

ANALYSIS OF PROFESSIONAL ACCOUNTANTS ETHICAL CODE IN INDONESIA FROM AL QURAN PERSPECTIVE

Tina Kartini¹, Ghina Mar'atu Sholihati²

^{1,2} Universitas Muhammadiyah Sukabumi

tinakartini386@ummi.ac.id¹

Abstract

The rise of cases of accountants who do not comply with the standards of professional accountants' code of ethics and the need for an Islamic code of ethics which is considered important for Islamic accountants. Islamic accountants must adhere to the Islamic values-based code of ethics which is currently not compiled by the Institute of Indonesia Chartered Accountants (IAI). This study aims to determine the Code of Ethics of Professional Accountants in Indonesia from the Al Qur'an Perspective. This study uses a qualitative method with a descriptive approach. The sample used is a social situation which consists of three elements: place, actor, and activity. From the results of this study, it can be concluded that there are five professional accountants' codes of ethics, namely: integrity, objectivity, competence and professional prudence, confidentiality, and professional behavior. The five codes of ethics are in line with the code of ethics contained in the Qur'an, which is honest and loves truth, fairness, learning the lawful, trustworthy, and disciplined.

Keywords: *Ethics of Professional Accountants, Al-Qur'an, Islamic.*

I. INTRODUCTION

Ethics can be understood from three definitions, first ethics is interpreted as a general pattern or perspective of life, this is related to religious ethics. The second definition of ethics is a set of rules of behavior or moral code, this definition relates to professional ethics and unethical behavior. The last definition of ethics is a statement about the perspective of life where it is related to philosophical ethics (Institute of Indonesia Chartered Accountants, 2015: 12). Ethics as a set of rules of behavior or moral code has a role to

determine either the good and bad or right and wrong of an action to be taken. Various kinds of ethical thought then developed to form an ethical theory.

Professional accountants under the control of the Institute of Indonesia Chartered Accountants (IAI) adhere to five basic ethical principles namely 1) integrity or being honest, 2) objectivity means it is not influenced by others, 3) competence and prudence by maintaining professional knowledge and expertise, 4) confidentiality by respecting the information obtained and not using it for personal gain and 5)

professional behavior that is in compliance with applicable laws and regulations (IAI, 2016: 3). The basic principle is contained in the guidelines in the form of an ethical code that must be followed by every accountant. Accountants have the duty and responsibility in maintaining the purity of financial statements of an entity for the benefit of financial statements user both internal and external parties. Accountant becomes a profession that bears the title of public trust and has a large role in the national corporate governance system. These duties and responsibilities prove the importance of ethics for accountants.

In addition to being governed by IAI, Ethics is also governed by every religion. In Islam, the basis of the religion is contained in the Qur'an. Al-Qur'an contains a guide to life, especially for Muslims and generally for all humans. Al-Qur'an has explained how we live in this world and the hereafter. One virtue which is contained in the Qur'an is an explanation of the character or behavior of humans in carrying out his life,

especially in carrying out muamalah. Muamalah is a relationship among humans in accordance with the Shari'a, because actually humans are social beings who cannot live alone.

Many questions have arisen about ethical violation such as in the case of Satyam Computer Services that occurred in 2009 in India. Satyam is the largest software exporter, and has spread in 68 countries. Manipulation of financial statements took place over a period of 10 years to show good financial performance in all operating parameters. Pricewaterhouse Coopers (PwC) as a public accountant who audited Satyam's financial statements was criticized for not being able to reveal the allegations that there was a \$ 1.04 billion post as interest-free deposits. The logical companies will not invest their money in securities without yields. This case caused Satyam's operating permit being revoked, Satyam's share price was significantly declined, and automatically investors lost their money. Investors also have concern about clients

audited by PwC (m.detik.com). In Islam there is a prohibition on lying and the importance of honesty in the Hadith.

"Let you be honest because honesty leads to goodness while goodness will lead to heaven. A person is not honest and always acts honestly until he is written on the side of God as an honest person. And you should avoid lying, for lying will lead to atrocities, while atrocities will lead to hell. And no one lies and always lies until he is written by Allah as a liar"(HR. Muslim)

In the end of year 2018, Indonesian Institute of Certified Public Accountants (IAPI) issued a letter addressed to the head of the Public Accountant Firm (KAP) regarding the cancellation or termination of the KAP partner system at the bank, in connection with the existence of a bank partner system which requires that the bank's debtor

financial statements are only audited by the KAP registered in the list of bank partners. With this regulation, there are weaknesses that can occur, namely unclear scope and responsibilities of Public Accountants, bank officials having diverse educational backgrounds, and low KAP bargaining position. This results in different perceptions between Public Accountants and bank officials, it will potentially threaten independence and objectivity when dealing with bank interests. Moreover, with a partner system, unregistered KAP will be rejected even though the quality is not necessarily different from the bank partner or even better. (IAPI Number: 2017 / XI / Int-IAPI / 2018).

Public accountant is a trusted party in auditing the financial statements of an organization whether it's a profit oriented or not. The previous case makes the scope and responsibilities of public accountants unclear. Allah has explained in Al-Isra about the prohibition on doing something that we do not know: " And do not pursue

that of which you have no knowledge. Indeed, the hearing, the sight and the heart - about all those [one] will be questioned." (Surah Al-Isra: 36) In addition to unclear responsibilities, this case forces the Public Accountant to comply with the bank, while the Public Accountant has a Public Accountant Professional Standards and an Ethical Code of Public Accountant Professional that must always be obeyed including maintaining the quality of audits relating to financial statements.

Therefore, this paper will describe the ethical code of professional accountants in Indonesia from Al Quran perspective. The Qur'an contains instructions for the Prophet Muhammad PBUH so that His da'wah can be carried out successfully. So that the Al-Qur'an verses need to be explored especially for the accountant as a person who is trusted in recording and reporting financial reports. The accountant in this paper refers to the accountant in Islamic financial institutions. So, the researchers applied the title "

ANALYSIS OF PROFESSIONAL ACCOUNTANTS ETHICAL CODE IN INDONESIA FROM AL QURAN PERSPECTIVE"

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

1. Concept of Ethics

The word "ethics" or *ethos* comes from Greek, it means a place to live, pasture, customary habits, character, character and feelings and ways of thinking (Sitohang, 2016: 56). The definition of ethics is the values that apply in groups or individuals, or as a scientific discipline, namely the knowledge of what is good and what is bad (Sitohang, 2016: 65).

Ethics is related to behavior and actions that should be implemented by someone in social life. Behavior is mind, while deeds are character. So, ethics is basically related to manners. Various activities carried out in society, such as social, business, religious, economic and other social activities that encourage the emergence of the social responsibility

concept in behavior and action (Soemarso, 2018: 3)

From all the definitions that have been raised by several scientists above, it can be concluded that ethics are the values that apply in a group to encourage good behavior and prevent bad behavior. Right or wrong and good or bad behavior in a person is obtained through experience, learning and education not because of heredity or carried since birth.

Ethical actions come from self-impulse and the voice of conscience. The community or organization can influence a person's ethical actions or behavior. Ethics does not cover a person's personal space, but his relationship with outsiders who make it a social responsibility. Ethics are based on norms, moral principles, and values. An organization develops norms, moral principles, and values that should be adhered to which ultimately are translated into an ethical code.

2. Code of Ethics for Professional Accountant

Soemarso (2018: 494) said that The Code of Ethics for Professional Accountants in Indonesia is adopted from the "Code of Ethics for Professional Accountants" issued by the International Ethics Standard Board for Accountants (IESBA) of the International Federation of Accountants (IFAC). This code of ethics is divided into three parts, namely:

1. Part A: fundamental ethics principles for accountants.
2. Part B: Code of ethics for public accountants.
3. Part C: Code of ethics for accountants who work in business.

Part A contains of fundamental ethical principles that apply to all professional accountants. This section also contains a conceptual framework that contains the way of thinking about what accountants must do when facing problems. Parts B and C explain the application of the conceptual framework to certain conditions. Those parts give examples of protection that may be appropriate in dealing with emerging

threats. Part B applies to professional accountants who focus their works in public practice or as public accountants. Section C applies to professional accountants working for a company or management accountant. In certain cases, section C can be relevant for public accountants.

The research focus that researchers took is the Code of Ethics for Accountants Part A. The explanation of each point is as follows:

- a. Integrity
- b. Objectivity
- c. Competence and prudence
- d. Confidentiality
- e. Professional Behavior

III. RESEARCH METHODOLOGY

Research methods are scientific steps to carry out systematic and structured research based on plans and follow scientific concepts. Researchers can determine a method that might be used in the study. Based on the scope of the problem, the researchers used descriptive and qualitative research methods.

Qualitative method is research method that is based on the philosophy of postpositivism, it used to examine natural conditions of objects, (as opposed to experiments) which researcher is key instruments, data collection technique is carried out triangulated (combined), data analysis is inductive / qualitative, and qualitative research results emphasize more on meaning than generalization (Sugiyono, 2017: 9).

This research uses a descriptive approach. Descriptive method in qualitative research is a way of working research intended to describe, describe, or explain the state of an object (reality or phenomenon) as it is, in accordance with the situation at the time the research was conducted (Ibrahim, 2018: 59). Researcher will describe the ethics of professional accountants who are studied through Al Qur'an.

Sampling technique

In qualitative research do not use the term population but Spradley called "social situation" or social situations consisting of

three elements, namely: place, actors, and activities that interact synergistically (Sugiyono, 2017: 2015).

Data collection technique

Data collection technique is the most strategic step in research because the purpose of research is to obtain data. Data is component of research. Based on the data source, the data collection can use interviews, literature studies and documentation.

Data analysis technique

Data analysis in research is an activity to understand, explain, interpret, and look for relationships among the data obtained (Ibrahim, 2018: 104). In this study, the data obtained must go through an activity which is an attempt to dialogue between data, theory and research interpretation. The data analysis techniques in this study are the analysis technique before, during and after the field.

IV. RESULTS AND DISCUSSION

Integrity

Institute of Indonesia Chartered Accountants (2015: 44) Integrity means an obligation to be honest and straightforward in professional and business relations. Professional accountants are not permitted to engage with documents, reports, communications and other information in which the materials are misleading, there is a loss or hiding of information, arranged in careless manner, which in turn produces a report or documentation that misleads accounting information users.

Practically, professional accountants have applied the fundamental principles of professional ethics, but there are cases of a professional accountant with no integrity in Indonesia, namely as follows:

a. Public Accountant

Public Accountants are a unique profession because they have to examine financial statements made by clients and they are paid for by the company or agency itself. This resulted the violations of

integrity. Some time ago, the Ministry of Finance set two public accountants who audited PT Sunprima Nusantara Pembiayaan (SNP) namely Marlina and Merliyana Samsul who had violated professional audit standards. That public accountants gave an Unqualified (*Wajar Tanpa Pengecualian*) opinion to the SNP so that the SNP got credit from the Bank (finance.detik.com). This case proved the two public accountants above do not apply the basic ethical principle of integrity because they are dishonest and are not being straightforward in their work.

b. Internal Accountant

Internal accountant is an accountant who prepares financial statements on a business or non-business entity. The application of integrity to internal accountants aims to produce financial reports that are appropriate to the situation and the evidence of existing transactions. Revealing the Inovisi case in which there were many errors in its financial statements and making PT Inovisi Infracom Tbk

(INVS) terminated. The Indonesia Stock Exchange (*Bursa Efek Indonesia*) found about eight errors in the investment company's financial statements in the third quarter of 2014. The Indonesia Stock Exchange Head of Research gave his opinion that PT Inovisi's financial statements seemed manipulated to deceive investors (finance.detik.com). In this case the accountant carried out the manipulation of the financial statements so that it was confirmed that the accountant did not apply the principle of integrity.

c. Government Accountant

Government accountants should have integrity. If a government accountant does not have integrity, there will be cases such as in the case of Ali Sadli who is a former auditor of the The Audit Board of Indonesia (BPK) sentenced to 6 years in prison because he was proven to accept bribes in the case of Unqualified (WTP) Opinion of the Ministry of Villages, Disadvantaged Regions, and Transmigration, Disadvantaged Regions, and Transmigration

(Kemendes). Ali was proven to be together with Rochmadi receiving Rp. 240 from the Inspector General of the Ministry of Villages, Disadvantaged Regions, and Transmigration Sugito through the head of the Administration and Finance Inspectorate of the Ministry of Villages, Disadvantaged Regions, and Transmigration, Jarot Budi Prabowo. In addition to 6 years in prison, Ali was sentenced to a fine of Rp 250 million in 4 months, according to judge Ibsu Basuki Widodo (detik.com).

d. Islamic Accountant

Islamic accountants carry out their duties as professional accountants different from other accountant professions, the difference being in the presence of Islamic values which must be obeyed. The facts prove that not all Islamic accountants are compliant with Islamic values and some violate the accountant's code of ethics. Bank Jabar Banten (BJB) Syariah is caught in a fictitious credit case. This fictitious credit involves PT. Hastuka Sarana Karya (HSK) as a debtor who does not provide collateral

to BJB Syariah as a creditor. Collateral in the form of land and buildings had been guaranteed to other banks, Bank Muamalat (financial.bisnis.com). In this case the BJB Syariah does not have integrity. If BJB Syariah has integrity, then collateral must still exist, because the amount of credit cannot be categorized as an Unsecured Loans (*Kredit Tanpa Anggunan*), the amount ranges from Rp 200 million to Rp 300 million.

Conclusion:

The cases clearly show that the accountants commit lies just for personal gain. Moeslim accountants need to know that the basic principles of integrity are related to the ethics contained in the Qur'an. Moeslim is an honest person who loves the truth both in words and deeds, because a believer who believes that truth shows goodness and goodness leads to heaven. Heaven is the culmination of the ideals of a true Muslim. While the nature of lying ends in hell. In this world, accountants who do not have integrity can only be sentenced to

imprisonment and or pay a fine, but the punishment in the hereafter is eternal in hell. God's command to be honest is stated in At-taubah 'O you who have believed, fear Allah and be with those who are true' (At-Taubah:119)

Objectivity

This basic principle refers to impartiality, there is no conflict of interests, and no pressure from other parties that can change professional and business considerations. Objectivity is always related to decision making which is a professional and business consideration. This principle implies that for each professional and business interest must not be compromised with personal interests, partisanship, and pressure from others. Objectivity is related to the way of work.

From the results of the research, the objectivity principle is appropriate and has been applied by professional accountants in carrying out their duties. Yet, researcher conducted another analysis of the cases happened in Indonesia, as follows:

a. Public Accountant

The Ministry of Finance had set that two public accountants who had audited PT Sunprima Nusantara Pembiayaan (SNP) namely Marlina and Merliyana Samsul had violated professional audit standards. Finance Professions Supervisory Center (*Pusat Pembinaan Profesi Keuangan*) states that the quality control of the public accountant system is weak because it has not been able to prevent the threat of closeness between the audit team and the same client for a sufficiently long period of time. This closeness results in an investigation conducted by the Public Accounting Firm (KAP) on the SNP no reached the base document. This case proved the two public accountants above did not apply the objectivity which makes an accountant to set aside his professional considerations. The administrative sanctions imposed by the Ministry of Finance in the form of restrictions on providing audit services to financial entities for 12 months are valid from 16 September 2018 to 15

September 2019 (www.cnnindonesia.com).

The closeness factor between the public accountant and the SNP management is the reason an accountant did not carry out her profession as a professional accountant who complied with the ethics of professional accountants.

Murniati Mukhlisin shared her experience while working as a junior accountant in Kuala Lumpur, Malaysia. Because she was a person who was good at talking, the office where she worked always asked her to meet the clients because the client preferred a woman who was smart, smiling and friendly. When there were findings, before they were published, there were negotiations to be covered up, with various offers from clients. Those offers can be an auditor's threat to the principle of objectivity. According to Murniati Mukhlisin, this accountant deviations behavior exists, even in an Islamic organization.

b. Internal Accountant

The case of PT. Infracom Inovisi is one of the cases that showed an internal accountant who did not apply the objectivity. PT. Inovisi Infracom manipulated the financial statements which showed a conflict of interest, PT Inovisi manipulated the financial statements to be viewed favorably by investors. This caused the financial statements given to the government to be false financial statements (finance.detik.com).

c. Government Accountant

Regarding the case of integrity, Ali Sadli also violated the principle of objectivity. It can be confirmed Ali Sadli overrides professional judgment by accepting bribes to make an Unqualified (WTP) opinion to the Ministry of Villages, Disadvantaged Regions, and Transmigration. Ali Sadli's attitude proved that there was a compromise beforehand between Ali Sadli and the Ministry of Villages, Disadvantaged Regions, and Transmigration. In the basic principle of

ethical objectivity, a professional accountant is not allowed to make compromises when carrying out his professional duties. Ali Sadli did this to achieve his personal interests and also the interests of the Ministry of Villages, Disadvantaged Regions, and Transmigration in obtaining unqualified (WTP) opinions.

d. Islamic Accountant

Following up on the BJB Syariah case, fictitious loans without collateral for BJB Syariah is given by credit providers, namely BJB Syariah and to debtors, namely PT. Hastuka Sarana Karya which is a subsidiary of BJB Syariah. Robb Asmana, the Head of the Corporate Secretary Desk of the Bank BJB Syariah, ensured that the loan without collateral was only done by the company to PT. HSK. In this case, it is clear that the BJB did not apply the principle of objectivity because they gave credit without collateral to a subsidiary of the BJB itself until finally the case was revealed by the Financial Services Authority (OJK) when

conducting an investigation (financial.bisnis.com).

Conclusion:

The four professional accountants in those cases were not objective in carrying out their work. In Al-Quran, it turns out that the principle of objectivity is in harmony with the principle of fairness. Ihsan and al-Atsari (2013: 399) fair means treating something according to place, time, method and level without being excessive. The opposite of fairness is dzalim. To behave objectively and fairly for an accountant must be the main standard. It because this field deals with producing financial reports or opinions on trusted financial reports. Fairness has also been explained 56 times, one is in the following verse.

And do not approach the orphan's property except in a way that is best until he reaches maturity. And give full measure and weight in justice. We do not charge any soul except [with that within] its

capacity. And when you testify, be just, even if [it concerns] a near relative. And the covenant of Allah fulfills. This has He instructed you that you may remember. (Al- An'am: 152)

Professional Competence and Prudence

IAI (2016: 13) The principle of professional competence and prudence require each Professional Accountant to:

- a) Maintain professional knowledge and expertise at the level needed to guarantee that the client or employer will receive competent professional service.
- b) Act carefully and diligently in accordance with applicable technical and professional standards when providing professional services.

In Indonesia there are still violations of this code of ethics, these cases can be analyzed so that there are no more violations of professional competence and prudence.

1. Public Accountant

The basic principle competence and prudence in a Public Accountant should be

applied first because the public accountant is examined the financial statements of the employer. There was news about the Mulyana W. Kusuma case, who was a member of the General Election Commission (KPU), suspected of bribing a member of the BPK, Salman Khairiansyah, who was going to conduct a financial audit related to the procurement of election logistics. Salman Khairiansyah collaborated with the Corruption Eradication Commission (KPK) to trap this bribery attempt by using an image recorder at their two meetings. This arrest incurred pros and cons. One party believed that the relevant auditor, Salman, helped in uncovering this case, while the other party believed that Salman should not have committed the act because it violated the accountant's code of ethics (detik.com)

From the ethical point of view of the accountant profession, Salman as the BPK auditor did not apply the principles of competence and prudence because Salman was considered unable to maintain

professional knowledge and skills in carrying out the auditor's duties. Salman made a trapping attempt to prove that there had been fraud committed by Mulyana W. Kusuma.

2. Internal Accountant

Company as big as PT Inovisi Infracom Tbk must have expert accountants. The compilers of financial statements at PT Inovisi were highly experienced and reliable in preparing financial reports but the competencies they had were used to manipulate financial statements (finance.detik.com). This case proves that the accountant at PT Inovisi company did not act in accordance with applicable technical and professional standards when providing professional services, thus the accountant violated professional competence and prudence.

3. Government Accountants

The city government of Bandung for the third time got a qualified opinion from The Audit Board of Indonesia (BPK). This happens because there were asset issues that

could not be solved. The reason was Bandung had a lot of heritage assets from the results of regional development. In addition to the assets problem, BPK suggested that the City Government of Bandung increased the number of accountants to maximize the financial reporting of the City Government. According to UNPAD's public policy expert, Yogi Suprayogi, considered that qualified opinion (WDP) does not fit into a measurement of success in leading a region because many regional heads get unqualified (WTP) but they were arrested by the Corruption Eradication Commission (KPK). This case proved that accountants must have professional competence and prudence. If the accountant does not have good competence, his job as an accountant will not be completed perfectly (www.inews.id).

The results of the study by interviewing Denny Iskandar as head of finance department Sukabumi City Government, said that competence is very

important because the lack of understanding in accounting can ruin the financial reports. To prevent this, City Government of Sukabumi always minimizes the occurrence of inadequate communication and when misperceptions occur, they are immediately corrected so that there is no deviation from the professional accountant's code of ethics.

4. Islamic Accountants

Beside violating the principle integrity and objectivity, the case of the BJB Syariah also violated competence and prudence. The credit granted by BJB Syariah to PT Hastuka Sarana Karya (HSK) cannot be categorized as Unsecured Loans (KTA). The amount of the loan was Rp 548 billion used by PT HSK to build 161 shophouses in Garut Super Blok. Because of there was an element of intent on BJB Syariah Bank and PT HSK so that the loans were not use collateral The principle of competence and prudence had been violated by both parties with the amount of credit granted without collateral, this could have a negative impact on both side even though PT HSK was a

subsidiary of BJB Syariah (financial.business.com).

Conclusion:

From the cases of public accountants, internal accountants, government accountants and Islamic accountants, it can be concluded that competence and prudence that are not applied by accountants will be fatal because financial information which produced will become information for external parties such as creditors, investors, and government. Islam has obliged each of his followers to always learn, and learning halal is an obligation as a Moeslim accountant in order to be able to differentiate between what can be done and what is not allowed to be done and certainly not to violate the ethical code of professional accountants. The obligation to know halal is haram in the workfield has been said in Al-Quran: O you who have believed, eat from the good things which We have provided for you and be grateful to Allah if it is [indeed] Him that you worship. (Al-Baqarah: 172)

Confidentiality

IAI (2015: 45) The principle of confidentiality requires every professional accountant not take disclosure of confidential information from clients or employer organizations which obtained from professional and business relationships to outside parties without obtaining sufficient and detailed permission unless there is an obligation of professional law that requires it to be revealed. Professional accountants are not permitted to use this confidential information for personal or third-party interests even if it is based on good intentions.

1. Public Accountant

Public Accountants are accountants associated with business or non-business entities to audit financial statements. The principle of confidential is the basic skill of a public accountant to maintain the information they get from the entity. The case that occurred at PT Tiga Pilar Sejahtera Food Tbk (AISA), the former of company's chief director, Stefanus Joko Mogoginta

reported the company's new management to the Police because the management was responsible for controlling and distributing investigative audit reports issued by Ernst & Young. According to Joko, the dissemination of the EY report results violates the principle of independence and confidentiality of an investigative audit. The dissemination of the results of this investigative audit is allegedly to weaken the bargaining position of the company and only aims to corner legitimate management (www.cnbcindonesia.com).

2. Internal Accountants

The basic principle of confidentiality ethics in an internal accountant is that an internal accountant is not permitted to disseminate financial information obtained without the approval or legal obligation to disclose it. During the research process and information searching regarding to existing cases, the writer did not find an internal accountant who leaked confidential company information to outsiders without any professional legal obligations that

required it. Thus, internal accountants have applied these basic ethical principles, they are able to keep existing information and only report reports that can be published. Internal accountants in general always maintain the confidentiality of the company where he works, because if an internal accountant provides information about the company where he works it will result in losses for himself that is losing his job as an accountant and losses for the company.

3. Government Accountants

Government accountant is an accountant who is in a government organization and responsible to the public, therefore financial statements that have been prepared honestly must always be published to the wider community. Opened information can increase public trust in the government.

4. Islamic Accountants

As far as the analysis in this study, researcher did not find a case of Islamic accountants who did not maintain the

principle of confidentiality in carrying out their professional activities.

Conclusion:

Maintaining confidentiality is regulated in an ethical code of professional accountant. Islam has a broader concept of trust than just maintaining confidentiality. Ihsan and al-Atsari (2013: 349) said that trust is the most noble character, many verses and hadists that prove its greatness. As in Al Mu'minun 'And they who are to their trusts and their promises attentive, and they who carefully maintain their prayers, those are the inheritors, who will inherit al-Firdaus. They will abide therein eternally.'

Professional Behavior

IAI (2015: 46) The principle of professional behavior requires accountants to comply with the legal provisions and applicable laws and regulations, and avoid actions that can damage professional behavior and reduce trust of professional accountants. Professional behavior includes every action that can cause a rational and informed third party, after considering the facts and problems faced by professional

accountants will have a negative effect on the good reputation of the profession.

After analyzing during the research, there were cases of violations of the professional accountant's code of ethics. The case concerns each accounting profession, which is elaborated as follows:

1. Public Accountant

The Ministry of Finance speak up regarding the financial statements of PT Garuda Indonesia Tbk (Persero). The Ministry of Finance concluded that an audit of PT Garuda Indonesia Tbk (Persero) financial statements was conducted not in accordance with applicable accounting standards. Secretary General of the Ministry of Finance, Hardiyanto said that the Ministry of Finance has finished examining Public Accountant Firm related to Garuda Indonesia's financial statements in 2018 but until now there has been no pinalty imposed for Public Accountant Firm Tanubara, Susanto Fahmi, Bambang dan Rekan (www.cnbcindonesia.com). Not applying the accounting standards by the auditor is a

clear example that the auditor is not professional in carrying out his duties.

2. Internal Accountant

The application of professional behavior in internal accountants is very important because internal accountants are required to behave consistently and stay away from actions that can lead to unfavorable values for the profession. In the case of PT. Inovisi Infracom, it can be ensured that internal accountants did not behave professionally which causes deliberate financial reporting errors and results in defame the accountant profession in Indonesia.

3. Government Accountants

Government accountants should obey the applicable rules both the statutory regulations, and the rules of professional organizations including obey the existing code of ethics. An auditor of The Audit Board of Indonesia (BPK) ignored the code of ethics so that the Head of the Sub-Auditorate III of the State Finance the Audit Board of Indonesia was sentenced to 6 years in prison. Ali Sadli was proven to have

received a bribe of Rp. 240 million from official of the Ministry of Villages, Disadvantaged Regions, and Transmigration. Ali was proven to have violated Pasal 12 huruf a jo Pasal 12 B Undang-Undang No 31 Tahun 1999 which was amended in UU No 20 Tahun 2001 regarding Eradication of Corruption and violated Pasal 3 UU No 8 Tahun 2010 concerning Prevention and Eradication of Money Laundering.

4. Islamic Accountant

From the case analysis conducted by the researcher, the BJB Syariah did not implement the credit provision regulations in distributing credit to PT Hastuka Sarana Karya. Unsecured Loans were only intended for loans ranging from Rp 200 million to Rp 300 million while loans given to PT HSK were Rp 548 billion. Professional accountants who work well always adhere to the provisions that apply in business entities, laws and legislation and do not give a negative influence on the reputation of the accounting profession.

Conclusion:

From the case of professional behavior above, it can be concluded that there are still many cases of violations of professional behavior. Accountants should work in accordance with the rules that apply to professional organizations and government regulations related to accountants and Accountants can complete financial reports in accordance with a specified time. It means the accountants is discipline. Discipline is also discussed in Islam. The accountants who are discipline will not underestimate the slightest data. Discipline is in every Moeslim who avoids the weak and lazy. Al Zaja'iri (2014: 325) Rasulullah SAW took refuge from the weak and lazy. The command of Allah SWT as an example so that the people are disciplined stated in the following verse: O you who have believed, when [the adhan] is called for the prayer on the day of Jumu'ah [Friday], then proceed to the remembrance of Allah and leave trade. That is better for you, if you only knew. (*QS. Al-Jumuah:9*)

Table
The Relevance Code of Ethics for Professional Accountants

Code of Ethics IAI	Code of Ethics in Al Quran
1. Integrity	1. Honest and love truth
2. Objectivity	2. Fairness
3. Comptence and Prudence	3. Knowing Halal & Haram
4. Confidentiality	4. Trustworthy
5. Professional Behaviour	5. Discipline

V. CLOSING

The basic principles of accountant ethics namely integrity, objectivity, professional competence and prudence, confidentiality and professional behavior are in harmony with ethical concepts in Al-Qur'an. Violations of the basic principles of professional accountant ethics are evidence that there are many accountants who override regulators who have been determined by professional institution and government. Accountants are also less aware of the threat from the side of religion, especially Islam, which imposes the punishment in the world and the hereafter. Penalty that applies in Indonesia do not make them deterrent and even unable to frighten other accountants. Social

punishment has a more deterrent effect. For example, being ostracized by the public and it will be difficult to get a job back. The integrity attitude will be embedded in Accountants who do not only know but also are obedient to religion.

VI. REFFERENCES

Al-Qur'an

Book:

- Ibrahim, 2018. *Metodologi Penelitian Kualitatif*. Bandung: ALFABETA.
- Ikatan Akuntan Indonesia. 2015. *Etika Profesi dan Tata Kelola Korporat*. Jakarta: IAI.
- Ikatan Akuntan Indonesia. 2016. *Kode Etik Akuntan Profesional*. Jakarta: IAI.
- Institut Akuntan Publik Indonesia, 2018. *Pembatalan/Penghentian Sistem*

- Rekanan KAP pada Bank. Jakarta: IAPI.
- Sitohang, Kasdin. 2016. *Etika Profesi Akuntansi*. Depok: PT. KANIUS.
- Sugiyono. 2017. *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: ALFABETA.
- Soemarso. 2018. *Etika dalam Bisnis & Profesi Akuntan dan Tata Kelola Perusahaan*. Jakarta Selatan: SALEMBA EMPAT.
- Journal:**
- Al-Airados, Al-Hasan. Kamil Md Idris. Faridahwati Mohd. Shamsudin. 2011. *The Accountants' Ethical Code Of Conduct From An Islamic Perspective: Case In Yemen*. Journal Of Global Management Volume 2 Number 1.
- Andriani. 2017. *Etika Auditor Ditinjau dari Perspektif Islam pada Kantor Akuntan Publik (KAP) Drs. Thomas*. Makasar: UNIVERSITAS ISLAM NEGERI ALAUDDIN.
- Budiman, Septian Arif. 2018. *Analisis Etika Profesi Akuntansi Perspektif Al-Qur'an*. Pamulang: Jurnal Ilmiah Akuntansi Universitas Pamulang Vol 6 No 1.
- Fatoni, Ahlis. Ahmad Mukhlisin. 2015. *Telaah Kode Etik Akuntan dalam Perspektif Al_Qur'an*. Simposium Nasional Akuntansi XVIII No 076.
- Wijayanti, Eny Muslichah. 2012. *Kode Etik Akuntan dalam Perspektif Islam*. EBBANK Volume 3 No 2.
- Web**
- Bisnis, Financial. 2019. Kasus Kredit Fiktif BJB Syariah Mulai Terungkap. Diakses tanggal 19 Juni 2019, <https://finansial.bisnis.com/read/20190321/90/902652/-kasus-kredit-fiktif-bjb-syariah-mulai-terungkap-ini-pihak-yang-terlibat>
- Detik. 2009 Diunduh tanggal 20 Februari 2019, https://finance.detik.com/bursa-dan-valas/d-1064537/bursa-india-diguncang-skandal-keuangan-satyam?_ga=2.60432873.530309012.1552711938-1331349603.1540036463.
- Detik, Finance. 2015. Saham di Bekukan 4 Bulan diduga Manipulasi Laporan Keuangan. Diunduh tanggal 19 Juni 2019. <https://finance.detik.com/bursa-dan-valas/d-2917244/saham-dibekukan-4-bulan-inovisi-diduga-manipulasi-laporan-keuangan>
- Detik, News. 2018. Terbukti Terima Suap Eks Auditor Bapak Ali Sadli Dihukum

- 6 Tahun Bui. Diunduh tanggal 19 Juni 2019. <https://news.detik.com/berita/d-3900103/terbukti-terima-suap-eks-auditor-bpk-ali-sadli-dihukum-6-tahun-bui>
- Inews. 2018. Bandung Hattrick WDP Pengamat Hanya Soal Waktu Raih Predikat WTP. Diunduh tanggal 19 Juni 2019. <https://www.inews.id/daerah/jabar/bandung-hattrick-wdp-pengamat-hanya-soal-waktu-raih-predikat-wtp/139865>
- Indonesia, CNBC. 2019. Namanjemen AISA Akhirnya Buka Suara Soal Investigasi EY. Diunduh tanggal 19 Juni 2019, <https://www.cnbcindonesia.com/market/20190408193442-17-65298/manajemen-aisa-akhirnya-buka-suara-soal-investigasi-ey>
- Indonesia, CNBC. 2019. Kemenkeu Audit Laporan Garuda Tak Sesuai Standar. Diunduh tanggal 19 Juni 2019, <https://www.cnbcindonesia.com/market/20190614124957-17-78425/kemenkeu-audit-lapkeu-garuda-tak-sesuai-standar-akuntansi>
- Indonesia, CNN. 2018. Kasus SNP Finance Dua Kantor Akuntan Publik diduga Bersalah. CNN Indonesia. Diunduh tanggal 19 Juni 2019, <https://www.cnnindonesia.com/ekonomi/20180926072123-78-333248/kasus-snp-finance-dua-kantor-akuntan-publik-diduga-bersalah>.
- Kompas, Nasional. 2018. Auditor BPK Ali Sadli Divonis 6 Tahun Penjara. Diunduh tanggal 25 Juni 2019, <https://nasional.kompas.com/read/2018/03/05/22443921/auditor-bpk-ali-sadli-divonis-6-tahun-penjara>
- Republika. 2016. Etika Menjadi Keprihatinan Akuntan Syariah. Diunduh tanggal 16 Maret 2019, <https://republika.co.id/berita/jurnalisme-warga/kabar/oczjut336/etika-menjadi-keprihatinan-akuntan-syariah>.