



Accounting for Islamic Fintech: Issues and Treatment (Case Study: Ammana Fintech)

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ABSTRACT

The main objective of this study to examine accounting treatment in Islamic FinTech company in Indonesia with reference of Islamic Financial Accounting Standards - PSAK Syariah issued by Ikatan Akuntan Indonesia. This research conducts a case study of Ammana Fintek Syariah as the first Islamic FinTech in Indonesia registered in Indonesian Financial Services Authority. The finding shows that Ammana does not have a clear standard of accounting treatment as a FinTech company. Its reporting standard simply follows company's discretion, following Practice Theory which has its own diverse motives and intentions to form its identity as Islamic FinTech company. In order to ensure the Islamic FinTech is always in the syariah corridor, thus Islamic accountability notion should be embedded within the company. The paper finds that Ammana Fintek made few adjustments on the existing PSAK Syariah to allow FinTech nature of transactions are accommodated. Reporting various Islamic contracts make the Islamic FinTech distinct from its conventional counterpart in dialectic relationship. Thus, separate guide on Islamic FinTech accounting is required soon or later considering potential FinTech market in Indonesia. Stakeholders of Islamic FinTech rely on digital reporting who demand timely and accurate information for making right decision. Contribution of this study is to expand Practice Theory not only in the social being relationship, human to human, but also structure to structure, in this case between Ammana Fintek and Ikatan Akuntan Indonesia.

ABSTRAK

Tujuan utama dari penelitian ini adalah untuk menguji perlakuan akuntansi pada perusahaan FinTech Islam di Indonesia dengan mengacu pada Standar Akuntansi Syariah – PSAK Syariah yang dikeluarkan oleh Ikatan Akuntan Indonesia. Penelitian ini melakukan studi kasus pada Ammana Fintek Syariah sebagai FinTech Islam pertama di Indonesia yang terdaftar di Otoritas Jasa Keuangan Indonesia. Temuan menunjukkan bahwa Ammana tidak memiliki standar perlakuan akuntansi yang jelas sebagai perusahaan FinTech. Standar pelaporannya hanya mengikuti kebijakan perusahaan, mengikuti *Practice Theory* yang memiliki beragam motif dan niat untuk membentuk identitasnya sebagai perusahaan FinTech Syariah. Untuk memastikan FinTech Syariah selalu berada dalam koridor syariah, maka konsep akuntabilitas harus tertanam dalam diri perusahaan. Penelitian ini menemukan bahwa Ammana Fintek melakukan beberapa penyesuaian terhadap PSAK Syariah yang ada agar sifat transaksi FinTech Syariah dapat diakomodasi. Pelaporan berbagai akad syariah menjadikan FinTech Syariah berbeda dengan mitra konvensional dalam hubungan dialektika. Oleh karena itu, panduan tersendiri mengenai akuntansi FinTech Syariah sangat diperlukan mengingat potensi FinTech yang cukup besar. Pemangku kepentingan

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FinTech Syariah mengandalkan pelaporan digital yang menuntut informasi yang tepat waktu dan akurat untuk mengambil keputusan yang tepat. Kontribusi penelitian ini adalah untuk memperluas *Practice Theory* tidak hanya pada hubungan makhluk sosial, manusia dengan manusia, namun juga struktur ke struktur, dalam hal ini antara Ammana Fintek dan Ikatan Akuntan Indonesia.

INTRODUCTION

Technological development has an impact on development of financial industry, later known as Financial Technology (Nam et al., 2016). Financial Technology (FinTech) is growing rapidly and becoming popular in many countries including Indonesia, expecting it to drive the financial industry more inclusive. There are several opportunities and threats given the FinTech presence in Indonesia such as to improve financial literacy and uplift low-class economy. According to SNLIEKSI (2024), Islamic financial literacy stands at 39 percent with its inclusion index of 12 percent, although there is a sharp increase from last year tracking survey but it is still below from the overall national index. SNLIEKSI (2024) also highlights that the National Islamic Economic Literacy Index in 2023 surveyed by Bank Indonesia has little increase to 28.8 percent (well literate) which reflects the space for efforts to improve people's understanding about Islamic economics in Indonesia and to achieve the aim of National Inclusive Finance Strategy (*Strategi Nasional Keuangan Indonesia/SNKI*). SNKI targets for at least 75 percent of Indonesia's population has access to financial products that drives support from FinTech and Islamic FinTech to help make this ambition a reality. FinTech is expected to help low class economy as Demirguc-Kunt, Beck & Honohan (2007) argue that the financial sector is not only pro-growth, but also pro-poor. It is hoped that the financial sector will not only grow but also emphasize more in favor of the *mustad'afin* (the needy) group who does not have liberty for financial access. With the benefits of technology in the FinTech business, these problems can be reduced so that economic equality will be realized.

The threats that many people might fear today regarding the existence of FinTech are reduce manual work and increase in cybercrime. It indicates that an increase in the number of unemployed as evidenced by the LinkedIn survey which said that 25 percent of the financial profession worried about losing jobs because of many areas that led to automation (Weissbluth, 2017). With the digitization, all data is stored in cyberspace which can be accessed by irresponsible people at any time. There are currently four types of cybercrime, namely cyberstalking (sending emails repeatedly), carding (looking for credit/debit card details), hacking and crackers (mastering computer systems), and cybersquatting (stealing a company's domain) and typo-squatting (using a play domain). Although it facilitates community to reach easier access to financial services, it also attracts illegal FinTech companies to grab their personal gain. The following shows growth of FinTech users in Indonesia that shows slowing down number due to stringent policy imposed after number of illegal FinTech operations were reported.

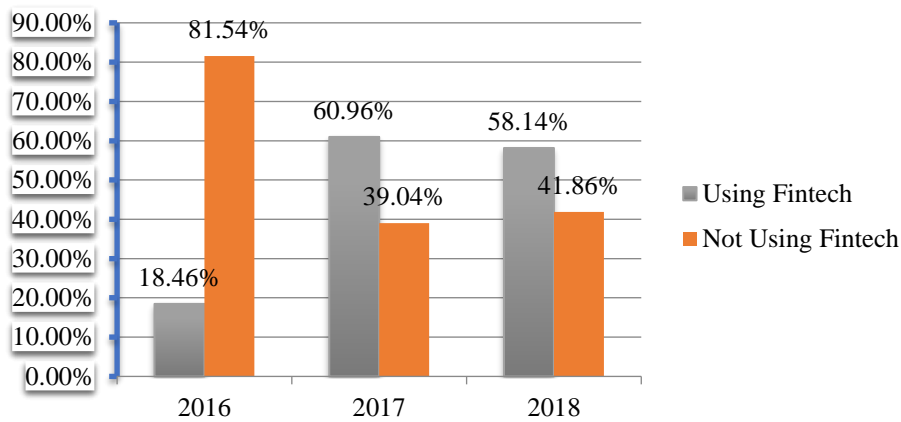


Figure 1: FinTech User Growth in Indonesia
Source: DailySocial (2018)

The diagram shows that the growth of FinTech users was very rapid during the period between 2016 to 2017 from 18.46% to 60.96%, while in the period 2017-2018 it's slowing down to 58%, this data was obtained from 1419 respondents who claim understands about FinTech. The Financial Services Authority (*Otoritas Jasa Keuangan/OJK*) records 101 FinTech companies that have registered in OJK as per Des May 2024 (OJK, 2024) but thousands were reported as illegal. As number of reports through OJK helpline (167) is increasing, questioning the legality of FinTech companies operating in Indonesia, OJK and Bank Indonesia (BI) launched several regulations on FinTech, such as the following:

1. Financial Services Authority Regulation No. 77/POJK.01/2016 concerning Information Technology-Based Lending Services. The regulation states that information technology-based lending and borrowing services are the implementation of financial services to bring lenders together with loan recipients in order to enter into loan agreements in rupiah currency directly through electronic systems using the internet network.
2. Bank Indonesia Regulation No. 18/40/PBI/2016 concerning Implementation of Payment Transaction Processing.
3. Bank Indonesia Regulation No. 19/12/PBI/2017 concerning Financial Technology Implementation.
4. Bank Indonesia Regulation No. 18/40/PBI/2016 dated 14 November 2016 concerning the Implementation of Payment Transaction Processing.
5. ADG Regulation No. 19/15/PADG/2017 concerning Registration Procedures, Information Delivery and Monitoring the Implementation of Financial Technology.
6. Fatwa on Shariah Electronic Money No. 116/DSN-MUI/IX/2017.
7. Financial Services Authority Regulation No. 13/POJK.02/2018 concerning Digital Financial Innovation in Financial Sectors.
8. Financial Services Authority Regulation No. 37/POJK.04/2018 concerning Equity Crowdfunding Services through Information Technology-Based Stock Offerings which took effect from 31 December 2018.
9. Financial Services Authority Regulation No. 35/POJK.05/2018 concerning Operating Finance Company.
10. ADG Regulation No. 19/14/PADG/2017 concerning Financial Technology Regulatory Sandbox.



11. Fatwa on Islamic Financial Technology Services No. 117/DSN-MUI/II/2018.
12. Financial Services Authority Regulation POJK No. 3 Year 2024 concerning Implementation of Financial Sector Technology Innovation.

The above regulations take care of the following types of FinTech such as: 1. Crowd-investment and Crowd-funding, a type of participative multiple investors which an individual, institution, non-profit organization or company for a project, social project and creative project; 2. Peer-to-Peer Lending (P2P), a platform that provides a mechanism for potential borrowers to apply loans, determines whether the proposed borrower and the investor meet the platform's lending standards; 3. Market Aggregator, an arrangement to manage data for consumers to make decisions; comparisons of price, features, and benefits replaced by Financial Sector Technology Innovation (ITSK/*Inovasi Teknologi Sektor Keuangan*); 5. Payment Gateway, a gateway that offers payment services extension from banking industry or Bank Indonesia like Real Time Gross Settlement (BI-RTGS), BI National Clearing System (SKNBI) up to BI scripless Securities Settlement System (BI-SSSS).

Islamic FinTech is also operating along-side the regulations, although a set of specific regulations on Islamic FinTech are required due to their unique way of transactions. Mukhlisin (2017) argues that to address the uniqueness of the transactions, OJK should release a specific regulation for Islamic FinTech. She further asserts that although there is no shariah definition yet, this regulation can also be interpreted as a regulation for "shariah buying and selling services/partnerships/financing/leasing" as the implementation of financial services to bring together sellers/partners/capital owners/asset owners with buyers/partners/workers/tenants in order to make shariah sale/financing in rupiah currency directly through electronic systems using the internet network. Meanwhile, Awais (2025) defines that Islamic Fintech integrates financial technology within the ethical and legal principles of Islamic Shariah. Similar to conventional fintech, it facilitates ethical investments, reduces poverty, promotes gender equality, and enhances accessibility to Islamic financial services.

Meanwhile, National Shariah Board – Indonesian Council of Ulemas (Dewan Syariah Nasional-Majlis Ulama Indonesia/DSN-MUI) released two fatwa to regulate Islamic FinTech: 116/DSN-MUI/IX/2017 concerning Shariah based Electronic Money and 117/DSN-MUI/IX/2018 concerning Islamic Financial Technology Services. According to OJK (2024), there are seven Islamic FinTech companies such as Ammana Fintek Syariah, Dana Syariah Indonesia, Danakoo Mitra Artha, Alami Fintek Sharia, Duha Madani Syariah, Qazwa Mitra Hasanah, and Ethis Fintek Indonesia.

To reflect operations of Islamic FinTech companies, their reporting mechanism should be shariah based. However, there is no standard that regulates how the accounting treatment for the transactions set by Islamic FinTech companies should be look like. Given the fact that the digital economy driven by emerging technologies such as fintech, is expanding rapidly and reshaping financial and economic models globally (Sedighi et al., 2026). This transformation plays a vital role in the evolution of digital finance which requires policymakers and industry leaders to prioritize digital economy development including its accounting standardization.

Therefore this study aims to explore how new way of Islamic FinTech business has an impact to accounting with research questions; to what extent does Islamic FinTech companies follow PSAK Syariah in their financial reporting preparation as a part of their Islamic accountability? How does Islamic FinTech companies respond to PSAK Syariah that regulate Islamic business entities including that of Islamic FinTech? What are the proposals to ensure Islamic FinTech companies have a specific guide for their financial reporting? Thus the purpose of the study is to propose a guide on Islamic



FinTech accounting for the FinTech companies in Indonesia, with the reference of PSAK Syariah issued by The Indonesian Institute of Accountants (*Ikatan Akuntan Indonesia/IAI*).

The paper is organized as follows. Section 2 presents the literatures on FinTech and Islamic FinTech while Section 3 delineates case study methodology, Practice and Islamic Accountability theories. Section 4 draws analysis with focus on Ammana Fintek Syariah followed by Section 5 that wraps discussion and conclusion as well as recommendation for future research.

LITERATURE REVIEW

Fintech and Islamic Fintech

The Beehive in Dubai, led by Rick Pudner in 2014, declared itself as Islamic FinTech in the world, which first obtained a shariah certificate. The platform provided is low-cost financing for MSMEs that use the "peer-to-peer lending marketplace" approach. Since 2013, Erly Witoyo, Ronald Wijaya, and Umar Munshi have been trying to present Islamic sharia-based investment services in Singapore. At that time, they started with crowdfunding services to finance a housing project called EthisCrowd. In 2016, Kapital Boost has a Sharia Compliance Certificate from Financial Shariah Advisory & Consultancy (FSAC) in Singapore and is named as "The FIRST Islamic SME Crowdfunding Platform." Currently there are 101 FinTech companies in Indonesia including seven companies that have been certified as Shariah companies (OJK, 2024). Hubud Bali, in 2014 became the first coworking in Indonesia to receive Bitcoin (electronic money, which was first made by Satoshi Nakamoto).

Accounting

Accounting itself consists of three basic activities - it identifies, records, and communicates the economic events of an organization to interested user (Weygandt et al., 2005). Accounting for shariah based business always refers to fatwa issued by DSN-MUI before issuing accounting standards. From 2000 until today, there 156 fatwas on Islamic finance that have been issued. Fatwa was issued because it was requested by Islamic financial institutions, including banks, insurance, capital markets, and other shariah entities. As for the presence of shariah-based FinTech business, the treatment and scope of accounting needs to be adjusted. Until now there has been no discussion regarding accounting for FinTech and Islamic FinTech.

Various literatures have raised the issue of accounting role in Islamic FinTech. Nuri (2025) finds that consumer trust in Islamic fintech is significantly shaped by perceived usefulness and social influence such as the issues of transparency. In Indonesia, users are more inclined to adopt Islamic fintech services due to the technology's practical benefits and the encouragement they receive from their social circles.

RESEACH METHODOLOGY

A case study is adopted in this research where the analysis is written in descriptive way that explains the information derived from interview. Cooper & Schinder (2011) state that the sample selected within a population can be used to draw a conclusion about the population. The Islamic FinTech Company which is used as the research sample is PT. Ammana Fintek Syariah. Ammana as the First Sharia Fintek in Indonesia that applies Profit Sharing from investment with a Pure Revenue Sharing System between Investors and Ammana Partners (BMT / KSPPS). According to Ammana Fintek, accounting standard is necessary for FinTech Company. Specially for recording the Investor Funds that have not been distributed to the partner institution that needs the fund to runs the business.



Practice theory is adopted in this research, to elaborate diverse motives and intentions to form its identity as Islamic FinTech company. According to Rouse (2007), Practice Theory has become a focal point in anthropology, sociology, and historical subfields since the late 20th century. The application of this framework spans from routine daily activities to structured institutional practices. Some of these patterns are geographically or historically specific, while others are more broadly applicable. Practice refers to a set of activities in which it also covers the Islamic FinTech activity in reporting their organizational performance through a set of accounting report.

In order to ensure the Islamic FinTech is always in the shariah corridor, thus Islamic accountability notion is also employed to strengthen the analysis. In Al-Quran, accountability is called hisab. The word of hisab is repeated more than eight times in different verses (Askary and Clarke, 1997). *حَسْبًا - حَسَابًا - حَسَبًا - حِسْبًا - حِسَابًا - حِسَابًا - حِسَابًا - حِسَابًا*: calculation, expectation, enough. Ibnu Taimiyah mentioned that it is between good and bad deeds, to be disclosed in the hereafter. According to Ismail et al. (2024), several Muslim scholars have included the implication of wealth as a part of accountability. They have made efforts to interpret and define it based on their understanding of Islamic teachings. Through careful study of Al-Qur'an verses and Prophetic traditions (*sunnah*), these scholars sought to derive a comprehensive conceptualization of wealth considering its role in economic transactions, ownership rights, and ethical guidelines in Islamic jurisprudence. Their interpretations reflect an attempt to align financial and economic principles with the broader objectives of Islamic law (*Maqāṣid al-Sharī'ah*), ensuring that wealth including those generated from Islamic FinTech is utilized in a manner that promotes justice, equity, and social welfare.

Practice Theory may have taken some notions from Agency Theory because it also tells the accountability required by the principal from the agent. The principal entrusts the agent with decision-making authority, effectively granting a mandate to perform specific tasks as outlined in the agreed-upon work contract (Pradana & Sulhani, 2024). The decision making needs to rely on some analysis and one of them is from financial reporting.

RESULT AND DISCUSSION

Case Study Analysis; Ammana Fintek Syariah and Accounting Treatment

There are seven standards that are mostly referred by FinTech companies when preparing their financial reports such as the following:

Table 1: PSAK Syariah for Islamic Business Entity

Standard	Description
PSAK 401	Financial statement presentation
PSAK 402	Accounting for <i>Murābahah</i>
PSAK 403	Accounting for <i>Salam</i>
PSAK 404	Accounting for <i>Istisnā</i>
PSAK 405	Accounting for <i>Mudhārabah</i>
PSAK 406	Accounting for <i>Musyārahah</i>
PSAK 407	Accounting for <i>Ijārah</i>

However, the common standards are PSAK 401, 402, 405, 406, and 407. The use of the standards were discussed in the following case study analysis. The respondents guide answers to the research questions such as the following:



1. The extent of Islamic FinTech companies follow PSAK Syariah in their financial reporting preparation as a part of their Islamic accountability. Islamic accountability requires any Islamic business entity should uphold its accountability not only to investors but also to God and society, thus more transparency (Haniffa and Hudaib, 2007). Ammana is trying to prove that Islamic accountability is also a concern to Ammana by saying: *“We are not allowed to collect fee if partner gets a profit, unlike Islamic financial institution system where they have profit sharing mechanism. Actually, this is a bit sensitive because we are a Technology-based Savings and Loan Institution, from the provisions of the OJK, it is very clear that we are not allowed to raise funds in the sense of being debt or savings, the fund is just passing through our system.”*

Ammana Fintek urged IAI to provide a guide on how to prepare financial reporting that specific for Islamic FinTech. The interviewee responds that *“We really need accounting expert in this case and IAI should guide us. In the investor's contract with us Wakālah bil Ujrāh, but if we are with Small and Medium Enterprises (SMEs) partners the contract is ijarah. Now, suppose that the SMEs entrepreneur owns a business to have merchandise by renting a place or renting a stall in Ammana Fintek. We treat Investors with Mudhorabah or Musyarakah partners.”*

Amman FinTek receives fees in advance from any project it handles. *“Our fee is only once in advance. So when the funds from investors are full to be given to a partner, from there, for example, we transfer IDR 50 thousand to partners and we charge administrative fee of IDR 5 thousand (fee for Wakālah bil Ujrāh). From this IDR 50 thousand fund, we cannot directly deduct our fees because it is not in accordance with shariah, so we must give IDR IDR 50 thousand of it in full to our partners and partners will then pay our fees with their own money for renting stalls in Ammana.”*

2. The responses from Islamic FinTech companies to PSAK Syariah that regulate Islamic business entities including that of Islamic FinTech. Ammana Fintek realized that there are some confusions from PSAK Syariah because it has not fully accommodated Islamic FinTech Business. The nature of Islamic FinTech is it offers services as a platform that meets both investors (*Rabb al-Māl*) and Small and Medium Enterprises (SMEs, *Mudhārib*) including individual home business owners. Islamic FinTech then collects fees from both investors and SMEs.

Actually, we still need input, when there is an incoming money, we call it debt (Dana Syirkah Temporer (DST), Temporary Syirkah Fund). So, in my opinion, as a platform, we should not have debt” This is what Ammana has a confusion because PSAK Syariah has not stated the nature of Islamic FinTech company. *“Ammana is like a consultant. For example, if there is a shrimp business, now we are only a platform, we only meet those who are lacking of funds and those with excess of funds. From there I want us to only record the fees we take so that the money that only goes to Ammana is recorded as income. Because we ourselves are not financial institutions, so when there is a recording the capital from the investors as a debt is not really right, because it is only a means of passing through.”*

Due to the absence in standard that is demanded by Islamic FinTech companies, therefore the practice is that they use their own initiative or logic. *“We are as Islamic FinTech would like to get*



close to IAI. Sharia is more complexed than the conventional, yes, with its own contracts such as Wakālah bil Ujrah, can we record it as debt when investors' money comes in because it is different from its own meaning where we are only representatives. I am a risk management person, I am worried about this risk, so I express my opinion that is different from person in the operational side.”

Other problem is on how tax system treats Islamic FinTech company. The money they hold is not their money, so taxation should only apply to taxable income generated by the Islamic FinTech company, not from the money inflow and outflow. Amman FinTech in this case responds that *“I am worried about the condition when the income from investors will be increased and how tax would consider it because our tax system could trace any income generated in our company from the past 5 years.”* The profit sharing that is considered as ujah by Ammana Fintek is basically generated from buying and selling that Ammana Fintek is unsure on how to complete its bookkeeping. This is the response: *“Actually, with the existence of FinTech, banking has begun to enter FinTech, but we are totally different entities. For example, if we don't consider capital from investors as a debt and we also don't provide financing, thus we should not calculate Non Performing Financing (NPF), because we are just a platform. The goal for calculating NPF is acceptable because it means accountability, but it is ambiguous, right? Now we have to determine the NPF must be below 3%. The purpose of this NPF is so that FinTech company does not only bring together those who are in need with those who have money and then the FinTech company can leave, so the NPF binds it to be accountable.”*

Ammana Fintek Syariah runs a business process that aims to bring together between those who requires funds and parties with excess of funds (Partners-Investors facilitators). In carrying out the business process, the transaction contract that used between the investor is *Wakālah*, because in this case Ammana represents the investor to channel the funds to the partner. While the contract that used between Ammana and partners is *Ijarah*, because in this case the partner uses Ammana services to find Investors who want to channel their funds to partners.

Ammana's main income is from the *Ujah* that obtained from the Investor, because it has managed the administration for the purpose of the investor in investing his funds in the Partner. While the *Ujah* that obtained from the partner on the basis of services provided by Ammana to the partner to find investors. As with other companies, Ammana is also obliged to make a financial report, but the problem is that the accounting transaction recording standard that will be used by Ammana as a FinTech company does not yet exist, especially in terms of recording investors' funds that have not been distributed to partners. Therefore, in the meantime investor funds that have not been distributed are recorded in the balance sheet in the liability account. But based on the results of interviews that have been conducted, the recording of investor funds that recorded in the liability account is deemed inappropriate by Ammana, because the actual Investor funds are not the obligation of the Ammana, but only the deposit of funds is accommodated before being distributed to partners. This issue has made Ammana confused because there were no valid accounting standards issued by the authorities, in recording accounting transactions with FinTech companies.

3. The proposals to ensure Islamic FinTech companies have a specific guide for their financial reporting. The following is an example of the proposed accounting treatment for specific transaction in Islamic FinTech, such as the following:

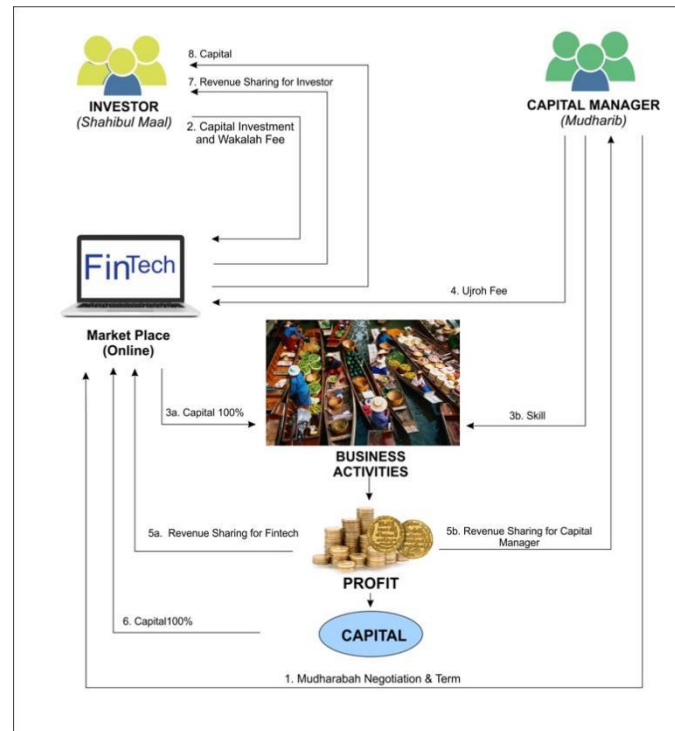


Figure 2: *Mudhārabah* FinTech

Source: Authors

The diagram can be explained as follows:

1. The Manager (*Mudhārib*) requests *Mudhārabah* financing, completing the required requirements to FinTech Service Providers (Marketplace). Then the FinTech team analyzes *Mudhārabah* financing proposals by the Manager (*Mudhārib*) and offers to Investors (*Rabb al-Māl*). At this stage, there are no journals from the Management (*Mudhārib*) side, Fund Owners (*Rabb al-Māl*) and FinTech Service Providers (Market Place).
2. Investors (*Rabb al-Māl*) approve and provide *Mudhārabah* Manager (*Mudhārib*) financing capital investment with the agreed profit sharing ratio. Furthermore, Investors (*Rabb al-Māl*) are represented by FinTech Services (Marketplace). When the Investor (*Rabb al-Māl*) provides capital to the Manager through the FinTech Service Provider, the journal created by *Rabb al-Māl*: *Mudhārabah* Investment Fund in Cash. Journal at the FinTech Service Provider side: Cash on Temporary Syirkah Funds. Investors (*Rabb al-Māl*) also provide *Wakālah* Fee for *Wakālah* Services to the FinTech Company.
3. Business Activities. FinTech Services (Marketplace) includes *Mudhārabah* financing capital according to the agreed ratio. Journal when the FinTech Service Provider includes *Mudhārabah* capital to the Manager (*Mudhārib*), then the journal created by FinTech Service Provider: *Mudhārabah* Investment Fund in Cash. Journal on the side of the Manager (*Mudhārib*) Cash in the Temporary Syirkah Fund.. Managers (*Mudhārib*) provide business management skills.

4. The Manager (*Mudhārib*) pays Ujroh Fee for Ujroh Services to the FinTech Company.
5. Advantages; Providing investor revenue sharing from the Manager to the FinTech Service Provider from the profit. When the Manager (*Mudhārib*) divides profits to FinTech Service Providers, journals made by FinTech: Cash Service Providers on *Mudhārabah* Profit Sharing. Journal on the side of the Manager (*Mudhārib*) Profit Sharing on Cash.; Provision of revenue sharing from FinTech Service Providers to Investors from the profits. When the FinTech Service Provider divides profits into Fintech Service Providers, journals created by Fintech Service Providers: *Mudhārabah* Profit Sharing Expense on Cash. Investor side journal (*Ṣāhib al-Māl*): Cash on *Mudhārabah* Profit Sharing.
6. Returns of capital to FinTech (Marketplace) Service Providers by the Manager (*Mudhārib*) When the Manager (*Mudhārib*) returns the FinTech Service Provider, the journal created by FinTech Service Provider: *Mudhārabah* Investment Fund in Cash. Journal on the Management side (*Mudhārib*): Temporary Syirkah Fund in Cash.
7. FinTech Services (Marketplace) provides investor revenue sharing to Investors (*Ṣāhib al-Māl*).
8. FinTech Services (Marketplace) return capital investment to Investors (*Ṣāhib al-Māl*). When the Fintech Service Provider returns the capital to the Investor (*Ṣāhib al-Māl*), a journal created by the Fintech Service Provider: Temporary Syirkah Fund in Cash. Investor's Journal (*Ṣāhib al-Māl*): Cash in *Mudhārabah* Investment Fund.

Other proposal on accounting treatment is on Hawalah Fintech, such as the following:

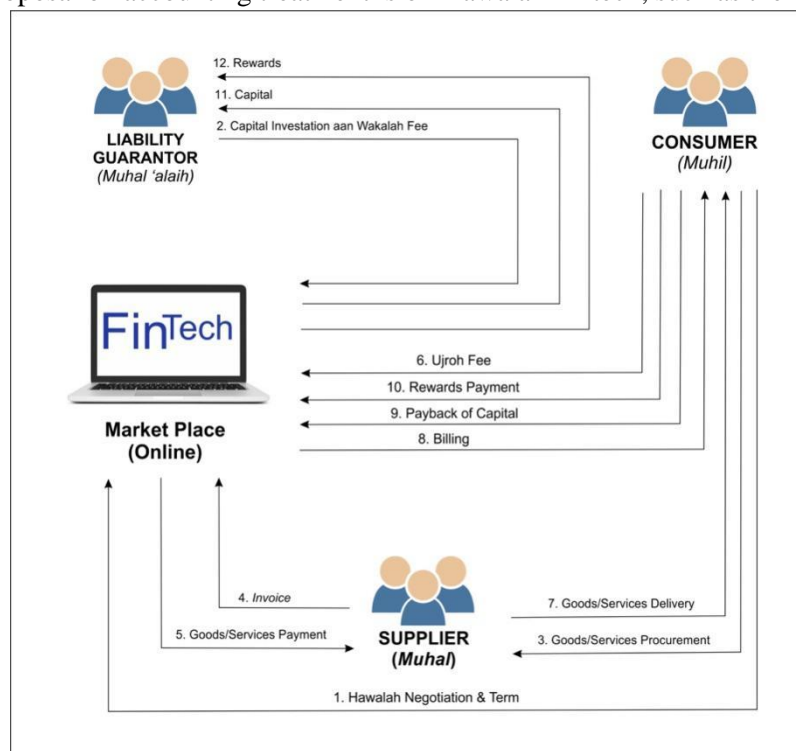


Figure 3: Hawalah FinTech

Source: Authors

The diagram can be explained as follows:

1. Consumers (*Muhīl*) make financing requests for Debt Transfer, complete the Investor (Insurer of Debt/*Muhāl ‘alayh*).
2. Investor (Insurer of Debt/*Muhāl ‘alayh*) approves and provides financing capital investment to the Consumer (*Muhīl*). And then the Investor (Insurer of Debt/*Muhāl ‘alayh*) is represented by FinTech Services (Marketplace). Investors (Insurer of Debt / *Muhāl ‘alayh*) also provide *Wakālah* Fee for *Wakālah* Services to the FinTech Company.
3. Consumer (*Muhīl*) purchases goods / services in debt to Supplier (*Muhāl*).
4. Purchase bills are given to FinTech Service Providers (Marketplace).
5. FinTech Services (Marketplace) make payments for goods / services purchased by the Consumer (*Muhīl*).
6. Consumers (*Muhīl*) pays Ujroh Fee for Ujroh Services to the FinTech Company.
7. Supplier (*Muhāl*) sends goods / services to consumers (*Muhīl*).
8. FinTech (Marketplace) services make debt collection to consumers (*Muhīl*).
9. Consumer (*Muhīl*) makes payment of obligations to FinTech Services (Marketplace).
10. Consumers (*Muhīl*) make compensation payments to FinTech Services (Marketplace).
11. FinTech Services (Marketplace) returns the capital investment provided by the Investor (Insurer of Deb /*Muhāl ‘alayh*).
12. FinTech Services (Marketplace) provides rewards to Investors (Insurer of Debt / *Muhāl ‘alayh*).

The third proposal for Islamic FinTech accounting is on IMBT FinTech, as described below:

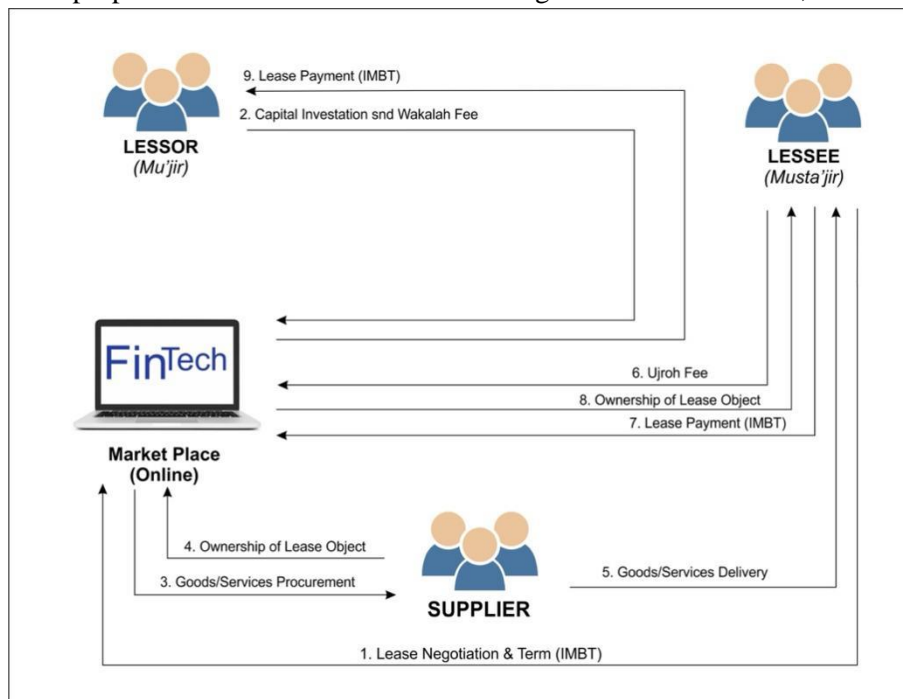


Figure 4: IMBT FinTech

Source: Authors



The diagram can be explained as follows:

1. Tenants (*Musta'jir*) apply for a Buy Lease financing (IMBT), completing the required requirements to FinTech Service Providers (Marketplace). Then the FinTech team carried out the analysis of financing proposals by the Tenants (*Musta'jir*) and offered to Investors (Leasing / *Mu'jir* Providers).
2. Investors (Provider of Lease/*Mu'jir*) approve and provide capital investment for Lease Buy (IMBT) financing to the Charterers (*Musta'jir*). Furthermore the Investor (Provider of Lease/*Mu'jir*) is represented by FinTech Services (Marketplace), and Investors (Provider of Lease /*Mu'jir*) also provide *Wakālah* Fee for *Wakālah* Services to the FinTech Company.
3. FinTech Services (Marketplace) purchases goods / services to Supplier.
4. Ownership of leased objects is in the hands of FinTech Services (Marketplace).
5. Supplier sends goods / services to Tenants (*Musta'jir*).
6. Tenants (*Musta'jir*) pays *Ujroh* Fee for *Ujroh* Services to the FinTech Company.
7. Tenants (*Musta'jir*) make Buy Lease payments (IMBT) to FinTech Services (Marketplace).
8. The ownership of the rental object is in the hands of the Tenant (*Musta'jir*).
9. FinTech Services (Marketplace) provides Buy Lease payments (IMBT) to the Rent Provider (*Mu'jir*).
10. FinTech Services (Marketplace) returns capital investment to the Leasing Provider (*Mu'jir*).

The research highlights the crucial role of accounting standard for FinTech companies. This is in line with Kadi (2025) who argues that proper financial records, statements, and documentation help significantly in dispute resolution. Accounting records serve as tangible evidence of transactions and agreed-upon terms. Transparent and well-maintained accounting practices facilitate a clearer understanding of disputes, aiding in fair and efficient resolutions, particularly within the framework of Islamic FinTech activities.

CONCLUSION

The aim of the study is to propose a guide on Islamic FinTech accounting for the FinTech companies in Indonesia, with the reference of PSAK Syariah issued by The Indonesian Institute of Accountants (Ikatan Akuntan Indonesia/IAI). Following Practice Theory which has its own diverse motives and intentions to form its identity as Islamic FinTech company that eventually in this case study, Ammana Fintek shows its commitment to Islamic accountability. However, the paper finds that Ammana Fintek made few adjustments on the existing PSAK Syariah to allow FinTech nature of transactions are accommodated.

According to Ammana Fintech, accounting standard is necessary for both FinTech and Islamic FinTech Companies. Specially for recording the Investors' Funds that have not been distributed to the partner that need the fund to runs the business. Reporting various Islamic contracts make the Islamic FinTech distinct from its conventional counterpart in dialectic relationship. Thus, separate guide on Islamic FinTech accounting is required soon or later considering potential Muslim market in Indonesia. Stakeholders of Islamic FinTech rely on digital reporting who demand timely and accurate information. Therefore this study proposes several accounting treatments for *Mudhārabah*, *Hawalah*, and IMBT to be asserted as a guide for Islamic FinTech Accounting to be further validated by IAI.

The limitation of this study is only taking one case study which is Ammana Fintek Syariah. For future study, it is commendable to conduct a comparative study between twelve Islamic FinTech



companies in Indonesia, or between Indonesian Islamic FinTech company with other Islamic FinTech company outside Indonesia.

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