

The Use of Public Accountants and Auditing Firms in Financial Services

POJK Number 9 of 2023

January 2024

A close-up photograph of a hand holding a dark blue pen with gold accents, poised to write on a document. The background is blurred, showing various financial charts, graphs, and documents on a desk, suggesting a professional accounting or auditing environment.

The Use of Public Accountants and Auditing Firms in Financial Services

POJK Number 9 of 2023

In 2023, the Financial Services Authority (OJK) launched Financial Services Authority Regulation Number 9 of 2023 concerning The Use of Public Accountants and Auditing Firms. The OJK states that the issuance of this regulation aims to strengthen the integrity of financial statements by improving the use of Public Accountants and Auditing Firms in financial services.

Through this law, the Financial Services Authority defines a “Party” as a company that conducts financial services covered in the Banking, Capital Markets, and/or Non-Bank Financial Industry Sectors and is regulated and supervised by the Financial Services Authority. “Parties” are required to actively use Public Accountants (AP) and Public Accountant firms (KAP) actively listed in OJK and have competencies which correspond with the complexity of the Party’s business. The APs and KAPs that are appointed will provide audit services based on laws and regulations. However, the use of audit services is restricted

to 7 (seven) consecutive accounting years for commercial banks, issuers, and public companies. Parties can reuse audit services for annual historical financial information from the same AP, provided that the cooling-off period has passed. For APs acting as an engagement partner the cooling-off period is 5 consecutive years. APs acting as the person responsible for engagement quality control review have a cooling-off period of 3 (three) consecutive years. Other audit engagement partners have a cooling-off period of 2 (two) consecutive years. On the other hand, for “Parties” other than commercial banks, issuers, and public companies, the use of audit services from the same AP, including APs who are an associated party and contain KAP personnel with a position a level below APs who are involved in providing audit services, is limited to 5 accounting years with a cooling off period for 2 consecutive years.

In this case, the “Party” may request the KAP to independently assess the results of the assessment of compliance with the



restrictions on the use of audit services and cooling off period by including information on the period of the engagement undertaken and the considerations that conclude the AP and/ or KAP personnel meet the restrictions on the use of audit services and the cooling off period. The calculation scheme for the restriction of usage of audit services is applied from the time the AP provides audit services before the “Party” obtains a license or is registered as an entity supervised and regulated by OJK and from the period of service provision by the AP before being registered with OJK. Submission of reports from the Party to the OJK regarding the appointment of APs and KAPs are accompanied by recommendations from the Audit Committee including considerations used in providing recommendations and the results of self-assessments received from KAPs. This document must be submitted no later than 10 (ten) working days after the engagement letter between the Party and KAP is signed. The realization of the use of AP and KAP services must be submitted no later than 6 (six) months

after the financial year ends. All forms of corrections or changes can be submitted online through the OJK reporting system.

To maintain quality and credibility, APs, KAPs, and people within the KAPs are required to fulfill independent conditions during the Audit Period and Professional Assignment Period stated in a statement letter and submitted to the “Party” before the Professional Assignment Period begins. Likewise, APs and KAPs shall communicate the preparation and implementation of the audit and further provide the OJK’s requested information on annual historical financial information to the OJK.

For more detailed information, please refer to POJK Number 9 of 2023: <https://ojk.go.id/id/regulasi/Pages/Peraturan-Penggunaan-Jasa-Akuntan-Publik-dan-Kantor-Akuntan-Publik-dalam-Kegiatan-Jasa-Kuangan.aspx>



Grant Thornton

[grantthornton.co.id](https://www.grantthornton.co.id)

© 2024 Grant Thornton Indonesia. All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.