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The Effect Of Recognition And Measurement Of Biological Assets On The Presentation Of Financial Statements Of Agricultural Companies

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Abstract

This study aims to examine the effect of recognition and measurement of biological assets on financial statement presentation in agricultural sector companies listed on the Indonesia Stock Exchange (IDX). The study uses a quantitative approach utilizing secondary data in the form of annual financial statements for the period 2021–2024. The research population includes 40 agricultural companies, while the sample was selected using purposive sampling. A total of 25 companies met the research criteria, resulting in 100 company-year observations. Data analysis was carried out using t-tests, F-tests, and the coefficient of determination. The results show that recognition of biological assets has a positive and significant effect on financial statement presentation, with a t-value of 4.198 and a significance of 0.000. The measurement of biological assets also has a positive and significant effect on the presentation of financial statements, with a t-value of 4.908 and a significance of 0.000. Simultaneously, the recognition and measurement of biological assets significantly affect the presentation of financial statements, with an F-value of 25.436 and a significance of 0.000. The R Square value of 0.348 shows that these two variables can explain 34.8% of the variation in financial statement presentation, while 65.2% is explained by other factors outside the study. The research results indicate that the accuracy of recognition and measurement of biological assets is an important aspect in producing relevant and reliable financial statement presentations for agricultural companies.

Keywords: Biological Assets, Asset Recognition, Asset Measurement, Financial Statements, Agricultural Companies.

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INTRODUCTION

The agricultural sector is one of the fields that contributes significantly to the economy because it provides food and raw materials for various industrial activities. In contrast to other sectors, agricultural companies manage biological assets such as plants and animals that undergo natural changes over time. These changes are one of the factors that cause the accounting process in agricultural companies to be more complex, especially in determining the value of assets that must be reported in financial statements. During a certain period, biological assets can experience growth, produce products, decrease conditions, and reproduce which has an impact on changes in the number and quality of assets (Achmad Al-W & Rahardjo, 2022; IFRS Foundation, 2022).

Recognition of biological assets is an important part of the accounting process of agricultural companies. According to IAS 41, a biological asset can be recorded if the company has control over the asset, has the potential to provide economic benefits in the future, and its value can be reliably measured (IFRS Foundation, 2022). An appropriate recognition process is needed so that the company's assets can be recorded and reported fairly. However, its implementation still faces various obstacles. Puspitasari et al. (2024) showed that the accounting treatment of biological assets at Perumda Perkebunan Kahyangan Jember has met the provisions of PSAK 69 in terms of recognition and disclosure, but there are still obstacles in the process of measuring biological assets.

In addition to recognition, the measurement of biological assets is also an important issue. IAS 41 in principle stipulates that biological assets are measured using fair value minus costs to sell (fair value less costs to sell) at the time of initial recognition and at the end of each reporting period. However, the application of fair value can experience obstacles if there is no active market or adequate price information. Puspitasari et al. (2024) show that the limitation of fair value standards and high valuation costs cause companies to still use historical costs. Meanwhile, Achmad Al-W and Rahardjo (2022) show that the use of fair value and costs can result in differences in the measurement of biological assets. This shows that measurement methods can affect the value of assets reported by companies.

Differences in the recognition and measurement of biological assets can have an impact on the presentation of financial statements, especially the value of assets and the company's profit or loss. The use of fair value can reflect the economic conditions of assets in a more current manner, but can also cause changes in asset value and profit and loss to be more volatile. In contrast, historical costs tend to be more stable, but less reflective of the current economic value of assets. Campos-Llerena et al. (2025) also point out that the measurement of biological assets still faces challenges such as fair value volatility,

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estimation subjectivity, data limitations, and the need for more transparent disclosure. Therefore, proper recognition and measurement are necessary to produce relevant and reliable financial statement information.

Based on previous research, studies on biological assets have discussed the implementation of PSAK 69, the use of fair value and costs, and the disclosure of biological assets. However, there is still a research gap in the discussion that integrates the recognition and measurement of biological assets with their impact on the presentation of financial statements. Puspitasari et al. (2024) emphasize the implementation of PSAK 69 and the constraints of measuring fair value, while Achmad Al-W and Rahardjo (2022) focus on comparing measurement methods. Meanwhile, Campos-Llerena et al. (2025) emphasize the importance of measurement and disclosure for the quality of accounting information. Therefore, this study was conducted to analyze the influence of recognition and measurement of biological assets on the presentation of financial statements of agricultural companies, especially on the value of assets, profit or loss, and the quality of financial statement information.

THEORETICAL FOUNDATIONS AND HYPOTHESIS DEVELOPMENT

Biological Assets

Biological assets are live plants or animals that are managed by agricultural companies to obtain economic benefits in the future. These assets have different characteristics from assets in general because they undergo natural processes, such as growth, producing products, degrading conditions, and breeding known as biological transformation. These processes can cause changes in the quantity, quality, and economic value of assets. Based on their type, biological assets include plants and animals, which can be categorized as assets that produce products (bearers) and consumables. Biological assets can also be grouped based on their level of maturity, namely mature assets and immature assets. Understanding these characteristics and groupings is important because it relates to the application of recognition, measurement, presentation, and disclosure of biological assets in financial statements (IFRS Foundation, 2022; Campos-Llerena et al., 2025; Puspitasari et al., 2024).

Recognition of Biological Assets

Recognition of biological assets refers to the actions of a company in recording the plants or animals it manages as part of the assets in the financial statements. According to IAS 41, recognition can be made if the company has control over assets due to previous

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events, these assets have the potential to provide economic benefits in the future, and their value can be reliably determined (IFRS Foundation, 2022). Proof of control can be in the form of ownership or the right to manage assets, while economic benefits can come from the sale of assets or their production. Once recognized, biological assets need to be grouped based on their nature and purpose of use, including based on the classification of current and non-current assets. Therefore, the proper application of recognition is very important because it affects the existence and grouping of biological assets reported in financial statements (Puspitasari et al., 2024; Campos-Llerena et al., 2025).

Biological Asset Measurement

The measurement of biological assets aims to establish the value to be included in the financial statements. Based on PSAK 69, at the time it is first recognized and at the end of each reporting period, biological assets are essentially valued based on fair value minus the cost to sell. This method is used so that the value of the reported assets can reflect more actual economic conditions. However, the process of determining the value can be difficult when the company does not have an active market or sufficient price data. In certain circumstances, acquisition costs can be used if the fair value cannot be reliably determined. Maulida et al. (2024) and Ermawijaya and Endang (2024) show that companies still face difficulties in implementing biological asset measurements in accordance with the provisions of PSAK 69. Thus, the accuracy in determining the value of biological assets will affect the fairness of the value of the assets presented in the financial statements.

Presentation of Financial Statements

The presentation of financial statements aims to convey information about biological assets that have been recognized and measured so that the company's financial condition can be clearly understood. In agricultural companies, biological assets must be presented appropriately, including the value of the recorded assets and the profits or losses derived from changes in their value. Companies also need to provide information about the types of biological assets, measurement methods, changes in value, and other necessary information. Adequate presentation and disclosure can improve the transparency and quality of financial information. Therefore, accuracy in the recognition and measurement of biological assets can affect the value of assets, the company's profit or loss, as well as the quality of information used by users of financial statements (Puspitasari et al., 2024; Aminah et al., 2023; Cantika et al., 2024).

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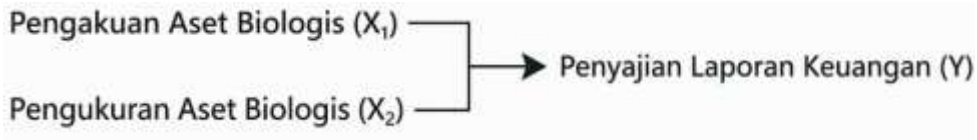
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Mindset

The framework of this research departs from the existence of special characteristics of biological assets that continue to change naturally, so appropriate accounting treatment is required. Recognition of biological assets (X_1) includes aspects of control, potential economic benefits, and reliability in measurement. Meanwhile, the measurement of biological assets (X_2) focuses on determining the value of assets based on fair value after deducting the cost of selling. These two aspects are suspected to have an influence on the presentation of financial statements (Y), especially related to asset value, profit or loss, and information disclosure. Therefore, the application of proper recognition and measurement is expected to result in better and appropriate presentation of biological asset information in the financial statements of agricultural companies (IFRS Foundation, 2022; Maulida et al., 2024; Puspitasari et al., 2024).

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Figure 1. Research Mindset



Hypothesis Development

The development of the hypothesis in this study is based on the theoretical relationship between the recognition and measurement of biological assets and the presentation of financial statements of agricultural companies. Biological assets have different characteristics from assets in general because they undergo biological transformation, so appropriate accounting treatment is needed so that the information produced in the financial statements can reasonably describe the company's condition. Recognition determines whether a plant or animal can be recorded as an asset, while measurement determines the value that will be presented in the financial statements. The accuracy of these two processes is expected to improve the quality of information about biological assets presented to users of financial statements (Puspitasari et al., 2024; Maulida et al., 2024).

Table 1. Hypothesis

Hypothesis	Statement
H_1	The recognition of biological assets affects the presentation of financial statements of agricultural companies.

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H_2	The measurement of biological assets affects the presentation of financial statements of agricultural companies.
H_3	The simultaneous recognition and measurement of biological assets has an effect on the presentation of financial statements of agricultural companies.

RESEARCH METHODS

This study applies a quantitative method with an explanatory approach to test the relationship between variables. The focus of the research is to analyze the effect of biological asset recognition (X_1) and biological asset measurement (X_2) on the presentation of financial statements (Y) in agricultural sector companies. The research utilizes secondary data sourced from the annual reports and financial statements of agricultural companies listed on the Indonesia Stock Exchange (IDX) during 2021–2024. The data was collected through the IDX's official website and the official website of the company that is the object of the research (Sugiyono, 2022).

The population in this study includes all agricultural companies listed on the Indonesia Stock Exchange (IDX) during 2021–2024. The sample selection was carried out using a purposive sampling method based on certain criteria, namely companies remain registered during the research period, present complete financial statements, have information related to biological assets, provide all necessary data, use Rupiah, and do not undergo delisting. Of the total 40 companies in the population, as many as 25 companies met the criteria and were used as samples, resulting in 100 observations over four years. The measurement of biological asset recognition and measurement variables is based on the provisions of PSAK 69 on Agriculture (Indonesian Institute of Accountants, 2015).

Data analysis was carried out using SPSS through descriptive statistics, classical assumption tests which included normality, multicollinearity, and heteroscedasticity tests, as well as multiple linear regression analysis. Furthermore, a t-test was carried out to determine the influence of partial recognition and measurement of biological assets, an F test to determine the influence of both variables simultaneously, and a determination coefficient test (R^2) to determine the contribution of independent variables to the presentation of financial statements. The regression model used was $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$.

RESEARCH RESULTS

The object of this research is an agricultural sector company listed on the Indonesia Stock Exchange (IDX), because the company's main activity is related to the management of

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plants and animals as biological assets that undergo natural changes. The application of biological asset accounting in the study refers to PSAK 69 Agriculture, specifically regarding the provisions for recognition and measurement of assets based on fair value after deducting the cost of selling. Of the 40 companies that became the population during the 2021–2024 period, as many as 25 companies were selected as samples through the purposive sampling method by considering the availability of financial statements and information about biological assets. With an observation period of four years, the study produced 100 company-year observations. The data used were sourced from the company's annual reports and financial statements to assess the application of recognition, measurement, and presentation of biological assets in financial statements.

Table 2. Sample Selection Process

No.	Sample Criteria	Quantity
1	Agricultural sector companies listed on the IDX	40
2	Companies that did not publish consecutive financial statements during 2021–2024	-8
3	Companies that do not provide complete financial statements	-4
4	Companies that do not have the necessary biological asset information	-3
5	Number of companies that meet the criteria	25
	Research period	4 years
6	Number of observations	100

Source: Secondary data processed by researchers (2026).

Based on Table 1, as many as 25 out of 40 companies in the population met the criteria to be used as a research sample. Observations during 2021–2024 resulted in 100 company-year observations. The selected companies run various agricultural businesses, including plantations, crop cultivation, livestock, and fisheries, so that the types of biological assets owned are also diverse. According to PSAK 69, biological assets include plants and live animals used in agricultural activities, while agricultural products are products derived from these assets. The sample is considered to be in accordance with the purpose of the study because the treatment of the recognition and measurement of biological assets can affect the value of assets as well as the profit or loss reported in the financial statements (Indonesian Institute of Accountants, 2015).

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Descriptive Statistics

Descriptive statistics are used to provide an overview of the characteristics of the research data. This analysis includes the minimum, maximum, mean, and standard deviation values of each research variable. The variables analyzed consist of the recognition of biological assets (X_1), the measurement of biological assets (X_2), and the presentation of financial statements (Y).

Table 3. Descriptive Statistics of Research Variables

Variable	N	Minimum	Maximum	Red	Std. Deviation
Recognition of Biological Assets (X_1)	100	60	95	78,45	7,82
Biological Asset Measurement (X_2)	100	58	96	77,83	8,14
Presentation of Financial Statements (Y)	100	62	97	80,27	7,36
Valid N	100				

Source: Secondary data processed by researchers (2026).

Based on Table 2, the biological asset recognition variable (X_1) had a minimum value of 60.00, a maximum of 95.00, an average of 78.45, and a standard deviation of 7.82, while the measurement of biological assets (X_2) had a minimum value of 58.00, a maximum of 96.00, an average of 77.83, and a standard deviation of 8.14. Meanwhile, the presentation of financial statements (Y) had a minimum value of 62.00, a maximum of 97.00, an average of 80.27, and a standard deviation of 7.36. Overall, the standard deviation of the three variables was smaller than their average value, which indicates that the data spread is relatively low and the observation value tends to be around the average.

Classical Assumption Test Results

The classical assumption test was performed before multiple linear regression analysis to ensure that the regression model used met the statistical requirements. The tests in this study included normality, multicollinearity, and heteroscedasticity tests.

Normality Test

The normality test was used to determine whether the residual data in the regression model was normally distributed. In this study, normality was tested using the One-Sample Kolmogorov-Smirnov Test.

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Table 4. Normality Test Results

Remarks	Unstandardized Residual
N	100
Red	0
Std. Deviation	5,184
Kolmogorov-Smirnov Z	0,074
Asymp. Sig. (2-tailed)	0,2

Source: Secondary data processed by researchers (2026).

Based on Table 4, the value of Asymp. Sig. is 0.200. This value is greater than the significance level of 0.05. Thus, it can be concluded that the residual data is normally distributed, so that the regression model meets the assumption of normality.

Multicollinearity Test

The multicollinearity test aims to find out whether there is a high relationship or correlation between independent variables in the regression model. The test is carried out by looking at the values of Tolerance and Variance Inflation Factor (VIF).

Table 5. Multicollinearity Test Results

Variable	Tolerance	VIVID
Recognition of Biological Assets (X_1)	0,721	1,387
Biological Asset Measurement (X_2)	0,721	1,387

Source: Secondary data processed by researchers (2026).

Based on Table 5, the Tolerance value for the biological asset recognition variable and biological asset measurement was 0.721 respectively, while the VIF value was 1.387. The Tolerance value was greater than 0.10 and the VIF value was less than 10. Thus, it can be concluded that there was no multicollinearity between independent variables in the research model.

Heteroscedasticity Test

The heteroscedasticity test aims to find out whether there is an unevenness of residual variance from one observation to another. In this study, the test can be carried out using the Glejser test.

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Table 6. Heteroscedasticity Test Results

Variable	Sig.
Recognition of Biological Assets (X_1)	0,284
Biological Asset Measurement (X_2)	0,417

Source: Secondary data processed by researchers (2026).

The results of the heteroscedasticity test in Table 6 show that the significance value of the biological asset recognition variable is 0.284 and the biological asset measurement is 0.417. Both values are greater than 0.05. Thus, it can be concluded that there are no symptoms of heteroscedasticity in the regression model used.

The results of the classical assumption test showed that the research model met the normality assumptions and did not find problems of multicollinearity and heteroscedasticity. Thus, the regression model has met the requirements to proceed to multiple linear regression analysis.

Multiple Linear Regression Analysis Results

Multiple linear regression analysis was used to determine the effect of biological asset recognition (X_1) and biological asset measurement (X_2) on the presentation of financial statements (Y).

The regression model used in this study is:

$$\hat{y} = b_0 + b_1 x$$

$$\hat{y} = 8.49 - 0.54x$$

Based on the results of data processing, the regression results were obtained as follows.

Table 7. Results of Multiple Linear Regression Analysis

Variable	B	Std. Error	t	Sig.
Constant	18,247	4,126	4,423	0
Recognition of Biological Assets (X_1)	0,382	0,091	4,198	0
Biological Asset Measurement (X_2)	0,427	0,087	4,908	0

Source: Secondary data processed by researchers (2026).

Based on Table 7, the measurement of biological assets has a positive influence on the presentation of financial statements. The X_2 coefficient greater than X_1 in this table

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shows that changes in the measurement of biological assets have a greater relationship with the presentation of financial statements than the recognition of biological assets.

Hypothesis Test Results

The hypothesis test aims to see the effect of biological asset recognition (X_1) and biological asset measurement (X_2) on the presentation of financial statements (Y). The t-test is used to test the influence of each independent variable partially, while the F test is used to determine the effect of the two together. This study uses a significance level of 5% (α = 0.05). The hypothesis is declared acceptable if the significance value obtained is less than 0.05.

1. The Effect of Biological Asset Recognition on the Presentation of Financial Statements

Based on the results of multiple linear regression analysis, the variable recognition of biological assets (X_1) obtained a calculated t-value of 4.198 with a significance value of 0.000. Because the significance value is 0.000 < 0.05, H_0 is rejected and H_1 is accepted.

Table 8. Biological Asset Recognition t Test Results

Variable	t count	Sig.	Remarks
Recognition of Biological Assets (X_1)	4,198	0	H_1 Accepted

Source: Secondary data processed by researchers (2026).

The findings of the study prove that the recognition of biological assets has a positive and significant influence on the presentation of financial statements. This means that the application of biological asset recognition that is increasingly in accordance with PSAK 69 will result in better presentation of asset information. Proper recognition helps companies present asset conditions in a more relevant manner so that they can improve the quality of information in financial statements. These results are in line with PSAK 69 which stipulates that biological assets can be recognized when the company has control over assets, has the potential to obtain economic benefits in the future, and the value of assets can be reliably measured (Indonesian Institute of Accountants, 2015). Based on these results, H_1 was accepted, which shows that the recognition of biological assets has a positive and significant effect on the presentation of financial statements.

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2. The Effect of Biological Asset Measurement on the Presentation of Financial Statements

Based on the results of the regression analysis, the biological asset measurement variable (X_2) obtained a calculated t-value of 4.908 with a significance value of 0.000. Because the significance value was 0.000 < 0.05, H_0 was rejected and H_2 was accepted.

Table 9. Results of the Biological Asset Measurement t Test

Variable	t count	Sig.	Remarks
Biological Asset Measurement (X_2)	4,908	0	H_2 Accepted

Source: Secondary data processed by researchers (2026).

Based on the results of the analysis, the measurement of biological assets has been proven to have a positive and significant influence on the presentation of financial statements. These findings show that the application of proper measurement will help companies produce better information about the value of assets. According to PSAK 69, biological assets at the time of initial recognition and at the end of each period are generally measured using fair value after deducting the cost of selling (Indonesian Institute of Accountants, 2015). The application of appropriate measurement methods can make the value of reported assets more reflective of the company's actual condition, thereby increasing the relevance of information for users of financial statements. Therefore, H_2 is accepted, which means that the measurement of biological assets has a positive and significant effect on the presentation of financial statements.

3. The Effect of Recognition and Measurement of Biological Assets on the Presentation of Financial Statements

The F test is used to determine whether the variables recognition of biological assets (X_1) and measurement of biological assets (X_2) together have an effect on the presentation of financial statements (Y).

Based on the results of the simultaneous test, an F value of 25.436 was obtained with a significance value of 0.000. Because the significance value of 0.000 < 0.05, H_0 was rejected and H_3 was accepted.

Table 10. Test Results F

Models	F count	Sig.	Remarks

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Regression	25,436	0	H_3 Accepted

Source: Secondary data processed by researchers (2026).

The results of the analysis prove that the recognition and measurement of biological assets together have a significant influence on the presentation of financial statements. These two aspects complement each other in determining the quality of information on biological assets that are reported. Recognition is related to determining whether an asset is eligible to be recorded, while measurement is related to determining the value of the asset to be presented. If both processes are applied correctly, the information produced will be more relevant and able to better describe the company's condition. Therefore, H_3 is accepted, which means that the simultaneous recognition and measurement of biological assets has a significant effect on the presentation of financial statements.

Coefficient of Determination

The determination coefficient is used to determine the ability of independent variables, namely the recognition of biological assets (X_1) and the measurement of biological assets (X_2), in explaining the variation of dependent variables, namely the presentation of financial statements (Y). The value of the determination coefficient is shown through the value of R Square (R^2) in the results of multiple linear regression analysis.

Table 11. Determination Coefficient Test Results

Models	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	0,59	0,348	0,335	5,184

Source: Secondary data processed by researchers (2026).

Based on Table 11, the R Square value of 0.348 shows that the recognition of biological assets (X_1) and the measurement of biological assets (X_2) together are able to explain 34.8% of the variation in the presentation of financial statements (Y), while the remaining 65.2% are influenced by other factors outside the study, such as disclosure of biological assets, corporate governance, company size, profitability, capital structure, and audit quality. Meanwhile, the Adjusted R Square value of 0.335 shows that after adjusting for the number of variables and observations, the model's ability to explain the presentation of financial statements is 33.5%. Thus, the recognition and measurement of biological assets

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is one of the factors that contribute to the presentation of financial statements of agricultural companies.

DISCUSSION

The Effect of Biological Asset Recognition on the Presentation of Financial Statements of Agricultural Companies

The first hypothesis test proves the positive and significant influence of biological asset recognition on the presentation of financial statements. The results of the t-test showed a calculated t-value of 4.198 with a significance level of 0.000 < 0.05, so that H_1 was declared accepted. These findings show that the implementation of better biological asset recognition will improve the quality of asset information presentation in financial statements. These results are in line with the provisions of PSAK 69 which states that biological assets can be recognized when a company has control over assets, there is potential for future economic benefits, and the value of assets can be reliably measured (Indonesian Institute of Accountants, 2015).

Proper recognition helps companies present the value of biological assets more in accordance with actual economic conditions. This is important because biological assets undergo transformations such as growth, production, degeneration, and procreation that can affect the condition and value of assets. On the other hand, errors in recognition can cause asset information to be too high or low, reducing the quality of financial statements. Thus, H_1 is accepted, namely the recognition of biological assets has a positive and significant effect on the presentation of financial statements of agricultural companies.

The Effect of Biological Asset Measurement on the Presentation of Financial Statements of Agricultural Companies

The second hypothesis test showed that the measurement of biological assets had a positive and significant influence on the presentation of financial statements. The results of the t-test obtained a calculated t-value of 4.908 with a significance of 0.000 < 0.05, so that H_2 was accepted. This result means that the more in accordance with the biological asset measurement process carried out by the company, the better the value of the reported asset. Based on PSAK 69, biological assets at the time of initial and final recognition of each period are generally measured using fair value after deducting the cost of selling. These changes in value can further have an impact on the company's profit or loss (Indonesian Institute of Accountants, 2015).

The application of proper measurement can make the value of biological assets more reflective of the company's economic conditions. However, the determination of fair value

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can face obstacles when there is no active market so that it requires professional valuation techniques and considerations. Therefore, companies need to use accountable information and valuation methods so that the value of the assets presented is not biased. Thus, H_2 is accepted, namely the measurement of biological assets has a positive and significant effect on the presentation of financial statements of agricultural companies.

The Effect of Recognition and Measurement of Biological Assets on the Presentation of Financial Statements of Agricultural Companies

The results of the third hypothesis test prove that the recognition and measurement of biological assets together have a significant influence on the presentation of financial statements. The F test results in a calculated F value of 25.436 with a significance level of 0.000 < 0.05, so that H_3 is accepted. Recognition plays a role in determining the feasibility of biological assets to be recorded by the company, while measurements are used to determine the value of reported assets. Based on PSAK 69, biological assets are basically assessed using fair value after deducting the cost of selling. Therefore, the application of proper recognition and measurement can improve the quality of information presented in financial statements (Indonesian Institute of Accountants, 2015).

Together, the recognition and measurement of biological assets were able to explain 34.8% of the variation in the presentation of financial statements, while 65.2% were influenced by other factors outside the study. These results show that these two aspects are an important part of producing relevant and trustworthy biological asset information. Therefore, companies need to ensure that biological assets are recognized according to criteria and measured on the right basis so that financial statements can reasonably describe the company's condition. Thus, H_3 is accepted, namely the simultaneous recognition and measurement of biological assets has a significant effect on the presentation of financial statements of agricultural companies.

CONCLUSION

Based on the results of the study, it can be concluded that:

1. The recognition of biological assets has a positive and significant effect on the presentation of financial statements. The results of the t-test show a t-value of 4.198 with a significance of 0.000 < 0.05, so that H_1 is accepted. This means that the more accurate the recognition of biological assets, the better it is presented in the financial statements.
2. The measurement of biological assets has a positive and significant effect on the presentation of financial statements. The results of the t-test show a t-value of 4.908

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with a significance of 0.000 < 0.05, so that H_2 is accepted. This means that the accuracy of the measurement of biological assets can improve the quality of the information presented.

3. Simultaneous recognition and measurement of biological assets has a significant effect on the presentation of financial statements. The results of the F test show that the value of F is calculated as 25.436 with a significance of 0.000 < 0.05, so that H_3 is accepted. This means that these two aspects together contribute to the presentation of financial statements of agricultural companies.

Overall, the recognition and measurement of biological assets is an important aspect in producing relevant and trustworthy financial statements. Proper implementation can help companies present asset values and financial information according to the company's conditions.

ADVICE

Based on the results of the research, the suggestions that can be given are:

1. For agricultural companies, it is recommended to implement the recognition, measurement, presentation, and disclosure of biological assets appropriately and consistently in accordance with applicable accounting standards.
2. For users of financial statements, especially investors and creditors, it is recommended to pay attention to the policy of recognition and measurement of biological assets as they can affect the value of the company's assets and financial information.
3. For future researchers, it is recommended to expand the research by adding the period, sample count, and other variables such as biological asset disclosure, company size, profitability, audit quality, and corporate governance.
4. For further research, a qualitative approach can be used to find out more about the company's measurement policies and constraints in determining the fair value of biological assets.

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