ABSTRACT

The implementation of the Statement of Financial Accounting Standards (PSAK) 71, which has been in effect in Indonesia since January 2020 replacing PSAK 55, has had a significant impact on the allowance for impairment losses (CKPN) policy in the banking industry, including Rural Banks or BPR. PSAK 71 introduces a more proactive Expected Credit Loss (ECL) approach compared to the previous Incurred Loss approach. This study aims to analyze the impact of PSAK 71 implementation on financial ratios such as Return on Assets (ROA), Operating Expenses to Operating Income (BOPO), and Capital Adequacy Ratio (CAR) in BPR operating in Jember City, as well as to examine its implications for overall bank financial performance.

This research employs a quantitative approach using secondary data sourced from the financial statements of 35 BPR registered with the Financial Services Authority (OJK) in Jember City. The data were analyzed using moderated regression analysis to assess the extent to which the increase in CKPN, resulting from PSAK 71 implementation, affects ROA, BOPO, and CAR. Additionally, the Non-Performing Loan (NPL) variable is included as a moderating variable to examine whether problematic loans can strengthen or weaken the relationship between CKPN and the financial ratios.

The results indicate that the increase in CKPN due to the implementation of PSAK 71 influences ROA, BOPO, and CAR ratios, and also affects the bank's profitability, operational efficiency, and capital resilience. The role of NPL as a moderating variable is proven to significantly strengthen the relationship between CKPN and the three financial ratios. These findings contribute to stakeholders' understanding of risk management and financial planning, and serve as a strategic reference in responding to regulatory changes and economic dynamics in the banking sector, particularly for BPR.

Keywords: PSAK 71, CKPN, ROA, BOPO, CAR.