

**THE ADVANTAGE OF NOTIONAL POOLING
IMPLEMENTATION COMPARE TO CASH CONCENTRATION
IN KRAKATAU STEEL GROUP**

By

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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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ABSTRACT

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This thesis will study the advantage of method notional pooling that Krakatau Steel Group is using now, compare to cash concentration method. The research process starts with observation and preliminary data gathering on a broader range of the research. On the later phase, problem is identified, in cash concentration method there are Inter-Company Borrowings (ICB) and Deposit-on-Call (DoC) agreement which leading the government recognizes it as an object to tax. On the other hand actual money was not moved. The implementation of notional pooling method clearly gives Krakatau Steel Group many benefits such as the ability to minimizing the amount of imposed Tax, decreasing the Bank's Margin, eliminate the tax's effect, and legally have no obstacle because there is no fund's physical movement which make the entire overdraft and fund's allocation activities become off balance-sheet or simply do not create any problems in accounting process.

DEDICATION

I dedicate this thesis to my beloved Mother, Father, Mr. Omar Knut Jürgen Weller, Mr. Lutz Marl, and Ankdarini Ratnaswastika who always support me through their prayers and give me their cheer me up when I was down during the thesis writing.

I also want to dedicate this thesis to my country, Krakatau Steel group, for those who are concerns in education and also for those who are intend to this thesis.



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