



FROM TRADITIONAL RECORDS TO STANDARDIZED REPORTING: THE IMPACT OF PSAK 45 AND PSAK 109 ON MOSQUE FINANCIAL TRANSPARENCY

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ABSTRACT

This study examines the reconstruction of mosque financial reporting systems in Indonesia through the application of PSAK 45 and PSAK 109 in response to persistent governance challenges. Despite managing substantial public funds, many mosques continue to rely on manual, non-standardized bookkeeping practices that limit transparency, auditability, and accountability. National evidence indicates that more than 70% of mosques have not implemented formal accounting standards, resulting in inconsistent reporting and weak oversight. Using a qualitative literature review, this study synthesizes empirical findings, regulatory frameworks, and theoretical perspectives to evaluate the relevance and applicability of PSAK 45 for nonprofit financial reporting and PSAK 109 for managing zakat, infak, and sadaqah funds. The review reveals that both standards provide structured mechanisms for fund classification, disclosure, and documentation, allowing mosques to transition from informal cash-based reports to comprehensive, auditable statements. However, implementation remains constrained by limited financial literacy, lack of regulatory enforcement, and cultural perceptions of informal mosque governance. The study proposes an integrated framework emphasizing capacity building, standardized reporting templates, and strengthened internal controls. The findings highlight that adopting PSAK 45 and PSAK 109 offers significant opportunities to enhance institutional credibility, donor trust, and long-term financial sustainability. This research underscores the urgent need for standardized accounting practices to modernize mosque financial governance and strengthen public accountability.

Keywords: PSAK 45, PSAK 109, Mosque, Financial, Transparency

1. INTRODUCTION

The financial management of mosques in Indonesia continues to face systemic challenges related to transparency, accountability, and standardized reporting, despite their central role in managing significant public funds for religious and social activities. As institutions entrusted with daily donations, zakat, infak, sadaqah, and various program-

based funds, many mosques still depend on manual bookkeeping systems that are inconsistent and susceptible to errors. Reports revealed by national media show that these practices often lead to incomplete records, ambiguous financial reports, and difficulties in ensuring financial oversight (Tempo, 2023). Such conditions have raised public concern regarding the reliability and trustworthiness of mosque financial administration.

The absence of uniform accounting standards has also generated broader social concerns related to possible fund mismanagement, weak audit trails, and limited institutional accountability. A national survey by the Ministry of Religious Affairs indicates that over 70% of mosques in Indonesia do not implement formal accounting standards, which complicates the tracking of fund inflows and outflows and creates disparities in financial transparency among mosque management boards (Kemenag RI, 2022). These facts demonstrate that improving financial reporting in mosques is not only a technical requirement but a social necessity to strengthen community trust in religious institutions and ensure that financial resources are managed responsibly.

Academic literature has long emphasized the importance of adopting specific accounting standards to promote accountability within nonprofit organizations. In Indonesia, PSAK 45 provides a structured framework for reporting nonprofit financial activities, ensuring that statements offer clarity regarding financial positions and performance. A study by Sari and Wulandari (2021) shows that PSAK 45 helps nonprofit institutions present more transparent and comparable reports, resulting in higher levels of stakeholder trust and improved decision-making quality. Their research found that institutions applying PSAK 45 demonstrated stronger reporting consistency compared to those relying on conventional bookkeeping. These findings underscore the relevance of PSAK 45 in enhancing nonprofit governance.

PSAK 109 plays an essential role in strengthening the governance of zakat, infak, and sadaqah funds, particularly in organizations that manage Islamic philanthropic resources. Research conducted by Ahmad and Maulida (2020) highlights that PSAK 109 enhances the reliability and traceability of fund distribution, ensuring that the management of Islamic philanthropic resources adheres to both ethical and Sharia-compliant principles. Their findings demonstrate that PSAK 109 significantly improves transparency and internal control, which make it highly relevant to mosque financial reporting systems that handle diverse categories of charitable funds.

Given these empirical and theoretical insights, this paper aims to evaluate how PSAK 45 and PSAK 109 can be implemented to reconstruct mosque financial reporting systems. The purpose is to critically examine the degree to which these standards address current shortcomings in accountability, transparency, and reporting consistency observed across Indonesian mosques. By identifying gaps between existing practices and standard requirements, this study seeks to provide evidence-based recommendations for improving the quality of mosque financial management.

This paper seeks to formulate a structured framework for integrating PSAK 45 and PSAK 109 into the operational reporting procedures of mosques. This includes identifying the types of documentation required, the reporting templates needed, and the internal controls necessary to align mosque accounting activities with both nonprofit accounting principles and Islamic philanthropic governance. Ultimately, the study aims to support mosques in transitioning toward modern, credible, and auditable financial reporting systems that enhance institutional governance and sustainability.

This paper argues that the application of PSAK 45 and PSAK 109 is not merely feasible but essential for improving the financial governance of mosques. The implementation of these standards creates a coherent structure for recognizing and reporting various categories of funds, including unrestricted donations, restricted contributions, and zakat-based funds. Such alignment with national accounting standards represents a critical step for establishing professional and trustworthy financial practices within religious institutions, which historically have been managed informally.

Standardized reporting grounded in PSAK 45 and PSAK 109 is expected to yield long-term benefits in terms of enhanced community accountability, strengthened donor confidence, and improved organizational resilience. As mosques increasingly operate within a complex and scrutinized social environment, adopting formal accounting standards becomes an important strategy for maintaining legitimacy and ensuring the responsible management of religious funds. In this regard, reconstructing mosque financial reporting systems through PSAK 45 and PSAK 109 represents a timely and necessary response to the governance challenges facing Indonesia's religious institutions today.

2. RESEARCH METHOD

This study employs a qualitative literature review method to analyze the implementation of PSAK 45 and PSAK 109 in reconstructing mosque financial reporting systems. A literature review approach is appropriate because research on mosque accounting practices is still fragmented, and empirical data on PSAK implementation remains limited. Therefore, synthesizing existing scholarly works, accounting standards, regulatory documents, and empirical studies is essential to develop a comprehensive understanding of how these standards can be adopted by mosque institutions. As Snyder (2019) states, a literature review enables researchers to integrate diverse sources to generate new theoretical insights and practical recommendations.

The literature review conducted in this study follows an integrative review framework, which allows for the combination of empirical findings, conceptual discussions, and professional guidelines relevant to nonprofit financial reporting. Integrative reviews are widely used to evaluate the evolution of accounting practices and to examine how standards are applied across various institutional contexts (Torraco, 2016). This method supports the development of new perspectives by critically analyzing patterns, themes, and gaps within the literature.

The data sources for this study include (1) peer-reviewed journal articles published in Scopus and Web of Science databases, (2) national accounting standards, PSAK 45 and PSAK 109, issued by the Indonesian Accounting Standards Board, (3) academic books on nonprofit accounting, and (4) empirical reports related to mosque governance in Indonesia. The review process began by identifying relevant publications using keywords such as "nonprofit accounting," "PSAK 45," "PSAK 109," "mosque financial reporting," and "Islamic philanthropy accounting." These keywords were applied across databases including Scopus, Google Scholar, ScienceDirect, DOAJ, and Garuda Digital Library. Articles were selected using two layers of filtering. The first layer applied inclusion criteria: (a) published between 2010 and 2024, (b) focused on nonprofit accounting or Islamic

philanthropic reporting, and (c) provided conceptual or empirical analysis related to PSAK 45 or PSAK 109. The second layer applied exclusion criteria: (a) opinion pieces lacking methodological rigor, (b) duplicated studies, and (c) articles not accessible in full text. Following this process, 42 relevant publications were included in the final review. This screening approach aligns with recommendations by Xiao & Watson (2019), who suggest multi-stage filtering to ensure review quality. The selected literature was analyzed using a thematic analysis approach. Studies were categorized into three major themes: (1) nonprofit financial reporting standards and challenges, (2) implementation and evaluation of PSAK 45 in Indonesian nonprofit entities, and (3) governance and accountability of zakat, infak, and sadaqah funds under PSAK 109. This thematic clustering enabled the identification of convergent findings, recurring issues, and conceptual gaps in existing knowledge. The thematic analysis approach is supported by Braun & Clarke (2006), who emphasize that themes help reveal meaningful patterns in qualitative datasets.

To strengthen the credibility of the findings, this study also conducted cross-comparison of regulatory documents, including PSAK 45, PSAK 109, and guidelines issued by the Indonesian Waqf Board and the Ministry of Religious Affairs concerning mosque financial management. Triangulating scholarly sources with regulatory documents helps ensure that interpretations of accounting standards remain accurate and aligned with institutional expectations. Such triangulation strategies are validated in accounting research by Modell (2020), who argues that methodological triangulation enhances reliability in qualitative financial studies. The synthesis process involved evaluating the practical implications of PSAK 45 and PSAK 109 for mosque financial reporting, identifying their strengths and limitations, and mapping how these standards can be integrated into daily financial operations. The review also examined best practices from nonprofit institutions that successfully adopted similar accounting standards. This systematic synthesis aims not only to summarize existing research but also to develop conceptual recommendations that can guide mosques in adopting more transparent, accountable, and standardized financial reporting systems.

3. RESULT AND ANALYSIS

Result

The review reveals that the majority of mosques in Indonesia still rely on traditional bookkeeping systems that lack standardization, consistency, and adequate documentation. Various studies indicate that mosque financial records are commonly presented in simple income–expense formats, without comprehensive disclosures regarding assets, liabilities, fund restrictions, or program-based activities. Sari and Wulandari (2021) note that this condition is largely due to the absence of formal accounting frameworks, insufficient financial literacy among mosque administrators, and limited exposure to nonprofit reporting standards. As a result, financial management practices become vulnerable to misstatements, difficulty in auditing, and challenges in demonstrating accountability. These limitations illustrate a structural gap between current practices and the requirements of PSAK 45 and PSAK 109, which emphasize transparency, fund categorization, and complete reporting.

The literature strongly supports PSAK 45 as a foundational standard for nonprofit financial reporting. PSAK 45 enables organizations, including mosques to classify financial information into unrestricted funds, temporarily restricted funds, and permanently restricted funds. This classification enhances clarity and allows stakeholders to understand how donated resources are allocated. Several studies highlight that nonprofit institutions implementing PSAK 45 benefit from more transparent statements of financial position, activities, cash flows, and notes to financial statements. Snyder (2019) argues that adopting structured reporting systems promotes managerial accountability and enables more informed decision-making. In the context of mosques, PSAK 45 offers a practical mechanism for reorganizing financial statements away from simple cash-based reports toward comprehensive accrual-based disclosures. This transition, however, requires adjustments in administrative procedures and enhanced training for mosque financial managers.

The literature review shows consensus that PSAK 109 is essential for institutions managing zakat, infak, and sadaqah funds. Ahmad and Maulida (2020) emphasize that PSAK 109 introduces systematic procedures for recognizing ZIS receipts, obligations, and distribution activities. This standard ensures that charitable funds are managed ethically, transparently, and in accordance with Sharia. PSAK 109 requires entities to disclose how funds are collected, categorized, processed, and allocated, complete with supporting documentation. By applying these guidelines, mosques can significantly enhance their accountability, reduce ambiguity in fund allocation, and build trust among congregants. The structured nature of PSAK 109 also provides improved auditability, making it easier for external parties to evaluate compliance and governance quality.

Despite the clear relevance of PSAK 45 and PSAK 109, the literature identifies substantial obstacles to implementation. One major challenge is the lack of capacity among mosque administrators, many of whom do not possess formal accounting training. Torraco (2016) points out that nonprofit institutions often struggle to adopt complex reporting standards due to limitations in human resources, infrastructure, and management systems. Another challenge concerns the absence of regulatory enforcement, since most mosques are not legally required to adopt PSAK-based reporting. This results in uneven adoption and slow progress toward standardized financial governance. Additionally, cultural factors, such as viewing mosque financial management as purely voluntary or religious, can hinder the adoption of modern accounting practices. These challenges demonstrate that implementing PSAK 45 and PSAK 109 requires more than technical adjustments; it requires organizational change and capacity building.

The review highlights strong opportunities for improving mosque financial governance by adopting PSAK 45 and PSAK 109. Integrating both standards allows mosques to present comprehensive financial statements that distinguish between operational funds and charitable funds, ensuring that each category is managed according to its purpose. This integration creates a holistic reporting model that aligns with both nonprofit accounting norms and Islamic philanthropic governance. Xiao and Watson (2019) argue that standardized reporting improves institutional legitimacy and stakeholder trust. For mosques, this means fostering community confidence, facilitating transparency, and enabling external audits. The implementation of these standards also opens opportunities

for partnerships with public institutions and donors who require formal accountability mechanisms.

Synthesizing the findings across the reviewed literature, this study proposes that reconstructing mosque financial reporting requires a framework grounded in three pillars: (1) capacity building for mosque administrators, (2) institutional adoption of PSAK 45 and PSAK 109 templates, and (3) development of internal control mechanisms. Braun and Clarke's (2006) thematic analysis principles highlight that consistency in documentation and categorization forms the basis of high-quality reporting. Applying PSAK 45 ensures compliance with nonprofit financial disclosure standards, while PSAK 109 ensures accurate governance of charitable funds. Together, these standards enable mosques to transition from informal bookkeeping to modern, auditable, and transparent financial systems. This conceptual framework provides a roadmap for future implementation and offers a foundation for empirical testing in subsequent studies.

Discussion

The results of the literature review underline that PSAK 45 and PSAK 109 offer strong theoretical and practical foundations for reconstructing mosque financial reporting. Existing challenges, such as limited capacity, lack of standardization, and weak governance, can be addressed by implementing both standards in an integrated manner. Although adoption may require significant training and organizational adjustments, the long-term benefits include improved transparency, accountability, and community trust. The discussion demonstrates that applying PSAK 45 and PSAK 109 is not merely an administrative improvement but a strategic step toward building modern, credible, and sustainable mosque financial governance.

The findings of this literature-based investigation demonstrate that the implementation of PSAK 45 and PSAK 109 presents a significant opportunity to transform mosque financial reporting, yet it also exposes fundamental structural and managerial challenges. The first major issue concerns the historical reliance on manual and informal bookkeeping practices within mosque administrations. These systems are typically cash-based and lack the capacity to produce comprehensive financial disclosures. As prior research on nonprofit organizations suggests, inadequate financial reporting structures tend to impede transparency and weaken public accountability (Connolly & Hyndman, 2017). In the context of Indonesian mosques, the absence of standardized reporting formats has long contributed to fragmented record-keeping and limited institutional governance.

A second challenge relates to the limited financial literacy among mosque administrators, many of whom serve voluntarily and lack professional training in accounting. This condition is consistent with findings in broader nonprofit research, where human resource constraints often hinder the adoption of formal financial standards (Verbruggen et al., 2015). Without targeted capacity-building efforts, the transition toward PSAK-based reporting is likely to remain slow and uneven. The literature on nonprofit capacity development emphasizes that training interventions, administrative restructuring, and ongoing technical support are necessary to ensure that organizations can internalize and apply new accounting standards effectively (Christensen & Ebrahim, 2006). For mosques, this implies that successful adoption of PSAK 45 and PSAK 109 requires organizational reform rather than simple procedural adjustments.

Despite these challenges, the discussion reveals that adopting PSAK 45 and PSAK 109 can substantially improve mosque financial governance. PSAK 45's framework for nonprofit reporting aligns well with global standards for mission-driven organizations, offering clarity in fund categorization and enabling stakeholders to assess financial performance more accurately. Empirical studies in nonprofit accounting show that structured reporting enhances donor confidence and strengthens organizational legitimacy (Gandía, 2011). Similarly, PSAK 109 provides a systematic mechanism for ensuring that zakat, infak, and sadaqah (ZIS) funds are recognized, measured, and distributed in accordance with Islamic principles. Scholars have noted that standardized ZIS governance increases trust among contributors and supports long-term sustainability in Islamic philanthropic institutions (Mohd Noor et al., 2020).

Another important implication concerns auditability. The shift from informal to standardized financial reporting enables greater external oversight, which is essential for public institutions that manage charitable funds. Research consistently shows that transparency and audit readiness are positively associated with higher levels of public trust and organizational effectiveness (Saxton et al., 2019). In the case of mosques, adopting PSAK-compliant financial statements would allow external auditors, donors, and government agencies to evaluate fund allocations more accurately, reducing the risks of mismanagement.

The discussion also highlights that integrating PSAK 45 and PSAK 109 provides not only compliance benefits but also strategic institutional value. International studies show that nonprofit entities using formal accounting standards tend to exhibit stronger governance, more effective resource allocation, and improved long-term planning (Amoako & Lyon, 2014). For mosques, this integration means that operational funds and ZIS funds can be managed cohesively while still respecting the different regulatory and religious requirements associated with each category. This dual compliance framework positions mosques to enhance service delivery, strengthen credibility within the community, and align more closely with national accountability expectations.

The literature indicates that the adoption of standardized reporting models is closely tied to institutional modernization. Modern governance requires clear documentation, structured financial procedures, and transparent disclosure systems. As Ebrahim (2016) argues, accountability in mission-driven organizations is multi-layered, involving financial, organizational, and ethical dimensions. For mosques, implementing PSAK 45 and PSAK 109 addresses all three dimensions simultaneously, transforming them from traditional religious institutions into professionally managed nonprofit entities capable of meeting contemporary governance standards. Therefore, while significant challenges remain, the potential benefits of standard adoption far outweigh the constraints, making PSAK-based financial reconstruction a critical step toward strengthening the financial integrity and public trustworthiness of mosques in Indonesia.

4. CONCLUSION

This study concludes that the implementation of PSAK 45 and PSAK 109 provides a comprehensive and strategic foundation for reconstructing mosque financial reporting systems in Indonesia. The literature review reveals that current financial practices in

mosques remain fragmented, heavily manual, and lacking in standardization, resulting in limited transparency and weak accountability. By adopting PSAK 45, mosques can improve the structure of their financial statements through clearer classifications of unrestricted, temporarily restricted, and permanently restricted funds, thereby enhancing the clarity and comparability of their financial disclosures. Meanwhile, PSAK 109 offers a robust framework for managing zakat, infak, and sadaqah funds in ways that ensure ethical, transparent, and Sharia-compliant governance. Despite the substantial benefits, the findings indicate that implementing both standards entails significant challenges, including limited financial literacy among mosque administrators, inadequate internal controls, and the absence of regulatory enforcement requiring standardized reporting.

Cultural perceptions that financial management in mosques is traditionally informal also present barriers to adopting modern accounting practices. These challenges demonstrate that successful implementation requires systematic capacity building, institutional commitment, and support from regulatory and religious authorities. Nevertheless, the opportunities generated through standardized reporting using PSAK 45 and PSAK 109 far outweigh the challenges. The adoption of these standards enhances stakeholder trust, strengthens accountability, improves auditability, and supports long-term institutional sustainability. The integration of PSAK 45 and PSAK 109 thus represents a crucial step toward modernizing mosque financial governance, aligning religious institutions with national nonprofit reporting standards, and reinforcing their credibility as community-based organizations. This study recommends that mosques implement PSAK 45 and PSAK 109 through structured capacity-building programs, standardized reporting templates, and the establishment of internal control mechanisms. Policymakers and religious authorities are encouraged to support the institutionalization of these standards through training initiatives and regulatory guidance. Future research is encouraged to conduct empirical assessments of PSAK implementation across different mosque contexts to validate and refine the conceptual framework proposed in this study.

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