, convert, riqab/slave mukatab, ghorim (people who were in debt), fi sabilillah, Ibn sabil, amyl. To redistribute and empower zakat, BAZNAS of West Nusa Tenggara has five (5) programs; these are NTB Healthy, Intelligent NTB, NTB NTB Preaches Care, NTB Assault (One Day One thousand), and the last is Zakat Community Development. This is based on Notes to the Financial Statements and confirmed by an interview with an informant as follows:

Distribution actually is still the asnap of poor man, Fixed at 8 asnap except riqob that no exemptions of other slaves exist but there are 7 asnap but it is in the program of 5 major programs, especially the poor is handle by a smart NTB Baznas, intelligent education, the health sector, Baznas healthy of West Nusa Tenggara, in Dakwah, and economic sector of NTB prosperous and one Baznas care.

The application of PSAK 109 in Baznas of of West Nusa Tenggara

Zakat Accounting Standards in Indonesia (PSAK 109) came into force on January 1st, 2012, whereas standards began to be published since 6 April 2010. Before it used PSAK No 109 accounting for zakat and donation/charity, Zakat Institution under PSAK No. 45- for-profit accounting. However, there are some characteristics that are not charity institutions in accordance with PSAK No. 45. These characteristics are the type of funds used, the purpose of the distribution of funds, and fund management. The application of PSAK 109 by Baznas and LAZ is still diverse. Based on previous studies still vary even in the province of NTB Baznas City/Regency yet adopted PSAK109 in full. Different results were found in Baznas West Nusa Tenggara Province has adopted PSAK 109 in full. It is based on interviews with Secretary Baznas as the informant as follows:

Principally, thi has been applied. Because from us, Amil Has been given PAAZ (Zakat Accounting Guidelines) based on PSAK 109. So that's why the system provided by the Central Baznas that is called SIMBA, and each of us is audited by a public, it has been directed to that.

The first, it is according to their sectors. No every thing is like that, in accordance with their respective fields. For example, in planning and reporting, they don't really understand. at least they know it, the names of official are Yadi and Mimi name as the staff who controll the problem of reporting, and he was able to make financial reports

Above mentioned Statement of Financial Statements Baznas boosted with Baznas audited Financial Statements of West Nusa Tenggara Province was arranged based on Statement of Financial Accounting Standards (PSAK) No.109 concerning zakat accounting and Infak/Alms. Public Accounting and audit results of Baznas in West Nusa Tenggara Province consecutively from 2013 through 2016 received about without exception and in 2012 received a qualified opinion with a note on the cash flow.

Accountability and Transparency

Accountability and transparency of financial statements is the provision of financial information to muzakki as a form of responsibility of zakat institution to muzakki. Additionally Law No. 23 of 2011 states that amil zakat institutions must be transparent about the management, especially financial. Transparency and accountability in the financial statements are measured based on 4 indicators consists of policy announcements, easiness of accessible reports, provided the accountability report on time, the availability of facilities for the people's voice and proposals, and there is a system to provide information to the public. Based on an interview with an informant of Baznas of West Nusa Tenggara has been trying to manage zakat accountably and transparently. According to the informant accountable was interpreted by the availability of good financial statement report that is determined by the Act and the reports made by each section to accountable for charity funds under management.

So it was, we had annual budget work plan (RKAT) before, annual budget work plan (RKAT) these are translated as well as financial management, so we have a treasurer who has a book and so right so, and continue every six months made report 6 monthly equal to the annual report, in recording that was accountable.

There is a report they make but the report required by the Act was only 2 times a year. But there are reports each of them in accordance with their fields. The Treasurer has monthly report, there is income treasurer and there is expending treasurer. Baznas report and the treasurer report are different. But there is report of Baznas there is reports of treasurer, the treasurer duties right to receive, store, issue and reported. But reports of Baznas are only 2 times a year, so Baznas has accountable value of all

While transparency was interpreted financial reporting capabilities that can be accessed by the public; these are mustahiq, muzakki, NGOs, as well as makers of other interests. This is in accordance with the information given by the informant in an interview as follows:

There is in website, and every year that we publish in the newspaper, so 6 months was also published in the newspaper, and in the UPZ was sent, the result reports audited by a public accountant was sent by them.

CONCLUSION

Financial accountability over the activities of the reception and distribution of zakat, donation, and charity has been done by Baznas of West Nusa Tenggara, and has implemented PSAK 109 fully in preparing its financial statements. The financial statements prepared by Baznas of West Nusa Tenggara province including a Statement of Financial Position (Balance Sheet), statement of changes in the Fund, Statement of Changes in Assets Under Management, Cash Flow Statement and Notes to Financial Statements. The audit report was prepared by Public Accountant with Unqualified Opinion.

The collection of primary source of funding comes from zakat which is dominated by zakat from Government agencies, local companies of provincial scale, private enterprises in provincial scale, mosques, and Baznas of West Nusa Tenggara is not targeting the general public as the subject of charity because it is a working area of Baznas Regency/City. While the distribution remains at 8 asnap except riqob that is the liberation of slaves.

Transparency of Baznas of West Nusa Tenggara seen from the financial statements can be accessed by the public through the official website Baznas of West Nusa Tenggara and a 6 monthly report is aired in the newspapers every 6 months and annual reports is aired once a year and to increase the level of confidence and trust of muzzaki audited financial statements is delivered to each UPZ

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