

## **ABSTRACT**

*This study aims to analyze the implementation of IFRS 10 and PSAK 65 in consolidated financial reporting of state-owned companies listed on the Indonesia Stock Exchange (IDX) for the period 2020-2023. This research replicates the study of Bedford et al. (2022) which examined the impact of IFRS 10 on consolidated financial reporting in Australia. The research gap in this study lies in analyzing the level of compliance of state-owned companies with these standards in the Indonesian context, as well as how the implementation of PSAK 65 affects financial report transparency. The data used in this study consisted of annual financial reports of 10 state-owned companies from various sectors that experienced changes in the number of subsidiaries during the observation period.*

*This study examines the level of compliance of state-owned companies with IFRS 10 and PSAK 65. The research method used is a comparative qualitative analysis method through case studies on 10 BUMN companies selected based on specific criteria. The data used is secondary data in the form of company annual reports in 2020-2023. The data is processed with a qualitative descriptive analysis method to determine the impact of the application of IFRS 10 and PSAK 65 on the company.*

*The results showed that the level of compliance of state-owned companies with IFRS 10 and PSAK 65 varied. The analysis suggests that share ownership significantly affects consolidation decisions. In addition, financial reporting incentive factors such as leverage and profitability also affect the tendency of companies to consolidate loss-making subsidiaries.*

*Keywords: IFRS 10, PSAK 65, Consolidated Financial Statements.*