

THE EXISTENCE OF PSAK 109 AN APPROACH TO REALIZING GOOD ZAKAT GOVERNANCE IN BAZNAS WEST NUSA TENGGARA



Annisa Kartika Ocktavia¹
Institut Agama Islam Tazkia, Bogor, Indonesia
ocktaviaannisakartika2@gmail.com

Murniati Mukhlisin²
Institut Agama Islam Tazkia, Bogor, Indonesia
murniati@tazkia.ac.id

Abstract

This research highlights the importance of standardized accounting and financial reporting in achieving transparency and accountability, which ultimately contributes to higher public trust in BAZNAS. The purpose of this study is to examine the implementation of PSAK No. 109 by BAZNAS in the Province of West Nusa Tenggara, to achieve good zakat governance. The focus of this research is to assess the transparency and accountability of zakat management, as well as the role of good accounting and financial reporting in building public trust in BAZNAS. This study uses primary and secondary data to investigate the implementation of PSAK 109 at BAZNAS in the Province of West Nusa Tenggara. Primary data consists of interviews, while secondary data includes financial reports of BAZNAS in the Province of NTB and related literature studies. The results show that BAZNAS in the Province of NTB has implemented PSAK 109 in terms of recognition, measurement, presentation, and disclosure of zakat transactions. Alignment of zakat institution financial reporting with PSAK 109 can contribute to zakat institutions in realizing good zakat governance, which ultimately leads to optimal zakat realization. To date, attention to zakat governance research has increased, but there has been no specific research on efforts to achieve good zakat governance by BAZNAS in the Province of NTB using PSAK 109.

Keywords: National Amil Zakat Agency, Good Zakat Governance, PSAK 109

INTRODUCTION

Indonesia is one of the largest Muslim-majority countries in the world with significant zakat potential. Zakat is the obligatory alms that must be given by a Muslim or business entity to those who are entitled to receive it according to Islamic law (Elvira et al, 2023). The existence of zakat can enhance the welfare of society. The potential zakat in Indonesia reaches IDR 327 trillion per year (Kemenag, 2023). According to the Chairman of National Amil Zakat Agency (Badan Amil Zakat Nasional/BAZNAS) Prof. Noor Achmad, by the end of 2022, the collection of ZIS (zakat, infaq, and sadaqah) and various national religious social funds from muzaki (zakat obligors) reached IDR 26 trillion. This means that the collection of ZIS is less than 10 percent of its potential (Abimanyu, 2023). The failure to optimize the current zakat potential is triggered by several factors such as low public trust in Zakat Management Organizations (Organisasi Pengelola Zakat/OPZ) and many Muslims who do not understand how to calculate zakat funds and to whom zakat should be distributed (Lesmana et al., 2022). (Meilina et al., 2023) emphasized that proper zakat distribution is efficient zakat distribution. The more transparent and accountable zakat institutions are in managing ZIS, the higher the public trust in these institutions will be. This is consistent with the research by (Saefuddin, 2021) which highlights the importance of transparency and accountability in the role of BAZNAS in assisting underprivileged communities, thereby helping to build trust in zakat institutions.

An appropriate accounting and financial reporting system can enhance the transparency and accountability of zakat institutions (Andriani et al. 2021). This is very important in the context of zakat accounting, where the use of standardized reporting practices, such as PSAK 109 (Solehah, 2017). Initially, OPZs in Indonesia used PSAK 45 for financial reporting. However, PSAK 45 did not focus on presentation and measurement, leading to the issuance of PSAK 109 as a standardized zakat accounting reporting framework. PSAK 109 regulates the recognition, measurement, presentation, and disclosure of zakat and sadaqah transactions for Amil Zakat Agency (*Badan Amil Zakat/BAZ*) and Amil Zakat Institution (*Lembaga Amil Zakat/LAZ*) (Megawati, 2014).

BAZNAS or LAZ, as zakat and infaq institutions, have significant responsibilities, particularly in how to implement good zakat governance (Susilowati & Setyorini, 2018).

Good zakat governance, including efficiency and effectiveness in fund distribution, is crucial for these organizations (Supriadi, 2021). Proper zakat management is also emphasized, focusing on accountability and trust (Wahyu & Anwar, 2020; Wakit et al, 2023). Good zakat governance can be seen from the output produced by OPZs related to the allocation of zakat, infaq, and alms, which is limited to eight rightful zakat recipients (*asnaf*). BAZNAS needs to focus on key attributes to improve its performance, thereby enhancing *muzakki* awareness to pay zakat through amil institutions (Ayuniyyah, 2011; Ashari et al, 2023). Additionally, PSAK 109 includes rules that support good zakat governance in financial reporting. Therefore, aligning BAZNAS financial reporting with PSAK 109 can contribute to realizing good zakat governance, ultimately leading to optimal zakat realization.

Furthermore, PSAK 109 contains rules that support good zakat governance in financial reporting. Therefore, aligning BAZNAS financial reporting with PSAK 109 can make a significant contribution to realizing good zakat governance. This process is ultimately expected to result in optimal zakat realization, solidify public trust, and empower these institutions in their strategic role in distributing zakat for communal welfare.

Below are several previous studies related to public trust in the quality of OPZs and the importance of applying a good accounting system in zakat management. A national survey conducted by UIN Syarif Hidayatullah Jakarta showed that 97% of the public wants BAZNAS and LAZ to operate accountably and transparently, 90% request ease of access to monitor managed funds, and 90% demand the publication of OPZ financial reports in the mass media. Additionally, 75% of the public does not want to channel their zakat-to-zakat institutions with unknown accountability. Even 63% of the public wants to know where the zakat funds are allocated. These survey results indicate that one of the key factors causing low zakat optimization in Indonesia is the low public trust in the quality of zakat management by OPZs (Rahman, 2015).

Furthermore, Harahap (2019) studied the impact of accountability and transparency in zakat management on muzaki interest at BAZNAS North Sumatra Province. The study showed that accountability and transparency in zakat management positively influence *muzakki* interest in BAZNAS North Sumatra Province. Additionally, (Antonio et al., 2020),

(Rifai & Priyono, 2020), (Amilahaq & Ghoniyah, 2019), (Mukhlis & Beik, 2013), and (Wahid et al., 2009) emphasize that transparency in zakat fund management by OPZs increases *muzakki* interest in paying zakat through OPZs. Subsequently, a study by (Yusra & Riyaldi, 2020) analyzed accountability and transparency in zakat management on *muzakki* interest at Baitul Maal Aceh. The study showed that zakat management at Baitul Maal Aceh has implemented transparency and accountability well. The level of transparency at Baitul Maal Aceh is considered good due to efforts to disseminate zakat management information through mass media.

In optimizing zakat potential, public trust in zakat institutions is very influential (Ryandono et al., 2021). (Zadjuli et al., 2020) stated that governance is a crucial issue in zakat institution performance because zakat institutions are public organizations trusted by the community. Therefore, zakat institutions need good governance in their operations. A study by (Adiwijaya & Suprianto, 2020) concluded that for a zakat institution to be considered well-governed, it must meet several criteria, such as distribution, efficiency, and financial reporting criteria. Regarding PSAK 109 as a guideline for achieving good zakat governance, a study by (Majid et al., 2020) showed that BAZNAS South Sulawesi Province had not implemented PSAK 109, so good zakat governance at BAZNAS South Sulawesi Province had not been well achieved.

So far, research on zakat governance has received attention. Still, none has specifically focused on efforts to achieve good zakat governance at BAZNAS West Nusa Tenggara Province based on PSAK 109 in the recognition, measurement, presentation, and disclosure of zakat, infaq, and sadaqah transactions. Given that the Muslim population in West Nusa Tenggara Province is over 96% (Kusnandar, 2021), it will be proportional to the number of muzaki, which will affect the potential zakat funds. Even in 2021, the Zakatnomics Development Index value in West Nusa Tenggara Province was 0.63, categorized as good. This indicates that the spirit of integrating ZISWAF (zakat, infaq, sadaqah, waqf) into daily life in West Nusa Tenggara Province is already good (BAZNAS, 2021). Therefore, it is very interesting to make this a research object related to good zakat governance.

BAZNAS West Nusa Tenggara Province is one of the OPZs established by the government to collect ZIS funds in West Nusa Tenggara Province. The development of zakat management in West Nusa Tenggara Province began around the year 2000 concerning Law No. 38 of 1999 on zakat management. At that time, an institution called the Regional Amil Zakat, Infaq, and Sadaqah Agency (Badan Amil Zakat, Infaq, dan Sedekah Daerah /BAZISDA) was established. In 2011, it was renamed the National Amil Zakat Agency (Badan Amil Zakat Nasional/BAZNAS) following the enactment of Law No. 23 of 2011 on zakat management. The implementation regulations are stipulated in Government Regulation No. 14 of 2014 on the implementation of Law No. 23 of 2011 on zakat management.

Therefore, this study aims to understand the application of PSAK 109 in the recognition, measurement, presentation, and disclosure of zakat transactions at BAZNAS West Nusa Tenggara Province to achieve good zakat governance.

LITERATURE REVIEW

Obligation of Zakat

Zakat is an obligation for every Muslim who has wealth reaching the *nishab*. Zakat comes from the Arabic word meaning clean, pure, fertile, and growing. In context, zakat refers to the wealth possessed by every human as a trust from Allah SWT. The function of zakat is social and aligns with the principles found in the Qur'an and As-Sunnah. The Qur'an mentions the word "zakat" 30 times, with 8 mentions in Makkiyah chapters and 22 in Madaniyah chapters (Ocktavia et al., 2023). There are 28 verses where the command to perform zakat is mentioned alongside the command to establish prayers in the Qur'an, indicating that the position of zakat is on par with the establishment of prayers. Furthermore, Zakat is the third pillar of Islam out of the five pillars (Budi, 2011). The obligation to pay zakat is so significant that Allah threatens those who do not pay zakat with severe punishment in Surah At-Taubah (9:34-35).

يَا أَيُّهَا الَّذِينَ آمَنُوا إِنَّ كَثِيرًا مِّنَ الْأَخْبَارِ وَالرُّهْبَانِ لَيَأْكُلُونَ أَمْوَالَ النَّاسِ بِالْبَاطِلِ وَيَصُدُّونَ عَن سَبِيلِ اللَّهِ وَالَّذِينَ يَكْنِزُونَ
الذَّهَبَ وَالْفِضَّةَ وَلَا يَنْفِقُونَهَا فِي سَبِيلِ اللَّهِ فَبَشِّرْهُمْ بِعَذَابٍ أَلِيمٍ يَوْمَ يُحْمَىٰ عَلَيْهَا فِي نَارِ جَهَنَّمَ فَتُكْوَىٰ بِهَا جِبَاهُهُمْ وَجُنُوبُهُمْ
وَوُجُوهُهُمْ هَذَا مَا كَنَزْتُمْ لَأَنفُسِكُمْ فَذُوقُوا مَا كُنْتُمْ تَكْنِزُونَ

you who have believed, indeed many of the scholars and the monks devour the wealth of people unjustly and avert them from the way of Allah. And those who hoard gold and silver and do not spend it in the way of Allah—give them tidings of a painful punishment. The Day when it will be heated in the fire of Hell and seared therewith will be their foreheads, their flanks, and their backs, (it will be said), 'This is what you hoarded for yourselves, so taste what you used to hoard.

This verse highlights the behavior of those who do not spend their wealth in the way of Allah and that those who hoard gold and silver without spending it will face a painful punishment. In the context of good zakat governance, this verse serves as a reminder of the importance of fulfilling the obligation of zakat as a form of charity and good deeds. Good zakat governance involves the fair and efficient collection, distribution, and management of zakat. Allah has informed us who is entitled to receive zakat in Surah At-Taubah (9:60).

إِنَّمَا الصَّدَقَتُ لِلْفُقَرَاءِ وَالْمَسْكِينِ وَالْعَامِلِينَ عَلَيْهَا وَالْمُؤَلَّفَةِ قُلُوبُهُمْ وَفِي الرِّقَابِ وَالْغَارِمِينَ وَفِي سَبِيلِ اللَّهِ وَابْنِ السَّبِيلِ
فَرِيضَةً مِّنَ اللَّهِ وَاللَّهُ عَلِيمٌ حَكِيمٌ .

"Indeed, zakat expenditures are only for the poor, the needy, those employed to collect (zakat), for bringing hearts together (for Islam), for freeing captives (or slaves), for those in debt, for the cause of Allah, and for the (stranded) traveler—an obligation (imposed) by Allah. And Allah is Knowing and Wise."

The verse above explains that zakat is given to eight categories of recipients: the poor, the needy, those whose hearts are to be reconciled, slaves seeking to free themselves, those in debt, travelers, for the cause of Allah, and orphans. As for the hadiths discussing zakat, one notable hadith narrated by Al-Bukhari and Muslim states that Islam is built upon five pillars: the testimony that there is no god but Allah and Muhammad is the Messenger of Allah, establishing prayer, paying zakat, fasting in the month of Ramadan, and performing the pilgrimage to the House for those who can do so. This hadith emphasizes that zakat is one of the five pillars of Islam that every Muslim must observe.

Zakat Accounting

Zakat accounting is the process of recognition, presentation, and settlement of zakat and infaq/sadaqah transactions according to Islamic law, and providing information on the implementation of zakat infaq/sadaqah by amil to relevant parties to achieve transparency and accountability. Zakat accounting helps companies and zakat management institutions accurately handle zakat, infaq, sadaqah, hibah, and waqf. According to AAS - FI (Accounting & Auditing Standards for Islamic Financial Institutions), the purpose of zakat accounting is to demonstrate compliance with Islamic Sharia law, including details on the prohibition of non-compliant income and expenses, as well as how such information is distributed (Mukhlisin & Nofianti, 2019). Zakat managers are non-profit organizations that raise funds and provide services to the community. The amil or zakat management body aims to manage zakat, distribute zakat to the rightful recipients, and apply accounting practices in transaction recording to produce information (Megawati, 2014).

Accounting Standard: PSAK Number 109

Zakat management groups or institutions use this standard to collect and disburse zakat (infaq/sadaqah) funds. Zakat accounting aims to provide consistency and ease in recording zakat and infaq or sadaqah transactions, and public access to zakat management accounting reports. According to PSAK, the amil body is a zakat management company whose operations are regulated by laws governing the collection and distribution of zakat. PSAK 109 also seeks to ensure that Zakat Management Institutions implement certain recommendations. The components of PSAK 109 include:

Initial Recognition: Zakat receipts are recognized when cash or non-cash assets are received. Zakat received from *muzakki* is added to zakat funds in the following amounts: (a) the amount received if in cash; (b) fair value if in non-cash form.

Measurement: If the value of non-cash zakat assets decreases, the amount of loss incurred should be considered a deduction from zakat funds, or if due to the negligence of amil, it is recognized as a deduction from amil funds.

Distribution: Zakat distributed to *mustahiq* is recognized as a deduction from Zakat funds in the amount of: (a) the amount given if in cash; (b) the recorded amount if in non-cash assets.

Financial Statements: Amil separates zakat funds, infaq/sadaqah funds, amil funds, and non-halal funds. The components of amil financial statements include:

- (a) Statement of Financial Position;
- (b) Statement of Changes in Funds;
- (c) Statement of Changes in Managed Assets;
- (d) Statement of Cash Flows;
- (e) Notes to Financial Statements.

Disclosure: Amil must provide information regarding Zakat transactions and distribution, including priority scales for distribution and receipt.

Good Zakat Governance

The purpose of implementing Good Zakat Governance is to ensure that Zakat funds are managed properly and in accordance with national rules and regulations (Fadilah et al., 2018). Good Zakat Governance is a concept referring to good governance in the management of Zakat funds. This concept is considered important to ensure effectiveness, transparency, accountability, and sustainability in the collection, distribution, and use of zakat funds.

Looking at zakat management during the time of the Prophet Muhammad and his companions, several principles of good governance indirectly emerged, such as the rule of law according to the Sunnah and the Quran, justice, and consensus orientation. Muslim scholar Yusuf Qardhawi researched zakat, indirectly identifying various good governance principles in his thoughts on zakat management. Yusuf Qardhawi's work serves as a contemporary reference for addressing issues Muslims face regarding zakat (Qardhawi, 2005).

In Yusuf Qardhawi's concept of zakat management, several principles of good governance guide an effective zakat system. First, the principle of participation emphasizes

the importance of involving local officials or communities in the area where zakat is collected to ensure the proper and effective distribution of zakat. Second, the rule of law not only regulates zakat management but also sets the character of zakat administrators who must be upright, avoiding sinful actions. The principle of transparency encourages the government to implement transparency measures to build public trust in zakat distribution. Government responsiveness to the socio-economic issues of the community is the fourth principle, highlighting the importance of government responsibility in addressing these challenges. The consensus orientation principle underscores the need for consultation and agreement in decision-making regarding zakat distribution to minimize distribution costs and ensure accurate zakat allocation. Sixth, the principle of justice acknowledges that zakat is a religious obligation for anyone handling it, and every worker involved is expected to prepare themselves to achieve welfare. The consensus orientation principle further emphasizes prioritizing zakat distribution in nearby areas with many *mustahiq* to minimize distribution costs. Lastly, the principle of accountability demands accountable administration, selecting the best human resources for zakat institutions, maintaining balance, and managing financial administration prudently. By applying these principles, zakat management can become more effective and positively impact community development.

Previous research on Good Zakat Governance has identified several key principles and dimensions. Amalia, E. (2019) found that transparency, accountability, responsibility, and independence are crucial, with transparency being the most important. Mohd Shazilli (2012) emphasized the importance of good governance in zakat distribution, especially in ensuring efficient and effective distribution to *asnaf*. Permana & Baehaqi (2018) highlighted the need for good governance to improve professional performance and meet stakeholder interests, with specific principles including transparency, accountability, responsibility, independence, and justice. Firmansyah & Devi (2017) identified strategies to improve the quality of good governance in zakat institutions, including standardizing financial reports, complying with SOPs, and enhancing internal controls. These studies collectively underscore the importance of good governance in zakat management, focusing on transparency, accountability, and justice.

RESEARCH METHOD

The type of research used in this study is a qualitative approach based on the use of descriptive analysis techniques, meaning it describes the findings from the obtained data and then analyzes them. The focus of this research is to describe and analyze in-depth the policy of zakat accounting implementation used by the National Amil Zakat Agency (BAZNAS) of West Nusa Tenggara Province. This involves the process of collecting and distributing zakat funds in accordance with PSAK 109, thus allowing for further investigation and satisfactory results.

The secondary data sources in this research include the financial reports of BAZNAS of West Nusa Tenggara Province, the accounting policies of BAZNAS of West Nusa Tenggara Province, and previous studies and reviews considered relevant to this study. The data analysis technique is conducted by collecting data from documents or literature studies and interviews that are conducted directionally and in-depth. These processes can be explained in three stages: data reduction, data presentation, and conclusion drawing. The testing of the data's validity is also known as credibility testing, which is used to ensure the quality of the data found in the field. The credibility test used is the method of data source triangulation and Social Contract Theory.

Social Contract Theory adopted in this research aligns with Governance Theory, related to zakat governance through its emphasis on the role of social bonds, cooperation, and trust in societal governance (Wijaya, 2016). This is highly relevant in the context of zakat governance, where effective management of zakat funds requires the establishment of trust and cooperation between zakat institutions and the community. This theory also highlights the importance of accountability and common goals in governance (Latri & Abdurrahman, 2021), which are essential elements in ensuring transparency and ethical use of zakat funds. Additionally, the focus of this theory on resource distribution and the role of the government in governance (Ali et al., 2018; Silayar, 2021) can be applied to the allocation and utilization of zakat funds, emphasizing the need for effective collaboration between zakat institutions and the government.

RESULTS AND DISCUSSION

Collection and Distribution of Zakat

Through NTB Governor Regulation No. 15 of 2016, BAZNAS of NTB Province is strengthened in managing the organization and management of zakat, infaq, and sadaqah. It is explained in Chapter 2, No. 10, which regulates zakat payments from civil servants, non-civil servants, regional-owned enterprises, work allowances, professional doctors, lawyers, accountants, and others. This regulation strengthens BAZNAS of NTB Province in spreading the mandate of da'wah in collecting zakat funds. Besides the Governor Regulation, BAZNAS of NTB Province collaborates with major banks to facilitate zakat collection. BAZNAS of NTB Province also collaborates with donation service platforms to campaign for several zakat collection and distribution programs.

Before distributing zakat, BAZNAS of NTB Province first collects data on mustahik. This is done to ensure zakat is distributed to the right people. Islam has established eight asnaf who are entitled to receive zakat. The zakat funds collected by BAZNAS of NTB Province are distributed to these eight asnaf. However, in practice, not all asnaf receive zakat. This is because not all asnaf are listed in the mustahik data of BAZNAS. For instance, the asnaf riqab (slaves) are very rarely found today.

Based on the zakat distribution data of BAZNAS of NTB Province in 2023, the largest distribution was to the poor, amounting to 47%. The zakat distribution for the poor is used for social activities such as disaster relief, food needs, and medical expenses. This indicates that BAZNAS of NTB Province has successfully reached the poor community in NTB Province. The second largest distribution was to the *fi sabilillah asnaf*, amounting to 21.19%. The zakat distribution for *fi sabilillah* is used for educational assistance, religious facilities, and welfare for religious leaders such as Tuan Guru Haji (TGH), mosque caretakers, and teachers. The third largest distribution was to the *amil asnaf*, amounting to 11.2%. The zakat distribution for *amil* is used to fund the operations of BAZNAS of NTB Province, such as staff salaries, procurement of facilities and infrastructure, and *mustahik* development activities. Other *asnaf* received smaller zakat distributions, namely the indigent (10%), *muallaf* (1.2%), *gharimin* (1.2%), *ibn sabil* (0.52%), and *riqab* (0%).

The distribution of zakat, infaq, and sadaqah (ZIS) by BAZNAS of NTB Province begins in February. This is because, in January, BAZNAS of NTB Province focused on completing the annual report. The peak distribution of ZIS occurs during Ramadan, in April to May, and at the end of the year, in November and December. However, ZIS distribution is carried out daily, starting from disbursement for medical treatment, mosques, and other assistance. Proof of ZIS distribution is carried out by the distribution department. However, in the field, all executing amil and leaders go down to distribute ZIS.

BAZNAS of NTB Province distributes ZIS in two forms, namely consumptive and productive distribution. Consumptive distribution is divided equally among all *mustahik* registered with BAZNAS. The distribution can be in the form of food such as staple foods or basic needs. It can also be in the form of money to buy basic needs for the *mustahik*. This consumptive distribution is carried out during Ramadan and is taken from zakat *fitriah* in the form of rice. The Ramadan package is usually calculated at 300 million from the budget. This amount is still relatively small, as it is only 9.4% for the indigent asnaf in the form of staple foods. The rest is in the form of cash, either directly or via transfer.

Law No. 23 of 2011 concerning Zakat Management also stipulates the existence of productive zakat. Regarding productive zakat, it is explained in Article 27, paragraph 1: "Zakat can be utilized for productive business to address poverty and improve the quality of the ummah."

BAZNAS of NTB Province provides business capital assistance to small traders in a three-year development program. This program is accompanied by 16 mentors. Business capital assistance is given in three stages, namely the first stage of 1 million rupiahs, the second stage of 2 million rupiahs, and the third stage of 3 million rupiahs. If the trader's business runs well and can donate to BAZNAS, the trader can continue the development in the following year with a larger loan amount, ranging from 2 to 3 million rupiahs. To date, the productive zakat development program has reached over 1,000 small traders.

Based on interviews, it is known that the income of *mustahik* has increased after receiving productive zakat, although in relatively small amounts. Of all the *mustahik* who were developed, only about 40% were able to turn over the capital and develop their

businesses. Therefore, BAZNAS of NTB Province plans to change the productive zakat distribution pattern. This is done because the current development system is considered not to have an optimal impact on the *mustahik's* economy.

Analysis of PSAK 109 Implementation

The implementation of zakat practices based on Financial Accounting Standard No. 109 aims to regulate the recognition, measurement, presentation, and disclosure of zakat, infaq/sadaqah transactions. Proper governance ensures that zakat fund managers can be held accountable and can also increase the trust and compliance of zakat payers (Saad, Aziz, & Sawandi, 2014). The financial statements of BAZNAS of NTB Province are complete, consisting of five financial statements as stipulated in PSAK 109: the statement of financial position, the statement of changes in funds, the statement of changes in managed assets, the cash flow statement, and notes to the financial statements.

In the interview with Mrs. Latifatul Azmiati, SE, the head of finance and reporting, she stated: "Our financial statements are complete and have been audited with a fair opinion, the financial statements I prepared and those in SIMBA are also integrated. As for 2024, the statement of changes in funds will be renamed the statement of activities and the statement of changes in managed assets will be eliminated following PSAK 109 (2022) provisions." The interview results indicate that BAZNAS of NTB Province has implemented an adequate accounting and financial reporting system. This is evident from the statement that the financial statements of BAZNAS of NTB Province are complete, have been audited with a fair opinion, and are integrated. Moreover, BAZNAS of NTB Province has followed the developments in financial accounting standards. This is evident from the statement that the statement of changes in funds will be renamed the statement of activities and the statement of changes in managed assets will be eliminated in accordance with PSAK 109 (2022) provisions.

The accounting recognition at the NTB Province BAZNAS utilizes a cash basis, where receipts are recorded when cash is received and expenditures are recorded when cash is disbursed. This method is chosen for its simplicity and ease. The valuation system for non-cash assets at the NTB Province BAZNAS uses fair market value. However, there are

differences in standard pricing units compared to the City Government because BAZNAS NTB Province operates under the national government and has its standard pricing units. For instance, all budgeting in the Regional Budget (APBD) refers to the pricing units of the City Government/Regional Government. But, for the alms, it aligns with the market price.

Based on the interview results, the determination of non-cash asset values is also in accordance with PSAK 109, which states that the fair value of non-cash assets is determined using the fair market value. If the fair market value is not available, then the receipt of zakat in the form of non-cash assets is only disclosed in the financial statement notes. The NTB Province BAZNAS recognizes current non-cash assets based on market value. However, non-current non-cash assets are not included in the BAZNAS financial statements, as evidenced by the absence of buildings in the financial statements. Nonetheless, the NTB Province BAZNAS recognizes the depreciation of equipment and transportation as a reduction in asset value.

Non-current non-cash assets, such as buildings, equipment, and transportation, must be presented in the financial statements. However, the recognition and recording of depreciation of these assets depend on their condition. Leased buildings do not need to be recognized in the financial statements, and therefore their depreciation also does not need to be recorded. Owned equipment and transportation must be recognized in the financial statements. Depreciation of equipment and transportation is recorded using the straight-line method at a rate of 20% of the acquisition value. Next year, this depreciation rate may be adjusted according to the latest PSAK.

Regarding non-halal funds in PSAK 109 before revision, it states that if there are non-halal receipts, those receipts are not presented in the income statement and other comprehensive income of Sharia entities or conventional entities consolidating Sharia entities. Information on non-halal receipts is presented in the statement of sources and uses of welfare funds.

Concerning the non-halal funds at the NTB Province BAZNAS, it is explained by Ms. Latifatul Azmiati, SE., that the NTB Province BAZNAS complies with central regulations by segregating zakat funds, infaq/charity funds, and non-halal funds. The non-

halal funds held are only in the form of profit-sharing from conventional banks, with very small amounts, only thousands of rupiah. The NTB Province BAZNAS mostly uses Sharia banks. According to PSAK, all bank profit-sharing receipts will be recorded according to their accounts. However, because the operations of the NTB Province BAZNAS are not yet optimal, the KAP auditor suggests separating the profit-sharing funds. Therefore, the NTB Province BAZNAS has a separate profit-sharing account, which is used to maximize operations. The funds used are not only non-halal but also profit-sharing funds from bank giro services.

Disclosure means that financial statements must provide sufficient information and explanations about the activities of an organization. Therefore, the NTB Province BAZNAS must present clear, complete, and accurate information regarding economic events affecting its financial position. This disclosure will be included in the form of financial statement notes. The NTB Province BAZNAS already has financial statement notes that comply with PSAK 109. For reporting to the muzakki, the NTB Province BAZNAS has two systems: the BAZNAS Management Information System (SIMBA) and the internal system. The internal system has a specific format for information to the *muzakki*. The NTB Province BAZNAS has also conducted reconciliations with the OPZ of districts/cities to ensure data consistency. Bank statement reports are also available in district/city OPZs.

The Realization of Good Zakat Governance through PSAK 109

Optimal zakat governance is crucial for every OPZ. Characteristics of good zakat governance involve aspects of transparency and accountability in zakat management, including the management of alms/charity. An OPZ is considered to have a good zakat governance system when it adheres to the principles of accountability and transparency. These principles can be realized through the implementation of accurate accounting and financial reporting systems. To create such a system, every accounting activity and financial reporting must adhere to specific guidelines or standards, such as PSAK 109 on zakat and alms/charity accounting. PSAK 109 is used as a guide for every OPZ in terms of recognition, measurement, presentation, and disclosure of every zakat and alms/charity transaction, as well as a guideline in preparing OPZ financial statements.

The financial statements of BAZNAS Province NTB have been audited by independent auditors (public accountants) Dra Suhartati & Partners. Throughout, the accountability and transparency of BAZNAS Province NTB are reflected not only through financial statements but also more focused on providing information to the *muzakki* regarding the allocation of zakat and alms/charity funds. This information is conveyed through an internal system that has its specific format for information to its *muzakki*, even having conducted reconciliations with district/city OPZs, and bank statement reports will automatically appear in OPZs along with their events.

The financial statements of BAZNAS Province NTB present financial items in accordance with the provisions of PSAK 109. Ideally, a financial statement is considered accountable and transparent if it complies with established standards, such as PSAK 109, which is the financial reporting standard for BAZNAS. The implementation of PSAK 109 is one alternative to achieving good zakat governance. PSAK 109 provides rules that support the presentation of good zakat governance in financial statements. By referring to PSAK 109, the financial statements of BAZNAS can realize good zakat governance, especially in the context of financial reporting. Based on this explanation, it can be concluded that BAZNAS Province NTB has successfully achieved good zakat governance by implementing PSAK 109 and through the audit process that has been conducted.

CONCLUSION

The implementation of good zakat governance through the application of PSAK 109, as seen in BAZNAS NTB Province in the recognition, measurement, presentation, and disclosure of zakat, infaq/charity transactions. This research highlights the importance of standardized accounting and financial reporting in achieving transparency and accountability, ultimately contributing to higher public trust in BAZNAS. BAZNAS NTB Province, as an institution responsible for national zakat management tasks, has performed its duties and functions well, ranging from zakat collection, and distribution, to utilization. BAZNAS NTB Province has implemented PSAK 109 and will update its financial statements as of January 1, 2024, in accordance with the PSAK 109 revision (2022). Its accounting

system is integrated with SIMBA, and its financial statements are audited by a Public Accountant Office (KAP). The realization of good zakat governance at BAZNAS NTB Province has been fully achieved, as PSAK 109 has been implemented. Zakat management organizations are said to have good Zakat governance systems when they have implemented accountability and transparency. Accountability and transparency can be realized through proper accounting and financial reporting systems.

Recommendations that can be given to academics are to continue developing scientific research on zakat governance themes, such as conducting in-depth studies on factors influencing Good Zakat Governance. These further studies are expected to provide recommendations to enhance the effectiveness of zakat management in Indonesia. Additionally, recommendations expressed in this research are also directed towards zakat management institutions in Indonesia, urging them to use PSAK 109 as the accounting standard and financial reporting for zakat, infaq/charity transactions. However, this must be accompanied by support from the government through policies, particularly directing Muslim communities to pay zakat to licensed zakat management agencies under the Ministry of Religious Affairs. With cooperation from all parties, good zakat governance can be realized.

REFERENCES

- Abimanyu, A. (2023, Oktober 04). Jurang Potensi dan Realisasi Zakat. Retrieved from Kompas.com: <https://money.kompas.com/read/2023/04/10/055621826/jurang-potensi-dan-realisasi-zakat?page=all>
- Adiwijaya, Z. A., & Suprianto, E. (2020). Good Governance of Zakat Institutions: A Literature Review. *Journal of Southwest Jiaotong University*, 55(2), 1–7. <https://doi.org/10.35741/issn.0258-2724.55.2.38>
- Ali, M., Amil, A., & Zuhadi, Z. (2018). Implementasi Kebijakan Collaborative Governance Dalam Tata Kelola Kawasan Pariwisata Pada Badan Promosi Daerah Kabupaten Lombok Utara. *Jurnal Ulul Albab*, 22(2). <https://doi.org/10.31764/jua.v22i1.579>
- Amalia, E. (2019). Good Governance for Zakat Institutions in Indonesia: A Confirmatory Factor Analysis.

- Amilahaq, F., & Ghoniyah, N. (2019). Compliance Behavior Model of Paying Zakat on Income Through Zakat Management Organizations. *Share: Jurnal Ekonomi Dan Keuangan Islam*, 8(1), 114–141. <https://doi.org/10.22373/share.v8i1.3655>
- Andriani, A., Mahyuni, M., & Nurhidayati, N. (2021). Analisis Atas Praktik Pelaporan Keuangan Lembaga Pengelola Zakat di Indonesia.
- Antonio, M. S., Laela, S. F., Mukhlas, D., & Ghifari, A. (2020). Optimizing Zakat Collection in the Digital Era: Muzakki's Perception. 7(2), 235–254.
- Ashari, A., Fatwati, S. R. ., Hasanah, S. ., Juwairiyah, S. ., Rudi, R., & Utama, A. P. . (2023). BAZNAS Contribution Through Productive Zakat Program to the Economy Poor Society. *Majapahit Journal of Islamic Finance and Management*, 3(1), 1-14. <https://doi.org/10.31538/mjifm.v3i1.30>
- Aulia, E., & Rusli, R. (2020). Manfaat Kajian Bibliometrik Sebagai Penunjang Analisis Kebutuhan Kurikulum Program Studi Ilmu Perpustakaan Dan Informasi. *Inovasi Kurikulum*.
- Ayuniyyah. (2011). Factors Affecting Zakat Payment Through Institution of Amil Muzaki's Perspectives Analysis (Case Study of Badan Amil Zakat Nasional BAZNAS). . *Jurnal Ekonomi Islam Al-Infaq* 2, 1-16.
- BAZNAS. (2021). Implementasi Indeks Pembangunan Zakatnomics 2021. In *Jurnal Penelitian Pendidikan Guru Sekolah Dasar* (Vol. 6, Issue August). www.baznas.go.id;
- binti Mohd Shazilli, H. S. (2012). Good governance in zakat distribution: Perceptions of zakat recipients at Kota Tinggi, Johor. *IEEE Symposium on Business, Engineering and Industrial Applications*.
- Budi, I. S. (2011). Dalam Perspektif Hukum Islam Dan Hukum Positif Oleh : Diajukan Kepada Program Pascasarjana UIN Sunan Kalijaga Untuk Memenuhi Salah Satu Syarat Memperoleh Gelar Magister Studi Islam.
- Ellegaard, O., & Wallin, J. A. (2015). The bibliometric analysis of scholarly production: How great is the impact? *Scientometrics*, 105(3), 1809–1831.
- Elvira, R., Yaswirman, Y., Effendi, N., & Devianto, D. (2023). Good Amil Governance in Zakat Management in West Sumatra. *Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE)*, 7(1), 163-189. <https://doi.org/10.31538/ijse.v7i1.4314>
- Fadilah, S., Maemunah, M., Hernawati, N., & Kuntorini, R. S. (2018). Implementasi Good Zakat Governance Pada BAZNAZ Se-Bandung Raya Sri. *Kajian Akuntansi*, 19 no 2(9). https://ejournal.unisba.ac.id/index.php/kajian_akuntansi/article/view/4096
- Fatimah, S. (2018). Mewujudkan Good Zakat Governance Melalui PSAK 109 ditinjau dari Syariat Islam.
- Firmansyah, I., & Devi, A. (2017). The Implementation Strategies of Good Corporate Governance for Zakat Institutions in Indonesia. *Ijaz*.

- Fitri, N., Bulutoding, L., & Rahman, M. A. (2021). Kajian Akuntansi Zakat Menuju Good Zakat Governance. *Isafir: Islamic Accounting and Finance Review*, 2(1), 44–53. <https://doi.org/10.24252/isafir.v2i1.19939>
- Harahap, K. R. (2019). Pengaruh Akuntabilitas Dan Transparansi Pengelolaan Zakat Terhadap Minat Muzakki (Studi Kasus: Baznas Provinsi Sumatera Utara). Skripsi UIN SU Medan.
- Hidjaz, T. (2018). Arsitektur Mesjid sebagai Adaptasi Keberlanjutan Orientasi Ruang dan Representasi Budaya Sasak di Lombok. *Jurnal Arsitektur Zonasi*, 1(1), 1-15.
- Huda, N., Anwari, B., & Kasman. (2013). Pengaruh Tingkat Pendidikan, Umur, Jenis Pekerjaan dan Pendapatan Terhadap Pemahaman Zakat Profesi Studi Kasus Masjid Al-Abrar Pejompongan. *Jurnal Etikonomi*, 12(1), 24-39.
- Jarneving, B. (2007). Bibliographic coupling and its application to research-front and other core documents. *Journal of Informetrics*, 1(4), 287–307.
- Julia, J., Supriatna, E., Isrokatun, I., Aisyah, I., Hakim, A., & Odebode, A. A. (2020). Moral Education (2010-2019): A Bibliometric Study (Part 2). . *Online Submission*, 8(7), , 2954–2968.
- Kemenag. (2023, Agustus 23). Potensi Mencapai 327 T, Ini Tiga Fokus Kemenag dalam Pengembangan Zakat. Retrieved from <https://www.kemenag.go.id/nasional/potensi-mencapai-327-t-ini-tiga-fokus-kemenag-dalam-pengembangan-zakat-LobJF>
- Kemenag. (2023, Februari 20). Rakornas Zakat 2023, Menag: Literasi Kunci Pengelolaan Zakat Nasional. Retrieved from <https://kemenag.go.id/nasional/rakornas-zakat-2023-menag-literasi-kunci-pengelolaan-zakat-nasional-c411ma>
- Kusnandar, V. B. (2021, 09 21). Lebih dari 96% Penduduk Nusa Tenggara Barat Beragama Islam. Retrieved from [databoks.katadata.co.id: https://databoks.katadata.co.id/datapublish/2021/09/21/lebih-dari-96-penduduk-nusa-tenggara-barat-beragama-islam](https://databoks.katadata.co.id/datapublish/2021/09/21/lebih-dari-96-penduduk-nusa-tenggara-barat-beragama-islam)
- Laila, N., Rusydiana, A. S., & Assalafiyah, A. (2021). The Impact of Covid-19 on The Halal Economy: A Bibliometric Approach. *Library Philosophy and Practice*, 2021(August).
- Lastri, S., & Abdurrahman, R. (2021). Tata Kelola Pemerintahan Desa Kuripan Kecamatan Ciseeng Kabupaten Bogor Dalam Mewujudkan Good Governance.
- Lesmana, M., Harahap, S. A. R., Ghozali, M., & Rosmitha, S. N. (2022). Analisis Pengelolaan dan Penghimpunan Dana Zakat Melalui Regulasi Daerah pada Badan Amil Zakat. *Jurnal Hukum Dan Ekonomi Syariah*, 10(1), 51–62.
- Majid, J., Asse, A., Fatimah, & Fajrin, F. (2020). PSAK 109: Upaya Mewujudkan Good Zakat Governance Baznas Provinsi Sulawesi Selatan.
- Megawati, D. &. (2014). Penerapan PSAK 109 Tentang Akuntansi Zakat dan Infak/Sedekah pada BAZ Kota Pekanbaru. *Jurnal Penelitian Sosial Keagamaan*. 7(1), 40-59.

- Meilina, P. H., Dewi, F. K., Arisanti, N., Rosidah, I. U., & Kediri, I. (2023). Implementasi PSAK 109 dalam Menciptakan Transparansi dan Akuntabilitas Laporan Keuangan Organisasi Pengelola Zakat (OPZ) Di Indonesia. *Proceedings of Islamic Economics, Business, and Philanthropy*, 2(1).
- Mukhlis, A., & Beik, I. S. (2013). Analisis Faktor-faktor yang Memengaruhi Tingkat Kepatuhan Membayar Zakat: Studi Kasus Kabupaten Bogor. *Al-Muzara'ah*, 1(1), 83–106. <https://doi.org/10.29244/jam.1.1.83-106>
- Mukhlisin, M., & Nofianti, L. (2019). *The Role of Good Corporate Governance and Accounting in Islamic Financial Institutions*. Emerald Publishing Limited, Leeds, pp. 115-126. <https://doi.org/10.1108/978-1-78973-007-420191010>
- Nawawi, J. (2016). *Membangun Kepercayaan dalam Mewujudkan Good Governance*.
- Ocktavia, A. K., Aziza, A. N., & Ikhwan, I. (2023). Digital Zakat. *Islamic Marketing Review*, 2(1). <https://doi.org/10.58968/imr.v2i1.239>
- Permana, A., & Baehaqi, A. (2018). *Manajemen Pengelolaan Lembaga Amil Zakat Dengan Prinsip Good Governance*.
- Qardhawi, Y. (2005). *Spektrum Zakat*, Terj. Sari Nurlita. Jakarta Timur: Zikrul Hakim.
- Rahman, T. (2015). Akuntansi Zakat, Infak Dan Sedekah (PSAK 109): Upaya Peningkatan Transparansi dan Akuntabilitas Organisasi Pengelola Zakat (OPZ). *Jurnal Muqtasid*, 144-145.
- Rifai, F. Y. A., & Priyono, N. (2020). Upaya Penguatan Transparansi dan Akuntabilitas Badan Amil Zakat Infaq dan Sadaqoh (BAZIS). 3(2), 108–119.
- Rina Muflihah, N. (2019). Analisis penerapan PSAK 109 pada lembaga amil zakat di Kota Batu. *Jurnal Akuntansi* 14 (109), 13-21.
- Rosenkrantz, A. B., Chung, R., & Duszak Jr, R. (2019). Uncited research articles in popular United States general radiology journals. *Academic Radiology* 26(2), 282–285.
- Ryandono, M. N. H., Qulub, A. S., Cahyono, E. F., Widiastuti, T., Aisyah, B. N., & Robani, A. (2021). Efficiency Analysis of Zakat Institutions in Indonesia: Data Envelopment Analysis (Dea) and Free Disposal Hull (Fdh) Approaches. *Academy of Accounting and Financial Studies Journal*, 25(6), 1–12.
- Saad, R. A., Aziz, N. M., & Sawandi, N. (2014). Islamic Accountability Framework in the Zakat Funds Management. *Procedia - Social and Behavioral Sciences*, 508-515.
- Saefuddin. (2021). Peran Badan Amil Zakat Nasional (Baznas) Dalam Membantu Masyarakat Kurang Mampu Di Daerah Lombok Timur. *Al-Watsiqah : Jurnal Hukum Ekonomi Syari'ah*, 12(01), 10–16. <https://doi.org/10.51806/al-watsiqah.v12i01.2>
- Silayar, K. (2021). Tata Kelola Pemerintahan Kolaboratif dalam Pengembangan Pariwisata di Kabupaten Kepulauan Sula. *Jurnal Renaissance*, 6(2), 859. <https://doi.org/10.53878/jr.v6i2.155>

- Slamet Rusydiana, A., & Marlina, L. (2020). Analisis Sentimen terkait Sertifikasi Halal. *JEBA (Journal of Economics and Business Aseanomics)*, 5(1), 69–85. <https://doi.org/10.33476/j.e.b.a.v5i1.1405>
- Solehah, J. (2017). Analisis Akuntabilitas Dan Transparansi Laporan Keuangan Terhadap Akuntansi Zakat Pada Rumah Yatim Area Banten.
- Supriadi. (2021). BAZNAS dan Fungsinya.
- Susilowati, D., & Setyorini, C. T. (2018). Efektivitas Tata Kelola Dana Zakat. *Jurnal Akuntansi Multiparadigma*, 9(2). <https://doi.org/10.18202/jamal.2018.04.9021>
- Tanudjaja, I., & Kow, G. Y. (2018). Exploring Bibliometric Mapping in NUS using BibExcel and VOSviewer. *IFLA WLIC Kuala Lumpur*, 1-9.
- Wahid, H., Ahmad, S., & Kader, R. A. (2009). Penagihan Zakat Oleh Institusi Zakat Di Malaysia: Mengapa Masyarakat Islam Tidak Berpuas Hati? *International Journal of Mechanical and Materials Engineering*, 45(7), 10–13.
- Wahyu, A. R. M., & Anwar, W. A. (2020). Sistem Pengelolaan Zakat Pada Baznas. *Al-Azhar Journal of Islamic Economics*, 2(1), 12–24. <https://doi.org/10.37146/ajie.v2i1.31>
- Wahyudi, K. E. (2019). Mewujudkan Good Governance dalam Implementasi Program Pemberdayaan Badan Usaha Milik Desa di Jawa Timur. *Journal of Economics Development Issues*, 2(02), 43–52. <https://doi.org/10.33005/jedi.v2i02.32>
- Wahyudin, M. Z. (2002). Good Cooperate Governance Pada Badan Usaha Manufaktur, Perbankan, dan Jasa Keuangan Lainnya. Bandung: Alfabeta.
- Wakit, S., Dewijanti, I. I., Zuana, M. M. M., Suyitno, M., Amalia, M. M., & Supartawa, D. O. (2023). Zakat-Based Socioprenuer Training for Tempe Entrepreneurship Communities. *ABDIMAS: Jurnal Pengabdian Masyarakat*, 6(1), 3273–3278. <https://doi.org/10.35568/abdimas.v6i1.3088>
- Wijaya, A. A. M. (2016). Modal Sosial Untuk Kapasitas Community Governance (Studi Kasus Perempuan Pesisir Kelurahan Sulaa Kota Baubau). *Jurnal Ilmu Pemerintahan: Kajian Ilmu Pemerintahan Dan Politik Daerah*, 1(1), 107. <https://doi.org/10.24905/jip.v1i1.436>
- Yusra, M., & Riyaldi, M. H. (2020). Transparansi Dan Akuntabilitas Pengelolaan Zakat Di Baitul Mal Aceh: Analisis Persepsi Muzakki. *Al-Infaq: Jurnal Ekonomi Islam*, 11(2), 190. <https://doi.org/10.32507/ajei.v11i2.604>
- Zadjuli, S. I., Shofawati, A., & -, M. (2020). Implementing good corporate governance in zakat institution. *Bussecon Review of Social Sciences (2687-2285)*, 2(1), 27–37. <https://doi.org/10.36096/brss.v2i1.158>