

**ANALYSIS OF INFLATION ACCOUNTING TREATMENT TO THE
FINANCIAL STATEMENTS FOR THE MANAGEMENT DECISION ON
PT. GAJAH TUNGGA TBK**

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ABSTRACT

The purpose of this study is to empirically study on analysis of the accounting treatment of inflation on the financial reports for management decision-making PT. Gajah Tunggal Tbk, which is presented under the historical cost at the time of the change because of inflation and at the time those statements do not reflect the real situation. To anticipate this additional information is required some readjustment to the change of accounting data in general.

The samples studied were 2005 financial statements until the year 2009. This study used qualitative methods which includes adjustment of the financial statements of historical cost using the Consumer Price Index (CPI) issued by the Central Bureau of Statistics (BPS). Results from conventional financial statements adjusted to the concept of the general price level accounting there are significant differences in corporate profits.

***Key word : Accounting for inflation, the financial statements, the general price
level accounting***