

## Literature Review on Valuation and Accounting Recognition for Heritage Assets

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### ABSTRACT

Historic assets can also be said to be unique assets because of the diverse ways of obtaining them ranging from development, purchase, donation, inheritance, booty, or confiscation and their management and maintenance are protected by the local government (Agustini, 2011). In accordance with applicable laws the validity of a historic asset can be proven by legality to maintain the unlimited existence of historic assets. There are several valuation models for Historic Assets based on accounting standards that apply in the world, namely: Accounting Policy Act, Generally Recognized Accounting Practice (GRAP) 103, Financial Reporting Statements (FRS) 30, and Government Accounting Standards Manual (PSAP) 07 (2010). These differences arise due to the conditions and situations in each country in adopting a guideline that regulates accounting for heritage assets as well as the characteristics of heritage assets that are considered unique and diverse (Ouda, 2014). The accounting treatment for historic assets varies greatly depending on the nature of the asset and also the nature of the entity that holds it. Based on the results of the literature review conducted by the author, regarding how accounting records for heritage assets in Indonesia provide diverse results where there are heritage assets that are recorded in accordance with applicable standards and there are also heritage assets that are not in accordance with applicable accounting standards, namely PSAP 07 2010 regarding Fixed Asset Accounting. This is due to the inadequate quality of human resources who understand the assessment and accounting treatment of heritage assets and unclear policies in the treatment of heritage assets.

**Keywords:** Heritage Assets, Valuation Heritage Assets, Recognition Heritage Assets

### INTRODUCTION

These standards regulate a multitude of aspects, one of which pertains to assets. The PSAK, which was developed by the Indonesian Institute of Accountants (IAI), provides a definition of assets as company-controlled resources that have accrued value due to previous transactions and are anticipated to generate future economic advantages for the organization (IAI, 2007). PSAP defines assets as monetary-measurable economic resources under the government's control or ownership that have been acquired as a consequence of past occurrences and are anticipated to generate future economic or social benefits for the government and the community. Assets also encompass non-monetary resources essential for service provision to the public and resources preserved for historical and cultural significance. At present, asset accounting is a challenging and problematic area in the application of accounting. This is consistent with the viewpoint expressed by Hines (1988), who contends that, due to the unique characteristics of each asset, asset accounting may exhibit certain deficiencies in comparison to accounting for other aspects. Accounting for heritage assets remains a subject of contention among economists with regards to its recognition, the valuation methodologies employed, and the disclosure it entails in financial statements (Stanton, 1997).

An asset that possesses historical, artistic, scientific, technological, geophysical, or environmental attributes and is preserved and managed with the intention of making an ideological contribution to the fields of science and culture is considered historic (Barton, 2000). According to Aversano (2012), heritage assets comprises various categories such as monuments, archaeological locations, historical structures, conservation areas, and works of art. At the recognition stage, the classification of heritage assets on the balance sheet as either assets or liabilities is still a matter of contention. Several accounting standards boards, including IPSASB, Australia AASB, New Zealand FRSB, United Kingdom ASB, and PSAP, have reached a consensus to classify heritage assets as assets. For the purpose of enhancing the quality of information disclosed, these boards include heritage assets in the balance sheet (Agustini, 2011). On the contrary, Carnegie and Wolnizer (1995) contend that historic assets might not meet the criteria for financial asset classification and therefore are ineligible for recognition as such. Without regard to commercial or conventional accounting principles, heritage assets do not qualify as assets. It would be more suitable to categorize them as liabilities or facilities, and subsequently report on them individually. The subsequent challenge pertains to the valuation phase of historic assets, wherein every nation employs a distinct approach contingent on local circumstances and conditions. Furthermore, both international and national accounting standards currently lack universally applicable or exhaustive benchmarks for historic asset valuation methods (Agustini, 2011). Disclosure of historic assets is not exempt from complications. This phase is of utmost significance, as it requires the government, in its capacity as administrators and custodians of historic assets, to disclose financial reports in order to promote accountability and transparency regarding the benefits derived from said assets (Barton, 2000). Furthermore, disclosures regarding the government's expenditures and income on historic assets are provided so that the public can assess the government's performance in this regard (Ouda, 2014). There are two possible disclosure alternatives for heritage assets. The first option is to include the assets exclusively in notes, which comprises heritage assets that offer prospective government benefits in the form of historical, artistic, and cultural values (PSAP No.7 of 2010). Heritage assets are only represented in notes as a number of asset elements and data associated with these assets. Furthermore, heritage assets are categorized as assets that offer prospective benefits to the government beyond their historical value, such as assets utilized for operational activities, and are therefore included in the balance sheet. heritage assets was valued similarly to other fixed assets on the balance sheet (Anggraini, 2014).

In Indonesia, research on accounting for heritage assets has not been conducted extensively. This phenomenon arises due to the scarcity of information resources and the historical and archaeological disciplines' adherence to the "taboo" of combining economic and historical concerns (Anggraini, 2014; Agustini, 2011). However, prior research has suggested that the Indonesian government should treat non-operational and operational heritage assets, which are classified as fixed assets in the financial statements, equally during the recognition phase. In contrast to Indonesia, numerous other nations, including Italy (Aversano 2012), have undertaken research on heritage assets. Her research on the definition of heritage assets as public assets, which remains a concern in other nations, and the selection of the most appropriate valuing method for heritage assets remains a significant "challenge" for economists. New Zealand-based research on historic assets was also undertaken by

Wild (2013). Wild presents a critical analysis of the political ideology and operational procedures associated with the New Public Management (NPM) model. Additionally, he reevaluates the assumption that GAAP-compliant private sector financial statements can be applied to non-profit and public benefit organizations, including HCA (Heritage, Cultural, and Community Assets), and suggests an alternative reporting framework for HCA that is predicated on a collection of cultural values as opposed to economic ones. Fundamentally, the aforementioned research endeavors to identify the optimal treatment for heritage assets accounting, encompassing disclosure, valuation, and recognition in the financial statements of local governments. Preserving and conserving culture, art, and history is more in demand when their worth is greater (Rowles, 1991). The central issue at hand pertains to this research. The present study investigates the implementation of accounting principles for heritage assets in Indonesia, with a specific emphasis on the heritage assets of structures, temples, monuments, museum collections, and buildings.

## **OVERVIEW**

### **The Concept of Value**

Value is an amount (usually measured by monetary degrees) that a buyer is willing to pay to a seller in an agreed transaction. In this context, of course, the value in question is fair market value, not in another context. The definitions of price and value are relatively similar or identical, but what distinguishes them is the appropriateness or reasonableness factor. If the price meets the principle of appropriateness or reasonableness, then the price is the same as the value. However, if the price does not meet the principle of appropriateness or reasonableness, the price is not the same as value.

To ensure the appropriateness or reasonableness of a transaction, various conditions must be met. These include: a) The seller must be deserving, entitled, and not under any form of coercion to sell. b) The buyer should be feasible, capable, and not compelled to make the purchase. c) Bargaining must take place during the transaction. d) The object being traded must be clearly identifiable and given sufficient time for scrutiny. e) The price should not undergo extreme fluctuations within a specific period. f) There should be no special relationship influencing the transaction.

### **Some Varieties of Values**

There are many meanings of value, and they all depend on the purpose of the assessment. This means that the meaning of value will be different if we look at the purpose of the assessment itself. To make it clearer, let's try to see the relationship between the meaning of value and the purpose of the assessment carried out, for example:

#### a. Potential value

Potential value is a value measured based on estimates of the ability of an object/service to produce something in the future. Thus, the nature of value here is predictive, and has not yet become a reality. This potential value usually appears when an appraisal is carried out for the purpose of an investment.

#### b. Capital value

Capital value is the value set in the framework or purpose of obtaining something;

#### c. Fair market value

Fair market value is a value that reflects a market transaction between a seller and a buyer under reasonable conditions. This fair market value arises when the appraiser conducts an appraisal for the purpose of buying and selling.

d. Sentimental value

Sentimental value is a value that is generated not in the fair market conditions of a transaction, but more when there is or is based on emotional feelings.

e. Exchange value

Is a value that arises from an exchange of two or more goods where each party agrees that the goods exchanged have the same or comparable value. This value is the result of a valuation that is generally for the purpose of exchange.

### **Definition of Heritage Assets**

According to International Public Sector Accounting Standards (IPSAS) 17-Property, Plant, and Equipment, an asset is classified as a historic asset on the basis of its environmental, cultural, or historical importance. In general, it is anticipated that historic assets will be preserved indefinitely, and their legality can be established in accordance with relevant laws and regulations. According to Aversano and Ferone (2012), historic assets consist of irreplaceable qualities and an indefinite longevity, including historical structures, monuments, archaeological sites, conservation areas, natural reserves, and works of art. On the basis of the aforementioned definitions, it can be deduced that heritage assets are government-owned or controlled fixed assets of undetermined age that possess educational, knowledge, artistic, cultural, historical, and unique attributes, and thus must be safeguarded.

### **Characteristics of Heritage Assets**

Aversano and Ferrone (2012) delineate distinctive features that set historic assets apart from other types of assets. First, their cultural, environmental, educational, and historical significance cannot be entirely measured in monetary terms. Second, accurately assessing the market value of items such as books, which embody artistic, cultural, environmental, educational, or historical value, poses a significant challenge. Third, legal constraints and prohibitions surrounding sales exist under the law. Fourth, if the physical condition of the asset deteriorates, its value is expected to appreciate over time, and its irreplaceable presence becomes more pronounced. Fifth, determining the useful life of these assets is complicated due to their indefinite nature, sometimes defying precise definition. Lastly, these assets are meticulously safeguarded, maintained, and cared for. The aforementioned six characteristics pose a challenge for specialists in ascertaining the suitable accounting treatment for historic assets. Although historic assets fall under the category of fixed assets, they cannot be regarded identically to other fixed assets. Therefore, historic assets must be valued using an appropriate method.

### **Heritage Assets Valuation Models**

Different countries utilize distinct valuation models when it comes to historic assets. These variations emerge in accordance with the circumstances and conditions of each nation. The accounting for historic assets is governed by a set of regulations that these nations adhere to. Countries have the prerogative to select the most suitable guideline or standard from among the numerous options available. Conversely, the lack of stringency in these regulations results in a lack of consistency among the standards implemented across nations. The models of valuation consist of:

- a. In accordance with the Accounting Policy Act of 2009, all institutions are required to measure the fair value of their assets using the revaluation model for all heritage assets. This satisfies the requirements of GAAP. After the asset has been assessed its fair value, it is necessary to reevaluate its worth in accordance

with a three-year valuation cycle. In determining the equitable value, current market selling prices for identical or comparable assets should be considered. Nonetheless, a multitude of heritage assets varieties possess distinctive characteristics that defy quantification through market selling prices. The fair value of the asset can thus be estimated through the utilization of the depreciated income or replacement cost method. Assets may be assessed at replacement cost relative to comparable assets that offer equivalent benefits but are not identical.

- b. As per Generally Recognized Accounting Practice (GRAP) 103 (2011), fair value should be applied to heritage assets as acquired at no cost or nominal cost as of the date of acquisition. When ascertaining the fair value of heritage assets obtained through non-exchange transactions, an entity must implement the principles outlined in the section on fair value determination. Subsequently, in accordance with GRAP 103, an entity may elect to implement either the revaluation model or the cost model.
- c. As stated in Financial Reporting Statements (FRS) 30 (2009), any suitable and pertinent method may be utilized to value heritage assets. It is anticipated that the chosen approach to valuation will yield more pertinent and practical information.
- d. Revaluation is prohibited in accordance with Government Accounting Standards Manual (PSAP) 07 (2010), as SAP values assets in accordance with their acquisition cost or exchange price. The government may revalue its assets in the event of substantial price fluctuations, so that the present value of government fixed assets corresponds to their present fair value.

In light of the aforementioned four valuation models, the standard largely eliminates uncertainty regarding which of the revaluation and cost models is more appropriate for heritage assets. This autonomy is anticipated to enable organizations to furnish information that is more pertinent and beneficial. Therefore, variations in valuation models are not regarded as an impediment for an organization overseeing historical assets to conduct a valuation.

### **Alternative of Heritage Assets Disclosure**

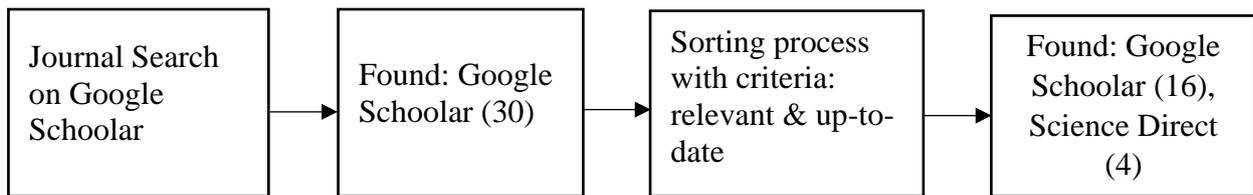
As per PSAP Number 07 of 2010, heritage assets are disclosed in the Notes to the Financial Statements (Notes) exclusively in their valueless state. However, certain heritage assets, such as office space buildings, offer additional potential benefits to the government beyond their historical value. In such cases, the same principles governing the treatment of these assets as other fixed assets will be applied. This category of historic assets will be reflected on the balance sheet. As per the International Financial Reporting Standards (IFRS)-30 and in accordance with PSAP, heritage assets may be included in the notes or balance sheet. When considering historic assets that are reflected on the balance sheet, at least the following factors come into play:

- a. The value of historic assets recorded at the beginning of the financial reporting period and at the balance sheet date, including an analysis of the grouping of historic assets reported at cost or revaluation.
- b. When assets are reported under the revaluation model, the entity should report information that is helpful in understanding the valuation used and its significance.

### METHOD

The method used in this research is literature review. The initial stage of data search in this research is to search and collect data in the form of journals on Google Scholar with the search title "Heritage Assets Assessment Methods in Indonesia" and bring up an average of 4,060 journals. The next stage of data collection is sorting out journals that are relevant to the research title and sorting out relevant and current journals obtained 20 journals. The following is a mapping of the journal search process.

**Figure 1.** Journal Search Process Mapping



Source: Data processed in 2023.

After collecting 30 journals, the author sorted the journals to be reviewed according to the research theme and up to date. From the sorting results, 20 journals were obtained that fit the criteria the author wanted, as for the composition of the journals obtained by the author are as follows:

**Table 1.** Journal Composition Table

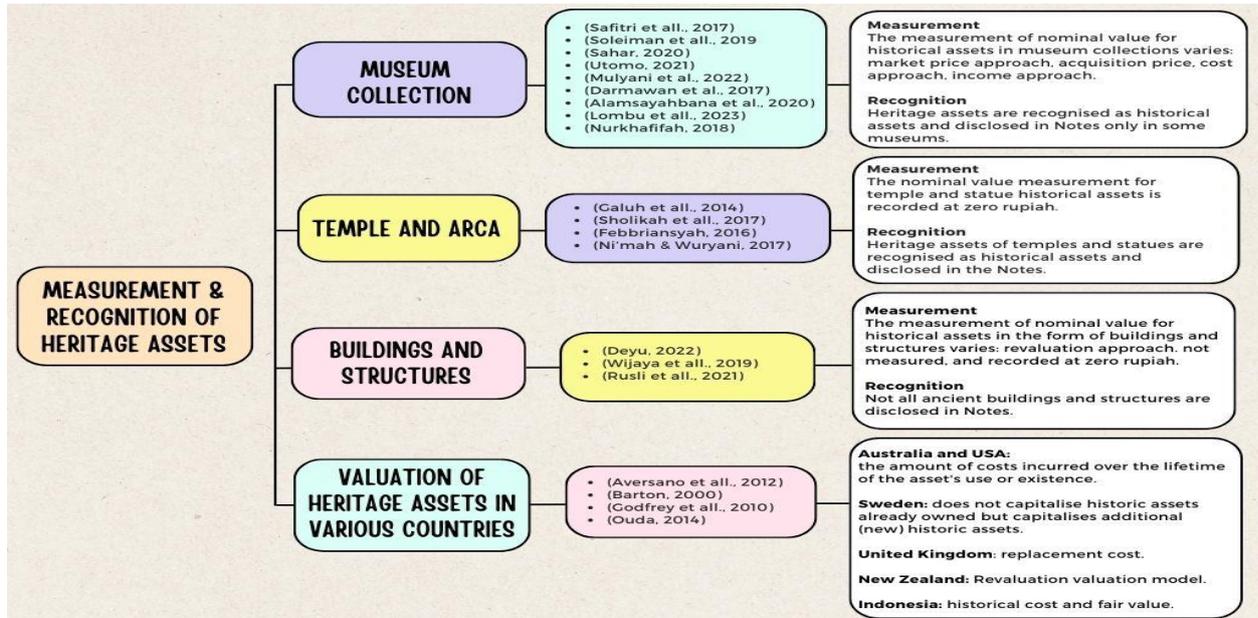
Journal Title	Total
Valuation and Accounting Recognition of Heritage Assets in Musieum Collection	9
Valuation and Accounting Recognition of Heritage Temples and Statues	4
Valuation and Accounting Recognition of Heritage Assets in Buildings and Structures	3
Assessment and Accounting Recognition of Heritage Assets in Various Countries	4
<b>Total</b>	<b>20</b>

Source: Data processed in 2023

## RESEARCH RESULTS

Based on the results of the literature review conducted by the author on 20 articles regarding the assessment and recognition of heritage assets, a brief description of the article is obtained which is contained in the figure below:

**Figure 2.** Overview of Heritage Assets Literature Review Results



## DISCUSSION

Based on the results of the literature review regarding the historic asset valuation model in several countries in the world, namely:

### 1. Australia

Based on the Australian Accounting Standards Board 116 of 2007, the Australian government explains the historic Asset valuation model by valuing historic assets based on the amount of costs incurred during the use or existence of historic assets.

### 2. Sweden

At the valuation stage, the Swedish government does not capitalize heritage assets that are already owned but capitalizes additional (new) heritage assets. The reason the Swedish government does not capitalize heritage assets that are already owned is because for heritage assets it is very difficult to determine the value of assets that are generally old and in accordance with the conceptual framework, only assets that can be measured reliably can be recognized.

### 3. United Kingdom

In Financial Reporting Standards (FRS) 30 of 2009 the UK government describes the valuation model used for historic assets. The UK uses a different method from other countries, namely by using replacement cost. Replacement cost is the cost of existing use value. Not all assets have a replacement cost that is easy to measure. For historic assets that do not have an open market, the replacement cost is Fair value, but if the historic asset has an open market then the value is determined using the open market value.

### 4. United States in Statement of Federal Financial Accounting Standards 29 of 2005

The United States government describes a valuation model for historic assets. The valuation model used is the same as that used by Australia, namely by capitalizing the expenditure or cost for the historic asset, the expenditure includes the costs used by the government to preserve the historic asset or the costs sacrificed or incurred by the government to obtain it.

5. New Zealand

In the Financial Statement of the Government of New Zealand (2006) the New Zealand government explains the valuation model used by reporting entities to value heritage assets, namely the Revaluation valuation model. If the entity uses Fair value Revaluation is allowed.

6. Indonesia

The current valuation model for heritage assets in Indonesia is to use historical cost and fair value. Currently, valuation techniques are applied only for operational heritage assets, because nonoperational heritage assets cannot be measured at cost. This is because the right method for valuing nonoperational heritage assets has not yet been found, as well as the high cost and time involved (Government Accounting Standard No.7/2010).

### **Heritage Assets Valuation of Museum Collections**

Based on the results of the literature review conducted, the authors found the conclusion that heritage assets in the form of museum collections can be calculated and valued with various approaches depending on what type of heritage assets the museum has. Based on research conducted (Safitri et al., 2017) regarding the valuation of heritage assets in the phenomenological study of the Aceh museum, it is stated that the museum has its own way of determining the acquisition price of an asset obtained. That is by combining applied science by experienced philologists and procurement staff who are reliable in handling the sale and purchase of museum collections. The calculation approach is not the same due to the diverse and unique types of heritage assets owned by the museum so that an approach to calculating the value of heritage assets may not be suitable for other heritage assets. (Darmawan et al., 2017) Accounting reality shows that asset valuation is based on acquisition price. The acquisition price attached to the heritage assets is used as the attribute that is considered the most relevant. This is because the acquisition price is an objective measure of the heritage assets at the time of acquisition so it is logical to measure when a government entity recognizes heritage assets in its financial statements. However, for historic assets that are old and no data or evidence can be found showing the acquisition price, it will be difficult to determine the value attached to the object. (Lombu & Hendra Harmain, 2023) The valuation of heritage assets describes the actual situation in the field and describes an entity evaluating heritage assets, heritage assets are recorded at Rp. 0 in the Notes to the Financial Statements, for buildings and land are recorded according to the acquisition price, and for parts of buildings and equipment are recorded according to the purchase price at that time. (Nurkhafifah, 2018) Measuring heritage assets using acquisition cost is not easy because most of the heritage assets are obtained through donations or inherited from generation to generation, while various valuation methods cannot be applied to heritage assets and informants agree that the intangible value of heritage assets cannot be nominated. The presentation of historic assets should be done in detail with the presentation of qualitative information.

## **Heritage Assessment of Temple and Statue Assets**

Valuation of heritage assets, which in this instance pertains to the Borobudur Temple, is challenging. In addition to economic worth, the temple possesses historical, scientific, educational, religious, and possibly cultural significance. As a result, no valuation criterion has been identified as being most suitable for the Borobudur Temple as of yet. When examined through the lens of the financial statements prepared by the temple administration, the Borobudur Temple is recorded at a value of Rp 0. A value of zero (zero) assigned to Borobudur Temple does not indicate that the structure has no worth. In accordance with the objective of financial reporting, which is to disclose all categories of state-owned assets, this is carried out. A value of zero (zero) assigned to Borobudur Temple does not indicate that the structure has no worth. This is conducted in order to meet the objectives of financial reporting, which is to disclose every category of assets that the government possesses (Galuh Anggraini & Chariri, 2014). As stated in GRAP 103 When recognizing heritage assets as assets for heritage assets that have no value, the Republic of South Africa must consider the following:

- a. The market value of the asset;
- b. Research expenses;
- c. An initial assessment of dismantling expenses in the event that the asset is dismantled; and
- d. Depreciable maintenance equipment.

(Sholikah et al., 2017) If one day the East Java BPCB recognizes Rimbi Temple as an asset, the East Java BPCB must consider several things related to Rimbi Temple to determine its value, namely, research costs that have been incurred for the temple, land replacement costs for the establishment of the temple, and restoration costs if one day it is decided to restore Rimbi Temple even though the value of Rimbi Temple itself cannot be determined. (Frebriansyah, 2016) The valuation method for Prambanan Temple is still in the study made by the Ministry of Education and Culture (Kemendikbud) entitled "Valuation of Prambanan Temple as a National Asset" this study began in 2014, but until now it has not found a meeting point so that for the valuation, presentation, and disclosure of Prambanan Temple carried out by BPCB Yogyakarta, namely by recording it in units and written invaluable. Then based on research conducted by (Ni'mah et al., 2019) explains how to mechanically assess heritage assets in the form of statues, where the valuation of Kemuncak according to the East Java Cultural Heritage Preservation Center The valuation of statues carried out in 2017 still uses estimates from experts but they use several criteria, namely: important value criteria, fair value criteria, replacement value criteria, and comparative value criteria as a basis for estimating their value. The explanation is as follows:

1. Criteria for important value

Cultural Heritage states that objects, structures, buildings, sites, and areas, can be proposed as cultural heritage if they meet the criteria, among others, have special significance for history, science, education, religion, and/or culture. In addition to the 5 aspects of important value, it can also be added as a variable of consideration for weighting important value are the criteria of Rarity (rare or not rare), Uniqueness (unique or not), Age / dating (very ancient, ancient, not ancient), Level (district / city, regional (province), national (country), or international (world) assessment → can be ignored if it is still difficult,

Integrity (not insitu, insitu 50% intact, Insitu Intact), and Authenticity (original, not original). The following is a table for calculating the importance criteria:

**Table 3. Importance Score Table**

Importance Scoring Table											
Rating Scale	Importance				Other variables						
	History	Science	Education	Religion	Culture	Elasticity	Unique	Age	Level	Integrity	Authenticity
0	Not Important	Many	Not Unique	Not included in age criteria	City	Not insitu	-				
1	Less important	Less important	Less Unique	New	Province	Insitu < 50% intact	Not original				
2	Important	Important	Important	Important	Important	Rare	Unique	Ancient	National	Insitu > 50% intact	-
3	Very Important	Very Rare	Very Unique	Very Ancient	International	Whole Insitu	Original				

Description	Delphi Scale:
0 = Not important	0% = Not important
1 = Moderately Important	25% = Moderately Important
2 = Important	50% = Important
3 = Very Important	75%-100% = Very Important

Calculating importance:

$\text{Importance} = \text{Delphi Scale Percentage} \times \text{Turnover Value}$
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2. Fair Value Criteria

Fair Value is the amount of money for an item that could possibly be sold at the best price on the open market and the estimated cost of purchasing a similar item. Mr. Ichwan shared his opinion on fair value, namely: "Fair value is the value in the market, which is common, and the level is not in the gallery or auction house" To determine fair value according to Mr. Ichwan is by conducting a price survey to the antique market. This is done not only to one place but to several places to obtain a reasonable value.

3. Replacement value criteria

Replacement value is an estimated price that can be based on similar objects and takes into account all costs related to their replacement by purchasing similar objects or ordering reproductions. Mr. Ichwan argues that: "When conducting a survey there is automatic transportation, then the object is purchased or returned here there are costs for transporting, packing costs, unexpected costs, anyway there are additional costs apart from the price" In determining the cost of replacement or reproduction, it is important to consider the function/purpose of the object collected. Replacement value is often used as a basis for insurance value.

4. Comparative value criteria

Comparative value is the price of a similar Cultural Heritage object in a gallery or official auction house.

The heritage assets of the Bung Karno Site were obtained through grants. For the buildings and structures of the Bung Karno Site, the measurement of heritage assets is based on the fair value when the assets were acquired. However, the measurement of historical value cannot be assessed because it is difficult to determine what market value can be attached to the heritage assets of the Bung Karno Site because generally a historical object has an infinite historical value over time (Aulia (2018)). The same thing happened for the heritage assets of the Great Mosque of the Buton Palace related to its disclosure is not listed in the Financial Statements or Notes of the management. BPCB as the manager only records and reports in the history book and is entered into the SIMAK (Accounting Management Information System) BMN application. Thus, it can be concluded that the measurement of heritage assets is still a problem related to its accounting treatment.

### **Accounting Recording for Historic Assets**

Based on the results of the literature review conducted by the author, regarding how accounting records for heritage assets in Indonesia provide diverse results where there are heritage assets that are recorded in accordance with applicable standards and there are also heritage assets that are not in accordance with applicable accounting standards, namely PSAP 07 2010 regarding Fixed Asset Accounting. As illustrated in the Borobudur Conservation Center's disclosure of the Borobudur Temple heritage assets in the notes to the Financial Statements without any monetary value, this demonstrates that the relevant agency, which in this case was the Borobudur Conservation Center, has complied with the government's requirement that all types of state assets be disclosed in the financial statements. The same thing happened to the recording of heritage assets at the Aceh Museum based on the results of interviews between researchers and informants, there was an answer that the costs incurred for each purchase of museum collection objects were charged to the agency's annual expenditure budget in accordance with the applicable standards in PSAP No. 07-10 and based on the Estimated Own Price (HPS). However, other conclusions are found based on the conditions that occur where heritage assets have not been carried out in accordance with applicable accounting standards, such as what happened in terms of recognition, Fort Rotterdam's heritage assets are not recognized as assets for the management entity, but are recognized as one of the cultural heritage that is maintained and protected for an indefinite period of time which is more tied to inventory items. In addition, based on the findings in the field, in terms of valuation, the manager of the Great Mosque of the Buton Palace does not apply any valuation method in valuing heritage assets, either by using the acquisition value method, fair value or using other methods. This does not mean that the manager does not carry out what has been regulated in the PSAP, but the results of this study indicate that not all heritage assets can be valued with monetary units.

### **CONCLUSION**

There are several valuation models for Historic Assets based on accounting standards that apply in the world, namely: Accounting Policy Act, Generally Recognized Accounting Practice (GRAP) 103, Financial Reporting Statements (FRS) 30, and Government Accounting Standards Manual (PSAP) 07 (2010). Based on the four valuation models, it can be concluded that the standards largely exempt the use of any suitable valuation model that will be used by the entity in the valuation of its heritage assets. Either using the revaluation model or the cost model. This freedom is

expected so that entities can provide more relevant and more useful information. Currently, the valuation model used for heritage assets does not have a fully recognized method (Aversano, 2012) Therefore, the historical asset valuation model is not the same in every country. These differences arise due to the conditions and situations in each country in adhering to a guideline governing accounting for heritage assets as well as the characteristics of heritage assets that are considered unique and diverse (Ouda, 2014). Historic assets can also be said to be unique assets because of the diverse ways in which they are acquired, ranging from development, purchase, donation, inheritance, booty, or confiscation and their management and maintenance are protected by the local government (Agustini, 2011). In accordance with applicable laws the validity of a historical asset can be proven by legality to maintain the unlimited existence of heritage assets. The accounting treatment for historic assets varies greatly depending on the nature of the asset and also the nature of the entity that holds it. Based on the results of the literature review conducted by the author, regarding how accounting records for heritage assets in Indonesia provide diverse results where there are heritage assets that are recorded in accordance with applicable standards and there are also heritage assets that are not in accordance with applicable accounting standards, namely PSAP 07 2010 regarding Fixed Asset Accounting. This is due to the inadequate quality of human resources who understand the assessment and accounting treatment of heritage assets and unclear policies in the treatment of heritage assets.

### **Suggestion**

For future researchers, expand the focus of research so that it is not only about valuation, presentation, and disclosure but also looks at how accounts related to Heritage Assets such as costs to preserve heritage Assets

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