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Reconstruction of the Legal Responsibility of the Public Accounting Profession Based on Professional Protection and Due Process of Law

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Abstract: This study examines the reconstruction of legal accountability for the public accounting profession based on professional protection and due process of law. The background of this study stems from the increasing number of cases involving financial statement manipulation and corporate fraud in Indonesia, which has placed public accountants in a position where they are held legally accountable. This situation raises questions regarding the limits of professional liability, particularly when the fraud stems from the actions of company management. This study aims to analyze the weaknesses in the legal liability framework for the public accounting profession in Indonesia and to examine professional protection from the perspective of due process of law. The research method employed is normative legal research using a statutory approach, a conceptual approach, and a case study approach. Legal materials were obtained through a literature review encompassing primary, secondary, and tertiary legal sources, which were then qualitatively analyzed using prescriptive and interpretive methods. The research findings indicate that the legal framework governing the liability of the public accounting profession still contains normative and implementational weaknesses that lead to legal uncertainty and have the potential to result in the criminalization of the profession. Professional protection for public accountants has not fully ensured the application of the due process of law principle in the audit and law enforcement processes. Legal reform is necessary through the updating of legal substance, the strengthening of institutional structures, and the development of a legal culture that is more oriented toward professionalism, legal certainty, and justice. This study is expected to serve as a basis for consideration in the formulation of regulations and the strengthening of the professional protection system for public accountants in Indonesia.

Keywords: Legal Liability, Public Accountants, Professional Protection, Due Process Of Law, Legal Certainty.

INTRODUCTION

development of the business world has made the need for accurate financial reports increasingly crucial. Companies must be able to demonstrate transparent financial conditions to investors, creditors, the government, and the public (Febrian & Nazar, 2024). In such situations, the public accounting profession holds a very strategic position because it plays a role in examining and assessing the fairness of a company's financial reports (Meilani et al., 2024). Audit results conducted by public accountants are often used as the basis for economic decision-making. When financial reports are deemed appropriate and reliable, public trust in the company will increase (Nurhikmah & Sisdianto, 2024). Conversely, if the reports are found to contain errors or manipulation, the impact can be significant for many parties. The complexity of modern business transactions makes the financial audit process increasingly complex and requires a high level of professionalism. This situation demonstrates that the existence of public accountants is not merely a complement to company administration, but a crucial part of maintaining the stability and credibility of the business world.

The rise in cases of financial statement manipulation in recent years demonstrates that corporate fraud remains a serious problem. Many companies engage in financial statement manipulation to present a seemingly healthy situation in order to attract investors or maintain their corporate image. In such cases, public accountants often come under scrutiny for failing to detect irregularities or even for alleged involvement in the manipulation process (Astuti et al., 2025). This situation has given rise to lawsuits against the public accounting profession, both in the form of civil suits and criminal proceedings. Numerous cases demonstrate that public accountants face significant pressure when their audit results are questioned. While they have a professional obligation to comply with auditing standards, they can also be held liable for losses suffered by certain parties. This issue has given rise to debate about the extent to which public accountants should be held responsible for the actions of the companies they audit. This phenomenon demonstrates the sensitive position of the public accounting profession between legal and business interests. This situation makes the discussion of the professional accountability system increasingly relevant and warrants in-depth study.

In law enforcement practice, public accountants are often in a vulnerable position because they can be subject to various forms of accountability simultaneously. A public accountant can receive administrative sanctions from professional regulators, be sued civilly for allegedly causing harm, or even face criminal prosecution if alleged violations of the law are discovered (Fitriani, 2025). This vulnerability arises because the public accounting profession is directly related to the economic interests of many parties. When an audit fails or a case of financial statement manipulation occurs, public attention often immediately focuses on the external auditor. However, not all errors in financial statements are due to the negligence of public accountants. There are certain circumstances in which company management intentionally conceals information or manipulates data that is difficult to detect during a regular audit process (Intan, 2025). Situations such as these demonstrate that the public accounting profession's responsibilities have certain limits that must be understood proportionally. If these limits are not clearly defined in the legal system, the risk of injustice to the public accounting profession will increase. This vulnerability demonstrates the importance of legal regulations that can balance the position of public accountants.

Another significant issue lies in the Indonesian legal regulations, which are considered to lack clear boundaries regarding the accountability of the public accounting profession. Some legal provisions remain general and open to varying interpretations. This situation results in differing understandings among law enforcement officials, regulators, and the public regarding the responsibilities of the public accounting profession. In some cases, public accountants are treated as if they have absolute responsibility for the entire contents of a company's financial statements (Nasution, 2025). However, as professionals, auditors operate according to specific auditing standards and cannot fully guarantee that financial statements are free from all forms of fraud. This lack of clarity in legal norms can create an imbalance in the law enforcement process. The public accounting profession is vulnerable to being positioned as the party most easily held accountable when a company experiences financial problems (Viananda et al., 2025). This situation demonstrates that existing regulations still need improvement to better define clear and fair legal boundaries. Without such clarity, legal certainty for the public accounting profession will be difficult to achieve.

The ambiguity of legal norms ultimately gives rise to the issue of legal uncertainty in law enforcement practices regarding the public accounting profession (Herlina, 2024). When regulations do not provide a clear measure of professional misconduct, the assessment of public accountants' actions often depends on the interpretation of each party. This can lead to disparate treatment in cases that actually have similar characteristics. In some contexts, public accountants may be deemed to have committed administrative violations, while in other cases similar actions are prosecuted criminally. This inconsistency undoubtedly creates unrest within the profession. The public accounting profession requires certainty regarding accountability standards to carry out its duties professionally without undue fear of criminalization (Wiyanto et al., 2025). If this situation persists, the auditing profession could lose its independence due to a focus on self-protection rather than objective oversight. The long-term impact of this will not only be felt by the public accounting profession but could also affect the quality of the national financial reporting system. This demonstrates the importance of legal certainty in maintaining auditor professionalism.

The issue of professional criminalization is a frequently discussed issue in cases involving public accountants (Zubaida et al., 2025). In some cases, professional misconduct that would be more appropriately resolved through ethical or administrative mechanisms can instead escalate into criminal proceedings. This situation raises concerns because it can blur the distinction between professional negligence and intentional criminal acts. Not all audit failures can be directly categorized as crimes. Audits have certain limitations and are conducted based on testing methods, not comprehensive examinations of all company transactions (Rohim & Al Hadif, 2025). When these limits are not properly understood, public accountants are potentially exposed to disproportionate legal proceedings. This situation can affect auditors' ability to make independent professional decisions. At some point, the threat of criminalization can even discourage qualified professionals from entering the world of public auditing. This issue demonstrates the need for the legal system to provide a balance between enforcing responsibility and protecting the profession.

Professional protection for public accountants is crucial for maintaining the independence and quality of the profession (Marliza et al., 2025). However, the current protection system is considered to not fully accommodate the principle of due process of law in law enforcement. Due process of law emphasizes that every legal process must be conducted fairly, objectively, and respect the rights of the audited party (Sutrsino, 2025). In the context of the public accounting profession, this principle is crucial to prevent the audit process from being conducted arbitrarily or hastily concluding that there is criminal wrongdoing. A public accountant should be given the opportunity to explain their professional actions based on applicable auditing standards. Audits of the auditor profession should involve assessments from parties with a thorough understanding of the characteristics of audit work (Wifasari et al., 2025). If the principle of due process of law is not implemented properly, the law enforcement process can become a tool that actually harms professionals who work according to procedures. This situation demonstrates that professional protection is not intended to absolve public accountants from legal responsibility, but rather to ensure that the law enforcement process is conducted fairly. The existence of proportional protection will help create a balance between legal interests and auditor professionalism.

These various issues demonstrate the need to reconstruct the legal accountability system for the public accounting profession in Indonesia. Legal reconstruction is necessary so that the existing system is not solely oriented towards imposing sanctions, but is able to create a balance between responsibility, professional protection, and legal certainty. Clearer regulations regarding the limits of professional responsibility will help prevent multiple interpretations in law enforcement. Furthermore, the application of the principle of due process of law needs to be strengthened so that every audit process of public accountants is conducted objectively and proportionally. This reconstruction can be achieved through regulatory reform, strengthening professional oversight mechanisms, and improving coordination between regulators and law enforcement officials. A sound legal system should be able to protect the interests of the public without compromising professionals who work according to standards. In this context, establishing a fair accountability system is crucial not only for the public accounting profession but also for the stability of the business world as a whole. This legal reconstruction effort is a crucial step towards creating a more credible audit system and providing a sense of justice for all parties.

Based on the description of the problem, this study was conducted to analyze why the form of legal accountability and professional protection for the public accounting profession in Indonesian laws and regulations is still unable to provide legal certainty and justice in handling cases of fraud and manipulation of financial reporting. This study seeks to examine the weaknesses of existing legal regulations, including the unclear boundaries of professional responsibility and the less than optimal application of the principle of due process of law in the legal examination process of public accountants. Through this study, the author wants to understand the extent to which applicable regulations have provided professional protection that balances the demands of responsibility and the rights of the public accountant profession as a party that carries out the audit function independently. The results of this study are expected to contribute to the development of a legal accountability system for the public accounting profession that is fairer, more proportional, and able to guarantee legal certainty in law enforcement practices in Indonesia.

METHOD

This study uses a normative legal research method that focuses on the study of norms, principles, and legal concepts related to the accountability of the public accounting profession. This method was chosen based on the research objective, which is to examine the conformity between legal regulations and law enforcement practices regarding the public accounting profession in Indonesia. The approaches used include a legislative approach and a conceptual approach. Through a legislative approach, the study examines various regulations related to the public accounting profession, such as the Public Accountants Law, the Criminal Code, the Civil Code, the Financial Services Authority (OJK) regulations, and the Public Accountants Professional Standards (SPAP). The review of these regulations is conducted to determine the extent to which legal norms are synchronized in regulating the forms of professional accountability and legal protection for public accountants. Meanwhile, a conceptual approach is used to understand important ideas such as legal accountability, professional protection, due process of law, legal certainty, and legal justice. These concepts are not only understood theoretically but also analyzed for their relationship to current legal practices. This study also uses a case study approach by examining several cases of financial statement manipulation involving public accountants in Indonesia so that the analysis is not limited to a merely normative level.

The legal sources in this study consist of primary, secondary, and tertiary legal materials that complement each other in the analysis process. Primary legal materials are obtained from laws and regulations related to the public accounting profession and court decisions related to financial reporting and professional accountability cases. Secondary legal materials come from law books, scientific journals, and academic articles discussing professional protection, legal accountability, and due process of law. The presence of secondary materials is important to help the author understand the development of legal thought that continues to change following the dynamics of professional practice. This study utilizes tertiary legal materials such as legal dictionaries and legal encyclopedias to clarify certain terms to avoid misinterpretation. The legal material collection technique is carried out through literature studies and documentation of various regulations and legal decisions relevant to the research theme. All legal materials are then analyzed qualitatively using prescriptive and interpretative methods. The prescriptive method is used to formulate an ideal legal concept for the public accounting profession's accountability system, while the interpretative method is used to understand the meaning of legal norms in more depth. Through these stages, the research is expected to produce an analysis that is not only descriptive, but also has a more critical and solution-oriented direction.

RESULTS AND DISCUSSION

The phenomenon of fraud and irregularities in corporate financial reporting remains a persistent problem in Indonesian business practices. Several cases uncovered in recent years demonstrate that weak corporate governance not only results in economic losses but also gives rise to complex legal issues. The cases of PT Asuransi Jiwasraya (Kuncoro, 2020) and PT Asabri (Purnamasari, 2021) are clear examples of how investment manipulation and the presentation of financial reports that do not reflect the true state can result in significant state losses and undermine public confidence in the national financial system. The controversy surrounding PT Garuda Indonesia (Persero) Tbk's 2018 financial report also demonstrates that revenue recognition in financial reports can spark serious debate about the fairness of the presentation of financial information by public companies (Mustika et al., 2025). In the capital market, the Financial Services Authority (OJK) has repeatedly imposed sanctions on issuers and related parties for violations of information disclosure and financial reporting, including in the cases of PT Inti Agri Resources Tbk (IPPE) and PT Tiga Pilar Sejahtera Food Tbk (TDPM) (OJK, 2026). This situation demonstrates that the practice of financial report manipulation is not merely a corporate administrative issue but has developed into a legal issue involving multiple parties and regulatory bodies.

Amidst these various cases, the public accounting profession is often placed in a difficult position, often subject to audits and even legal sanctions. Public accountants' primary function is to provide professional assessments of the fairness of financial reports based on applicable auditing standards, not as parties who carry out company operations or make decisions. However, in law enforcement practice, the assumption often arises that failure to detect financial report manipulation automatically constitutes professional negligence, subject to legal liability. This situation raises questions regarding the limits of public accountants' legal liability, particularly when fraud stems from company management concealing information or manipulating financial data. The unclear regulations regarding the limits of professional liability ultimately have the potential to give rise to multiple interpretations in the audit and law enforcement process. Many public accountants face significant legal pressure even though they have not been proven to have been directly involved in the manipulation. This situation indicates that professional protection for the public accounting profession still requires strengthening, particularly in ensuring the application of the principle of due process of law so that law enforcement continues to be fair and proportional. Based on these conditions, the discussion in this study will examine the position of the public accounting profession, the problems of legal liability, the weaknesses of professional protection, and the reconstruction of a legal accountability system that is more oriented towards legal certainty and justice.

Legal Position and Responsibilities of the Public Accounting Profession in Indonesia

The public accounting profession plays a crucial role in the financial reporting system, providing an independent assessment of the fairness of a company's financial statements. In practice, public accountants are tasked with conducting audits based on professional standards to ensure that the financial information presented by a company is credible to the public, investors, and regulators. This profession serves as an oversight mechanism in the modern business world, particularly for companies that raise public funds or operate in sectors with a high risk of financial irregularities. Public accountants do not prepare a company's financial statements, but rather examine and assess whether those statements have been prepared in accordance with applicable accounting standards (Rosyid et al., 2024). This position demonstrates that public accountants play a role as independent parties, bridging the interests of the company with the public interest. Independence is crucial because audit results lose value if influenced by vested interests. In a legal context, the public accounting profession is not merely viewed as a technical profession but has evolved into a profession with significant social responsibilities and legal consequences. The increasing demand for financial transparency places public accountants in a highly stressful and oversighted environment. This demonstrates the strategic role of the public accounting profession in maintaining trust in the national financial reporting system.

The role of public accountants in the financial reporting system is inseparable from the business world's need for accurate and accountable information. Financial reports are often used as the basis for business decisions, investments, and economic policies, making the quality of the information presented crucial. In such situations, public accountants exist to provide assurance that financial reports have been professionally audited through standardized audit procedures. An audit itself is a systematic process of examining a company's financial data and evidence to assess its fairness (Mustika et al., 2025). However, an audit is not an absolute guarantee that all fraud will be detected, as the audit is conducted based on testing methods and professional judgment. This often leads to misunderstandings in the public when cases of financial report manipulation occur. Many assume that public accountants must be fully responsible for any form of irregularity committed by the company. However, in practice, primary responsibility for the content of financial reports remains with company management, as the party that prepares and controls the financial information. Understanding the boundaries of the profession's functions and roles is crucial to avoid overestimating the responsibilities of public accountants.

The legal responsibilities of the public accounting profession in Indonesia encompass administrative, civil, and criminal aspects, each with distinct characteristics and consequences. Administrative liability arises when a public accountant violates professional provisions or regulations governing audit practices, such as violations of professional standards and codes of ethics (Karen et al., 2022). Under certain circumstances, such violations can result in sanctions in the form of warnings, license suspensions, or even revocation of their practice permits by the competent authorities. In the civil aspect, a public accountant can be held liable if proven to have committed negligence that resulted in losses to another party. Civil lawsuits typically involve claims for compensation due to audit results deemed to be inaccurate. Meanwhile, criminal liability arises when there is an element of intent, involvement, or unlawful acts in the audit practice. The problem becomes more complicated when the line between professional negligence and criminal acts is not clearly defined in law enforcement practices. This situation has the potential to lead to the criminalization of the profession, as public accountants can be prosecuted even if the errors are more related to technical or professional issues. This situation indicates that regulations regarding the legal responsibilities of the public accounting profession still require clarity to achieve a balance between professional protection and law enforcement interests.

Problems of Public Accountants' Legal Liability in Cases of Financial Report Fraud

The main problem with the legal liability of public accountants lies in the unclear boundaries of professional responsibility in the practice of auditing financial statements. Public accountants are obligated to provide an opinion on the fairness of financial statements based on an audit process conducted in accordance with professional standards (Yoga et al., 2024). However, in practice, the assumption often arises that public accountants are fully responsible for the entire contents of a company's financial statements, including any manipulation by management. This view is problematic because the public accountant's position is actually different from that of management, who prepare and control the company's financial data. The audit profession's responsibility focuses more on assessing the fairness of financial information through specific audit procedures, rather than on absolute guarantees that financial statements are free from fraud. This unclear boundary of responsibility leaves the public accounting profession vulnerable when cases of financial statement irregularities occur. In certain situations, failure to detect fraud is directly attributed to professional negligence, without considering the limitations of the audit or the presence of manipulation deliberately concealed by internal parties in the company. This situation indicates that regulations regarding professional responsibility still require clarity to avoid overly broad interpretations in the law enforcement process.

Another issue arises from the overlapping authority between professional oversight bodies and law enforcement officials in handling cases involving public accountants. In the Indonesian legal system, oversight of the public accounting profession is carried out by several institutions, such as the Ministry of Finance, the Financial Services Authority (OJK), and professional organizations, each with its own ethical standards and professional discipline. On the other hand, law enforcement officials have the authority to conduct investigations if suspected criminal acts are found related to a company's financial statements. This situation often creates overlapping audit processes, as a single professional action can be considered an administrative violation, an ethical violation, or even a criminal offense simultaneously. This situation often creates legal uncertainty for public accountants, as audits are conducted by multiple institutions with differing perspectives. In practice, the professional standards used by professional organizations are sometimes not fully understood in the criminal law enforcement process. As a result, actions that fall within the scope of professional judgment can be considered legal errors. This problem demonstrates the need for strengthened coordination between institutions to ensure a more proportional handling of professional cases and avoid conflicts of authority.

The ambiguity of legal norms and overlapping authorities then open up opportunities for the criminalization of the public accounting profession. Criminalization in this context can be understood as the excessive use of criminal instruments against professional actions that should be more appropriately resolved through administrative mechanisms or professional ethics. Not all audit errors are criminal, as in the practice of auditing financial statements, there is the possibility of professional error arising from limited information, time pressure, or the complexity of company transactions. Problems arise when every audit failure is immediately attributed to intent or unlawful acts without a thorough analysis of the audit process. This situation places the public accounting profession under significant legal pressure in carrying out its duties. On the other hand, overly broad criminal penalties have the potential to undermine the profession's independence, as public accountants tend to operate defensively to avoid legal risks. Such a situation can impact audit quality and the professional climate in the business world. Law enforcement is crucial for maintaining the integrity of financial statements, but its implementation must consider the line between professional misconduct and criminal acts to avoid injustice.

These problems can be seen in several cases of financial statement manipulation involving public accountants in Indonesia. The cases of PT Asuransi Jiwasraya and PT Asabri demonstrate that investment manipulation and misrepresentation of financial statements can drag many parties, including external auditors, into legal proceedings. In the 2018 case of PT Garuda Indonesia, the controversy surrounding revenue recognition sparked debate regarding the application of accounting standards and auditors' responsibility for the fairness of public company financial statements. The Financial Services Authority (OJK) even imposed sanctions on parties deemed involved in violations of the company's financial statement presentation. These cases demonstrate that public accountants are often caught between demands for professionalism, the interests of client companies, and the pressures of law enforcement. Many people view auditors as the party that should be able to detect all forms of financial manipulation in companies. However, auditing practices face limitations in audit procedures and the possibility of data manipulation that is difficult to detect directly. This reality demonstrates that the legal accountability system for the public accounting profession still requires reform to achieve a fair balance between accountability demands and professional protection.

Weaknesses in the Professional Protection Arrangements for Public Accountants

The professional protection regulations for public accountants in Indonesia still exhibit several fundamental weaknesses. This is evident in the absence of a comprehensive professional protection mechanism within the national legal system. Existing regulations focus more on oversight and sanctions against the public accounting profession in the event of audit violations or failures. Furthermore, regulations specifically governing the profession's rights in facing legal audits are limited and lack clear certainty. Public accountants are often held accountable for losses arising from manipulation of a company's financial statements, even though such actions may not necessarily be due to professional misconduct by the auditor. This situation raises concerns within the profession, as the scope for legal protection feels out of balance with the risks faced by the work. In auditing practice, public accountants operate based on specific professional standards and testing techniques that are limited in detecting all forms of fraud systematically concealed by company management. When professional protection regulations fail to clearly define the scope of auditor responsibility, legal uncertainty becomes difficult to avoid.

Another problem is the weak application of the principle of due process of law in the audit process for the public accounting profession. Due process of law is a principle that emphasizes that every law enforcement process must be conducted fairly, proportionally, and respect the rights of the audited party. In some cases, audits of public accountants tend to be more oriented towards the resulting losses rather than the professional process carried out by the auditor in accordance with auditing standards. As a result, professional assessments often develop into a search for parties who can be held accountable quickly without considering the overall context of the audit work. However, auditing is not an activity that guarantees the detection of all fraud; rather, it is an audit process based on testing and an adequate level of confidence. This situation demonstrates that the characteristics of the public accounting profession are not yet fully understood in law enforcement practice. In some cases, public accountants even face legal and social pressure before a final and binding decision is issued. This situation indicates that the application of the presumption of innocence is still not optimal in handling cases for the public accounting profession. If this situation persists, the audit profession could come under excessive pressure, potentially affecting auditor independence in carrying out its duties.

The weakness of professional protection is evident in the imbalance between demands for legal responsibility and guarantees of protection for the public accounting profession.

Demands on auditors continue to increase with the increasing complexity of business transactions and the high public expectations regarding the quality of corporate financial reports. The public often perceives auditors as being able to detect all forms of irregularities within a company. This expectation is not entirely in line with the scope of audits stipulated in the professional standards for public accountants. Auditors are obligated to provide an opinion on the fairness of financial statements based on sufficient audit evidence, not to guarantee the complete absence of fraud. When cases of financial statement manipulation occur, public accountants are often the primary target because they are considered to play a crucial role in the company's audit process. Under certain circumstances, legal pressure on the profession can even escalate into criminalization due to multiple interpretations of auditor legal accountability norms. This situation demonstrates that the legal system still places a dominant emphasis on punishment rather than establishing fair protection mechanisms for the profession. Yet, a balance between responsibility and legal protection is crucial to maintaining the professionalism, independence, and courage of auditors in carrying out their financial oversight function objectively.

Compared with other countries, Indonesia's public accounting professional protection system still requires strengthening in various aspects. In several countries, such as the United States and the United Kingdom, auditing mechanisms are conducted through independent supervisory bodies that have clear procedural standards and provide auditors with professional defense. Professional audits are not directly directed at criminal proceedings, but rather prioritize evaluating compliance with professional standards and audit ethics. This approach demonstrates a balance between protecting the public interest and protecting the auditor's professional rights. Furthermore, these countries have more detailed guidelines regarding the limits of auditor responsibility in detecting corporate fraud. This clarity in the limits of responsibility helps reduce the potential for multiple interpretations in the law enforcement process. Indonesia does have regulations and professional organizations that govern auditing standards, but the implementation of these professional protections has not been optimal. Coordination mechanisms between regulators, professional organizations, and law enforcement officials often operate fragmentarily, creating uncertainty in the professional audit process. This comparison demonstrates that improving the public accounting professional protection system is crucial for law enforcement to be fairer, more proportional, and maintain the integrity of the audit profession in Indonesia.

Analysis of Due Process of Law in Handling Public Accounting Professional Cases

The principle of due process of law is a crucial element of the Indonesian legal system, as it guarantees fair legal treatment for all parties being audited or prosecuted, including the public accounting profession. This concept emphasizes that law enforcement must not be arbitrary and must follow clear, transparent procedures in accordance with statutory provisions. In the context of the public accounting profession, the application of due process of law means that investigations into alleged professional violations must consider the limits of authority, evidence, and applicable professional standards. Problems often arise when errors in a company's financial statements are directly attributed to the negligence or involvement of the public accountant without adequate substantiation. This situation demonstrates that law enforcement practices still tend to focus on the resulting losses, rather than on the professional process undertaken by the auditor. However, audits have certain limitations because they rely on data and information provided by company management. Public accountants do not have full authority to control all internal activities of the company being audited. If the principle of due process of law is not consistently applied, the public accounting profession may be vulnerable to criminalization of the profession, which could undermine legal certainty.

Professional rights in the audit and law enforcement process are an integral part of the professional protection of public accountants. A public accountant retains the legal right to an objective audit, the opportunity to defend himself, and protection against premature judgments. In practice, many audits of the public accounting profession take place under pressure from public opinion, which pre-emptively assumes fault. This situation can compromise the independence of the law enforcement process and obscure the position of public accountants as a profession operating under specific auditing standards. An ideal audit should not only assess the audit report but also examine whether the audit procedures were implemented in accordance with the Public Accountant Professional Standards (SPAP). This approach is crucial because errors in audit results do not necessarily indicate intent or gross negligence on the part of the auditor. In some cases, public accountants face legal risks despite following professional procedures in accordance with regulations. This situation demonstrates that protection of professional rights still requires strengthening to prevent the audit process from degenerating into a form of legal pressure that undermines professionalism. Balanced legal protection will help maintain the independence of the public accounting profession in carrying out its duties objectively and responsibly.

The presumption of innocence plays a crucial role in handling public accounting cases because it directly relates to the protection of human rights and legal justice. This principle affirms that no one can be presumed guilty until a final and binding court decision has been issued. In the practice of handling financial statement manipulation cases, this principle often faces challenges as public pressure tends to encourage the search for parties who must be held accountable immediately. Public accountants are often in the spotlight because audit reports are seen as a form of assurance regarding the fairness of a company's financial statements. However, audits are not an absolute guarantee that a company is free from all forms of fraud. Auditors operate based on the concept of reasonable assurance, which is sufficient confidence through specific audit procedures, rather than absolute certainty regarding the company's overall condition. When the presumption of innocence is ignored, the audit process can degenerate into a one-sided assessment that harms the profession's reputation before complete evidence is available. The impact of this condition is felt not only by individual auditors but can also affect the level of trust in the public accounting profession as a whole. Consistent application of the presumption of innocence is a crucial requirement for ensuring that the law enforcement process remains fair and is not influenced by excessive external pressure.

Another significant issue in handling cases involving the public accounting profession relates to the proportionality of sanctions imposed on auditors. In some cases, administrative, civil, and criminal sanctions are imposed without careful consideration of the level of error, the element of intent, and the limits of professional responsibility. This situation raises concerns because not all audit errors can be directly categorized as criminal acts. There is a distinction between professional misconduct resulting from technical errors and deliberate actions intended to facilitate financial statement manipulation. If all forms of error are treated equally, the principle of fairness in law enforcement becomes difficult to achieve. Sanctions that are too severe without considering proportionality can instill fear in the profession and impact auditors' independence in making professional decisions. On the other hand, sanctions that are too lenient can also reduce the level of professional accountability in the eyes of the public. Striking a balance between professional protection and enforcement of legal responsibility is a crucial point that must be considered in the Indonesian legal system. Proportional law enforcement will create a healthier professional climate while maintaining public trust in the public accounting profession.

Reconstruction of Legal Responsibility of the Public Accounting Profession Based on Professional Protection and Due Process of Law

Reconstructing the legal accountability of the public accounting profession needs to begin with updating the legal substance, which currently leaves much room for multiple interpretations. Regulations regarding the limits of professional responsibility do not clearly distinguish between professional misconduct, administrative negligence, and active involvement in criminal acts of financial statement manipulation. As a result, public accountants are often placed in a vulnerable position when fraud occurs in a company, even if the act is perpetrated by management. This situation demonstrates that existing regulations are not fully able to distinguish between audit failure and intentional criminal acts. In auditing practice, public accountants operate based on professional standards and sample testing, so not all deviations can be definitively identified. This situation is crucial to understand to prevent the law enforcement process from developing into a form of criminalization of the profession. Reconstructing the legal substance needs to be directed at formulating clearer and more proportional limits of professional responsibility, in accordance with the scope of public accountants' authority. Regulations governing professional protection also need to be strengthened to ensure public accountants obtain legal certainty when carrying out their professional duties in good faith.

Changes to the substance of the law will not be effective without improvements to the legal structure that support consistent implementation. In handling cases involving public accountants, overlapping authority is often found between regulators, professional organizations, and law enforcement officials. This situation gives rise to differing assessments of professional actions, resulting in a disorganized audit process. On the one hand, regulators may view an issue as a violation of professional standards, while law enforcement officials may classify it as a criminal offense. This lack of synchronicity has the potential to create legal uncertainty for the public accounting profession. Reconstruction of the legal structure is necessary through strengthened coordination between institutions to foster a common understanding in assessing professional misconduct. The establishment of an independent professional audit mechanism is a crucial step to ensure that assessments of public accountants' actions are conducted objectively and based on professional expertise. This mechanism can serve as a starting point for assessing whether an action constitutes an ethical violation, professional negligence, or has entered the criminal realm. The presence of a more coordinated legal structure will help create a fairer and less hasty law enforcement process in determining professional misconduct.

Reconstructing legal accountability requires more than just regulatory and institutional changes; it also requires a shift in the legal culture within the profession and within law enforcement. Awareness of professional ethics must be placed as a crucial element in maintaining the integrity of public accountants amidst the pressures of business interests and client demands. In practice, many financial reporting irregularities occur due to weak professional independence or compromises with audit standards. This situation demonstrates the crucial role of strengthening professional integrity in preventing legal violations. Professional organizations need to strengthen ethics education and internal oversight to ensure that public accountants understand that professional responsibility extends beyond simply fulfilling administrative procedures. Furthermore, law enforcement officials need to understand the characteristics of the public accounting profession, which operates based on professional audit and assessment standards. This understanding is crucial to prevent case handling from being based solely on the assumption that every audit failure constitutes a crime. A strong culture of professionalism and integrity will create a more balanced relationship between professional protection and demands for legal accountability. At this point, the law serves not only to punish but also to maintain a balance between the public interest and professional protection.

The ideal model for legal accountability for public accountants must be built on the principles of justice, proportionality, and legal certainty. A sound accountability system does not eliminate sanctions for the profession, but rather ensures that responsibility is imposed appropriately according to the level of error. Public accountants must still be held accountable if proven to have committed serious ethical violations, serious negligence, or active involvement in financial statement manipulation. However, this process must be implemented while upholding the principle of due process of law, which guarantees the profession's rights at every stage of the examination and law enforcement. The principle of due process of law emphasizes that no one should be treated guilty before undergoing a fair and objective legal process. In the context of the public accounting profession, this principle is crucial to prevent excessive legal pressure from public opinion or vested interests. Integrating professional protection with due process of law will create a legal system that is not merely repressive but oriented toward balance and justice. Public accountants are still required to maintain the integrity and quality of their work, while the state is obliged to guarantee adequate legal protection for those who work according to professional standards. Such a model is crucial for building trust in the public accounting profession and strengthening a sound corporate governance system in Indonesia.

CONCLUSION

The legal accountability provisions for the public accounting profession in Indonesia still exhibit various weaknesses, both in terms of legal norms and their application in practice. Unclear boundaries of professional responsibility lead to differing interpretations in cases of financial statement manipulation involving companies and public accountants. In a number of cases, public accountants are often held jointly liable, even though the fraudulent acts were committed by company management, who have direct control over the financial information. This situation demonstrates that the existing legal system is not yet fully capable of providing legal certainty for the public accounting profession. Professional protection for public accountants is also still not balanced with the demands of responsibility imposed on the profession. The principle of due process of law, namely the law enforcement process that guarantees the rights of those being audited fairly, has not been optimally implemented in several professional audit processes. Consequently, the potential for criminalization of the profession arises due to multiple interpretations of legal norms and a weak boundary between professional misconduct and criminal acts. Based on these conditions, reconstruction of the legal accountability system is crucial through updating the legal substance, strengthening institutional structures, and developing a more just and proportional legal culture for the public accounting profession.

Efforts to improve the public accounting profession's accountability system need to be comprehensive and not limited to mere changes to formal regulations. The government needs to comprehensively revise regulations related to the public accounting profession, particularly in defining the limits of professional responsibility and providing clear legal protection. Clearer regulations will help reduce differences in interpretation among supervisory agencies and law enforcement officials when handling cases related to corporate financial statements. In addition to regulatory reform, a professional protection mechanism is needed that can guarantee the rights of public accountants during legal investigations. This mechanism is crucial to ensure that law enforcement remains objective without disregarding the principle of the presumption of innocence. Professional organizations play an equally important role in strengthening ethical oversight and enhancing the professionalism of their members through ongoing development. Strengthening professional ethics is one way to maintain the integrity of public accountants while increasing public trust in audit results and corporate financial statements. If legal reform and professionalism can be implemented in a balanced manner, the public accounting profession's accountability system in Indonesia will be better able to create legal certainty while maintaining a sense of justice.

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