The comparison of revenue recognition under IFRS 15, ASC 606, PSAK 72 and its implementation on revenue recognition of PT Telkom Indonesia Tbk

A comparação do reconhecimento de receita sob o IFRS 15, ASC 606, PSAK 72 e sua implementação no reconhecimento de receita da PT Telkom Indonesia Tbk

DOI:10.34117/bjdv10n1-009

Recebimento dos originais: 01/12/2023
Aceitação para publicação: 03/01/2024

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ABSTRACT
The convergence of International Accounting Standards achieved through the full adoption of IFRS by DSAK is PSAK 72 Revenue from Contracts with Customers, which came into effect on January 1, 2020. Based on this, the author examines whether there are differences between IFRS and US GAAP and PSAK. This article discusses only the differences between IFRS, US-GAAP and PSAK in revenue recognition, specifically the differences between IFRS, US-GAAP and PSAK in presentation, recognition, measurement and disclosure.

Keywords: revenue recognition, IFRS, U.S. GAAP, PSAK.
RESUMO
A convergência das Normas Internacionais de Contabilidade alcançada por meio da adoção integral das IFRS pela DSAK é a PSAK 72 Receita de Contratos com Clientes, que entrou em vigor em 1º de janeiro de 2020. Com base nisso, o autor examina se há diferenças entre o IFRS e o US GAAP e o PSAK. Este artigo discute apenas as diferenças entre IFRS, US-GAAP e PSAK no reconhecimento de receitas, especificamente as diferenças entre IFRS, US-GAAP e PSAK na apresentação, reconhecimento, mensuração e divulgação.

Palavras-chave: reconhecimento de receita, IFRS, U.S. GAAP, PSAK.

1 INTRODUCTION
Revenue is the total inflows of economic benefits from the ordinary activities of an enterprise during a period when the inflows result in an increase in capital that is not attributable to contributions from owners (PSAK 23). The revenue provisions in the old standards made it difficult for investors and other users to understand and compare revenue information between entities. This occurs when comparisons are made between service entities and manufacturing or trading entities. For this reason, a new Statement of Financial Accounting Standards (SFAS), SFAS 72, was developed. This new standard aims to produce more meaningful financial reports by providing a more detailed revenue recognition method. PAS 72 requires entities to provide users of financial statements with information about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. This will increase the transparency of financial reporting and reduce information asymmetries between managers and investors.

According to PSAK 72, revenue is income earned in the ordinary course of business (PSAK 72). Revenue generated by an entity must be properly measured and reported in the financial statements. When revenue is recognized, the transaction must be recorded as revenue to the entity. Revenue recognition must be done accurately and carefully to avoid errors such as recognizing revenue in the current period for future periods. Indonesia has been applying International Financial Reporting Standards (IFRS) since 2012. One of them is IFRS 15, which incorporates PSAK 72 on revenue from contracts with customers, which became effective on January 1, 2020. Prior to 2012, Indonesia implemented standards based on Generally Accepted Accounting Principles (GAAP).

In this study, the author aims to see a comparison of the revenue recognition standards contained in PSAK 72, which has also adopted IFRS, with GAAP at PT Telkom...
Indonesia Tbk, which is also listed in the US capital market, which uses GAAP standards, analyzing the relationship of these three standards in the principles of revenue recognition implemented by companies in Indonesia, especially PT Telkom Indonesia Tbk.

2 LITERATURE REVIEW

2.1 DEFINITION OF REVENUE

Revenue is all revenue, both cash and non-cash, which is the result and sale of goods or services within a certain period of time. Revenue or another name for revenue is income earned over a certain period of time. Revenue is all that is received from the sale of goods and services obtained in a business unit (Yulisfan, 2021). The definition of revenue (revenue) is different from the definition of income (income) (Laurensius, 2021). If revenue is income that has not been reduced by costs and expenses, while income is net income that has been reduced by expenses and costs.

2.2 TYPES OF INCOME

Broadly speaking, income is classified into three groups, namely:

1. Salaries and wages. Rewards obtained after the person has done work for others which is given within one day, one week or one month.
2. Income from one's own business, namely revenue obtained from the production of a business owned by a person or family member and labor from one's own family members by not taking into account capital rental costs.
3. Income from other businesses, namely income obtained without doing work and such income is usually side income such as income from renting out houses, pensioners' income, interest from money, and donations from others.

2.3 MEASUREMENT OF REVENUE

Measurement of revenue by monetary units or measures and the timing that the revenue can be reported as revenue. Revenue recognition is the official recording of amounts into the accounting system so that these amounts are reflected in the financial statements. Revenue can be recognized if it meets the qualities of measurability and reliability. Based on the time and type of business, revenue recognition cannot be equated with one another. Companies engaged in different fields will have different ways of recognizing and recording their revenue. Revenue recognition is not always done when sales have occurred.
2.4 REVENUE RECOGNITION IN ACCOUNTING

Revenue recognition is an accounting principle that asserts that revenue should be recognized when earned. According to (PSAK 23) PSAK Revenue is the gross inflow of economic benefits and arises from the normal activities of the entity during a period.

So that the cash inflow results in an increase in equity that does not come from capital investment. For this reason, the principle of revenue recognition is also divided into two, namely revenue that can be realized on goods or services that can be exchanged or converted for cash or claims for cash (receivables).

There are several things that must be considered by companies in recognizing revenue according to PSAK.

1. Revenue must be recognized when the company has delivered the product or service that has been sold.
2. Cash or cash receipts must be recognized when received.
3. Revenue should be recognized when the company has fulfilled the agreed contract, or when the company has completed the delivery of the products or services that have been sold.

2.5 REVENUE RECOGNITION UNDER IFRS

According to various sources, the IFRS framework contains certain standards on revenue recognition. These standards describe specific revenue recognition criteria for sales of goods and sales of services and interest, royalties and dividends. The general revenue recognition criteria for each are: it is probable that the economic benefits associated with the transaction will flow to the entity, and that the revenue and costs can be measured reliably (Rahman et al., 2022).

Additional recognition criteria apply to revenue arising from the sale of goods. IFRS requires that the seller has transferred significant risks and rewards of ownership to the buyer and retains no management involvement in, or control over, the goods. Revenue from services should be recognized by reference to the state of completion of those transactions at the balance sheet date. Interest income should be recognized on a basis that takes into account the effective yield on the asset.
2.6 COMPARISON OF INDONESIAN SAK WITH IFRS AND U.S. GAAP CONVERGENCE

The first difference in revenue recognition between Indonesian SAK contained in PSAK No. 23 and the proposed convergence of U.S. GAAP and IFRS occurs if what is proposed by Schipper et al. (2009) was rejected by most participants in the discussions between the FASB and the IASB to formulate convergence of the two accounting standards produced by the two organizations. Schipper et al. (2009) proposed that revenue recognition should use the customer consideration model rather than the measurement model due to the ease of verification and avoidance of professional judgment errors in determining exit prices. PSAK No. 23 is more towards the customer consideration model where performance obligations are based on the relative selling prices of goods and services (Schipper et al., 2009). This is consistent with what PSAK No. 23 suggests, which is to use net realizable value.

The second difference, if the discussion participants agreed with what Bohusova and Nerudova (2009) proposed that there are two possible approaches to revenue recognition. In the opinion of the IASB and FASB, this model encourages a more faithful and more consistent description of the underlying economic transactions than the earning process model. Although there are problems in applying the asset liability model, as described above, if it is related to the concept of revenue recognition in contracts with customers, it will provide a better solution if the definition of rights and performance obligations and the determination of when performance obligations are satisfied can find a solution as described by Schipper et al. (2009).

3 METHODS

The implementation of PSAK 72, which is effective from January 1, 2020, which contains the principles of revenue recognition, accounting and measurement by entities, raises one of the issues to be studied regarding its comparison with the revenue recognition standards contained in IFRS and GAAP. This type of research aims to compare the three standards and analyze the relationship between the three standards in the income recognition principles applied by companies in Indonesia. The method used by the researchers is a qualitative descriptive approach in the nature of a literature study, namely by collecting data, information and scientific works, which are then studied, compared and reviewed with regulations and standards related to the main problem. Data is obtained from journals, scientific papers, reading materials, which are then analyzed
and compared between the applicable standards and then compared with each of these standards to find similarities regarding revenue recognition that is reasonable for companies to apply. The standards taken in this research are comparing IFRS 15 (International Financial Reporting Standards 15), GAAP (Generally Accepted Accounting Standards) regarding revenue recognition to the determination of PSAK 72 (Statement of Financial Accounting Standards). Then the research continues by analyzing the application of PSAK 72 to errors a company listed on the Indonesian Stock Exchange. In this research, the object of research is PT Telekomunikasi Indonesia Tbk (TLKM) by taking the 2022 financial report obtained from the Indonesia Stock Exchange website as material for this research.

4 RESULT & DISCUSSION

4.1 IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

IFRS 15 requires revenue to be recognized when (or as long as) the entity has fulfilled its performance obligation. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 (IFRS, 2023).

The history of standards related to IFRS 15 is as follows (Deloitte, 2023):

Table 1: The Standards Related to IFRS 15

<table>
<thead>
<tr>
<th>Date</th>
<th>Development</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>May, 28 2014</td>
<td>IFRS 15, Revenue from Contracts with Issued Customers</td>
<td>This new standard establishes a comprehensive framework for the recognition, measurement and disclosure of revenue. A core principle of the framework is that an entity should recognize revenue to reflect the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity is entitled in exchange for those goods or services.</td>
</tr>
<tr>
<td>Sept 11, 2015</td>
<td>1 year delay from the effective date of IFRS 15</td>
<td>This amendment defers the effective date of IFRS 15 by one year to annual periods beginning on or after January 1, 2018. Earlier application is permitted.</td>
</tr>
<tr>
<td>April 12, 2016</td>
<td>Recent amendments to IFRS 15</td>
<td>The amendments do not change the principles underlying the standard, but clarify how those principles should be applied. The amendments also provide additional transition relief to reduce cost and complexity for entities when they first adopt the new standard. The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.</td>
</tr>
</tbody>
</table>


IFRS 15 sets out the principles that an entity should apply in reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. Under IFRS 15, an entity recognizes revenue to reflect the transfer of
promised goods or services to a customer in an amount that reflects the consideration to which the entity is entitled in exchange for those goods or services. To recognize revenue under IFRS 15, an entity applies the following five steps (IFRS, 2023).

1) identify the contract with the customer
2) Identify the performance obligations in the contract.
3) Determine the transaction price.
4) allocate the transaction price to each performance obligation
5) recognize revenue when the obligations are satisfied.

4.2 ASC 606 REVENUE FROM CONTRACTS WITH CUSTOMERS (TOPIC 606)

Accounting Standards Codification (ASC) 606 was issued in May 2014. The FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606). Topic 606 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue from contracts with customers. Topic 606, together with IFRS 15, Revenue from Contracts with Customers, issued by the IASB, completes a joint effort by the FASB and the IASB to improve financial reporting by providing general revenue recognition guidance for U.S. GAAP and IFRS that explains the principles of revenue recognition and is consistently applied across transactions, industries, and capital markets (FASB, 2021).

ASC 606 is a simplified, one-size-fits-all revenue recognition standard that all companies must now follow. It is consistent across industries and replaces the old industry-specific revenue recognition standards. The move to a single set of rules has resulted in greater transparency, improved accountability, and easier comparability of financial reporting across companies and industries. To support the common goal of creating a universal framework for revenue recognition, the FASB and IASB divide reporting and financial statement preparation into a five-step model as follows (Stripe, 2023):

1) Identify the contract with the customer.
2) Identify the performance obligations in the contract.
3) Determine the transaction price.
4) Assign transaction prices.
5) Recognize revenue as or when the entity satisfies its performance obligations.
4.3 COMPARISON OF IFRS 15 AND ASC 606

Based on the explanation of the two standards above, IFRS 15 was prepared by the International Accounting Standards Board (IASB) and ASC 606 was prepared by the Financial Accounting Standards Board (FASB), which of the two standards implements five steps for revenue recognition, which has similarity if you look at the five steps. Based on the similarities between IFRS 15 and ASC 606, the 5 steps for revenue recognition from both standards can be illustrated based on the table below:

<table>
<thead>
<tr>
<th>IFRS 15</th>
<th>ASC 606</th>
</tr>
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<tbody>
<tr>
<td>1) Identify the contract with the customer.</td>
<td>1) Identify the contract with the customer.</td>
</tr>
<tr>
<td>2) Identify the performance obligations in the contract.</td>
<td>2) Identify the performance obligations in the contract.</td>
</tr>
<tr>
<td>3) Determine the transaction price.</td>
<td>3) Determine the transaction price.</td>
</tr>
<tr>
<td>4) Allocate the transaction price to each performance obligation.</td>
<td>4) Assign transaction prices.</td>
</tr>
<tr>
<td>5) Recognize revenue when the obligations are satisfied.</td>
<td>5) Recognize revenue as or when the entity satisfies its performance obligations.</td>
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From the table above, it can be concluded that there is no difference between the two standards in terms of the requirements for recognizing revenue from contracts with customers. However, based on (FASB, 2021) there are a few minor differences as follows:

1) Collectibility threshold

The FASB includes an explicit collectibility threshold as one of the criteria that a contract must meet before an entity can recognize revenue. For a contract to meet these criteria, an entity must conclude that it is probable that it will collect the consideration to which it is entitled in exchange for the goods or services to be delivered to the customer. In establishing the threshold, the FASB recognized that the term "contingency" has different meanings under GAAP and IFRS. However, the FASB decided to set the threshold at a level that is consistent with previous revenue recognition practices and requirements under GAAP and IFRS.

2) Internal disclosure requirements

The FASB notes that the general guidance in its respective interim reporting standards (Topic 270, Interim Financial Reporting, and IAS 34, Interim Financial Reporting) applies to revenue from contracts with customers. However, the IASB decided to amend IAS 34 to specifically require disclosure of disaggregated information about
revenue from contracts with customers in interim financial statements. The FASB also decided to amend Topic 270 to require public entities to disclose disaggregated revenue information in interim financial reports. The FASB also decided to require information about contract balances and remaining performance obligations to be disclosed on an interim basis.

3) Early adoption and effective date

The effective date for IFRS 15 is for annual periods beginning on or after January 1, 2018, while ASC 606 has an effective date for public entities for annual periods beginning after December 15, 2017. Early adoption is permitted for IFRS 15. ASC 606 also permits early adoption, but only for annual periods beginning after December 15, 2016.

4) Reversal of impairment

Consistent with other areas of GAAP, Topic 340 does not permit an entity to reverse an impairment loss on an asset recognized in accordance with guidance on costs to obtain or fulfill a contract. In contrast, IFRS 15 requires an entity to reverse an impairment loss, which is consistent with the requirements for impairment of assets within the scope of IAS 36, impairment of assets.

5) Requirements for nonpublic entities

ASC 606 applies to nonpublic entities and includes several specific exemptions for nonpublic entities related to disclosure, transition and effective date. IFRS 15 does not include such guidance. IFRS for Small and Medium Entities is available for non-public entities.

6) Determining the Nature of an Entity's Promise to License Intellectual Property

ASC 606 and IFRS 15 require an entity to assess whether the nature of its commitment to grant a license is a right to use or a right of access to the entity's intellectual property, resulting in revenue recognition as it is earned or over time. Under Topic 606, an entity makes this determination by classifying the intellectual property underlying a license as functional or symbolic based on whether the intellectual property has significant independent functionality. A license to functional intellectual property is considered to be a right to use, while a license to symbolic intellectual property is considered to be a right to access the underlying intellectual property. Under IFRS 15, the determination of whether the nature of an entity's promise to grant a license is a right to use or a right to access the entity's intellectual property is based on whether, at the time
the license is granted, the customer has control over the use and obtains substantially all of the remaining benefits of the license, which is the case when the underlying intellectual property is not significantly affected by the entity's ongoing activities. Although most licenses of symbolic intellectual property will be recognized over time under IFRS 15, revenue may be recognized at a point in time in cases where the entity does not perform activities that significantly affect the customer's ability to obtain benefits from the intellectual property during the license period. Under Topic 606, revenue is recognized over time for all licenses of symbolic intellectual property.

7) Renewal of an Intellectual Property License

ASC 606 provides that license extensions or renewals are subject to the uses and benefits guidance in paragraph 606-10-55-58C, which generally results in revenue recognition at the beginning of the renewal period. In IFRS 15, the uses and benefits guidance does not specifically address renewals. As a result, in some cases, the recognition of revenue in connection with a renewal or extension may occur at a later date under ASC 606 rather than IFRS 15.

8) Shipping and handling

ASC 606 provides an accounting policy option that permits an entity to account for shipping and handling activities that occur after a customer obtains control of an item as activities to fulfill a promise to deliver the item. IFRS 15 does not provide a similar policy option.

9) Non-cash consideration

ASC 606 provides that noncash consideration should be measured at its estimated fair value at the inception of the contract, and the guidance on variable consideration applies only to variability that results from reasons other than the form of the noncash consideration. IFRS 15 does not specify the measurement dates and whether the guidance on variable consideration applies only to variability resulting from reasons other than the form of non-cash consideration.

10) Sales Tax Presentation

ASC 606 provides an accounting policy option that permits entities to exclude all sales taxes (and other similar taxes) from transaction price measurements. IFRS 15 does not provide a similar policy option.

11) Practical guidance for franchisees

ASC 606 provides guidance that permits nonpublic franchisors to account for pre-opening services provided to a franchisee that differ from the franchise license if those
services are consistent with a predetermined list of services specified in the guidance. IFRS 15 does not provide similar guidance.

12) Effective Date of Practical Guidance for Contract Amendments (Modified Retrospective Transition)

For entities applying ASC 606 in accordance with paragraph 606-10-65-1(d)(2) (equivalent to paragraph C3(b) of IFRS 15), the entity shall apply the practical expedient from the date of initial application. However, an entity that applies IFRS 15 in accordance with paragraph C3(b) may apply the practical expedient either at the beginning of the earliest period presented or at the date of initial application.

13) Contracts Completed at Transition

ASC 606 defines a completed contract as a contract for which all (or substantially all) of the revenue has been recognized under GAAP well before the date of initial application. IFRS 15 defines a completed contract as one in which an entity has transferred all goods or services identified in accordance with existing IFRSs. In addition, the IASB added a practical expedient to allow entities applying the full retrospective transition method not to restate contracts that were completed contracts at the beginning of the earliest period presented. Topic 606 does not include this Board guidance.

4.4 PSAK 72 REVENUE FROM CONTRACTS WITH CUSTOMERS

In Indonesia itself, financial accounting standards prepared by the Financial Accounting Standards Board (DSAK) are applied, known as the Statement of Financial Accounting Standards (PSAK). PSAK 72 Revenue from Contracts with Customers (IAI, 2023), which is an adaptation of IFRS 15 Revenue from Contracts with Customers. PSAK 72 sets out the principles that entities should apply to provide users of financial statements with useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

PSAK 72 will supersede all existing revenue recognition standards, namely (IAI, 2023):

a. PSAK 23: Revenue;
b. PSAK 34: Construction Contracts
c. ISAK 10: Customer Loyalty Program,
d. ISAK 21: Real Estate Construction Agreements
e. ISAK 27: Transfer of Assets from Customers; and
f. ISAK 44: Accounting for Real Estate Development Activities.
Because PSAK 72 is an adoption of IFRS 15, which means that the revenue recognition requirements in PSAK 72 are the same as those in IFRS 15, so researchers draw from sources other than IFRS 15, namely by taking references from PSAK 72 to be able to determine revenue recognition, this statement requires entities to perform analysis on transactions based on a contract, which consists of the following 5 (five) steps (IAI, 2023):

1) Identify contracts with customers;
2) Identify performance obligations;
3) Determine transaction price;
4) allocating transaction prices to implementation obligations; and
5) Recognize revenue when (or as long as) the entity has fulfilled its performance obligations.

From the above five steps, it is concluded that there is no difference with IFRS 15. Next, we will explain the implementation of PSAK 72 for one of the service companies listed on the Indonesian Stock Exchange, namely PT Telkom Indonesia for the financial statements for the period 2021 & 2022.

The following is the disclosure of contract revenue in the notes to PT's 2021 & 2022 financial report. PT Telkom Indonesia Tbk for comparison between the two reporting years.

![Figure 1: The Disclosure of Contract of The Revenue](https://www.idx.co.id)

Source: Consolidated Financial Report of PT Telkom Indonesia Tbk. 2022, which can be downloaded from the website www.idx.co.id
Based on the income and expense recognition section in the notes to the consolidated financial statements of PT. Telkom Indonesia Tbk. Please explain the summary of PT. Telkom Indonesia Tbk. For each type of revenue included in the illustration above:

i. Mobile

Mobile revenue mainly consists of revenue from mobile services, which include telephone services, interconnection services, Internet and data services, and Short Messaging Service (SMS) services, where these services are offered on a postpaid and prepaid basis. For prepaid services, revenue is recognized as a contractual liability when the customer pays in advance for services to be provided in the future and has not yet received the service at the balance sheet date.

ii. Consumer

Consumer revenues consist of fixed-line telephony revenues and in-home services. Based on references with the principle of revenue recognition from 2021 PT. Telkom Indonesia Tbk. Has implemented new terms and conditions that contracts with customers are open contracts with a minimum term of 12 months and significant early termination fees. The contract period is based on PSAK 72 for 12 months and continues with monthly contracts. The existence of a subscription contract allows customers to pay fees in advance at the beginning of the contract. PT Telkom Indonesia Tbk. Defers this

Figure 2: The Consolidated Financial Report of PT Telkom Indonesia Tbk. 2022

Source: Consolidated Financial Report of PT Telkom Indonesia Tbk. 2022, which can be downloaded from the website www.idx.co.id
amount as a contractual liability and recognizes it as revenue when performed in accordance with the estimated term of the relationship with the customer.

iii. Enterprise

Revenues from corporate customers consist primarily of the sale and provision of voice, data and Internet services, information technology and other services. PT Telkom Indonesia Tbk. Executes contracts with corporate customers with specifications based on customer orders. Revenue from corporate customers is recognized over time using the output method, i.e. based on actual usage or elapsed time if the provision of services is dependent on usage, except for sales of goods, which are recognized at a specific point in time. Revenue is recognized when control of the goods passes to the customer, usually when the customer takes physical possession of the goods.

iv. Wholesale and International Business (WIB)

WIB's revenues consist mainly of interconnection services for the interconnection of calls from customers of other telecommunications operators to PT customers. Telkom Indonesia Tbk. s customers, or calls between customers of other operators in the PT Telkom Indonesia Tbk group. All of these services are recognized as revenue based on the output method (performance of obligations/services) recorded for the month.

v. Other

Other contract income is derived from contract assets that are initially recognized as income from the delivery of goods or services because the receipt of compensation is still subject to certain stages or after the completion of the project.

Based on the consolidated financial statements, the source of contract income of PT Telkom Indonesia Tbk is explained. Where the recognition of contract income from customers follows the applicable relevant standards, namely PSAK 72, which, as explained above, recognizes income consisting of 5 stages, which will be explained in the implementation of these standards in the recognition of income for research objects:

4.4.1 Identification of contracts with customers

In identifying contracts, PT Telkom Indonesia Tbk. Identify each contract from different income sectors starting from mobile, where contracts are identified when customers prepay for services that will be provided in the future, the same as with mobile sector income, in the consumer sector of PT Telkom Indonesia Tbk. Offers various service products where when the product is selected by the customer, a contract is identified with the customer and then the customer will prepay the cost for the
implementation of the service in the future. Then in the enterprise sector, where custom orders are received or based on customer requests, this allows for changes to the implementation of services at a later date. A contract can be identified when both parties have agreed to an arrangement between the two parties. For WIB and other revenues that are transactions outside of general item transactions, the contract can be identified when the transaction has occurred or is occurring.

4.4.2 Identify the performance obligations

When to determine the performance of obligations can be determined after identifying the contract with the customer. In the automotive sector, the company will perform obligations or provide services when the customer has prepaid the contract previously determined between the two parties. The following is for the consumer sector where PT Telkom Indonesia Tbk. Offers various choices of service products that customers will choose, where each service product determines when to perform its obligations, although in general the obligations will be performed immediately at the time of the transaction, which indicates that a contract or agreement has arisen between the two parties. Slightly different from the previous two sectors, Enterprise is an order from a customer, where when and how it will be implemented is specified in the agreed contract. Meanwhile, for the WIB sector, the company carries out its obligations first due to requests from customers, in this case communication between different operators.

4.4.3 Determining the Transaction Price

The transaction price has been set in advance by PT Telkom Indonesia Tbk along with the terms and conditions for each service. Each service offered has different terms of use and prices, the transaction price is clearly stated before an agreement is made between the service provider and the customer. If we look at the mobile, consumer and enterprise revenue sectors, the service price is determined at the beginning and then this price becomes the transaction price of the agreement that occurs.

4.4.4 Allocate the transaction price to the implementation obligations.

In the previous revenue recognition step, a contract with the customer was identified that includes the price and date of fulfillment of its obligations. Therefore, this step allocates or compares the transaction price from the previous three steps to the
transaction price identified for the performance obligations that are typically performed at the balance sheet date.

4.4.5 Revenue is recognized when (or as long as) the entity has fulfilled the performance obligation

Based on the information available in the notes to the financial statements, it is explained that transactions that occur under contracts with customers, when their obligations have been fulfilled, are recognized as revenue in the reporting period, and if the obligations have not been fully fulfilled at the reporting date from the contracts available, they are recognized as contract liabilities, which are disclosed in the financial statements.

5 CONCLUSION

Based on comparative research conducted by comparing IFRS 15 and ASC 606 financial accounting standards on revenue from contracts with customers, it can be concluded that the step of recognizing revenue from contracts generally has no difference between the two standards, there are only a few minor differences which have been described in the previous chapter. Then the Indonesian Financial Accounting Standards, namely PSAK where the standards governing revenue from contracts with customers are listed in PSAK 72 which is a convergence of IFRS 15 also has no difference between the two international financial accounting standards. Research was also conducted to analyze the implementation of PSAK 72 into Indonesian companies where the object we take is a company listed on the Indonesia Stock Exchange in this study is PT Telkom Indonesia Tbk. which can be concluded that the company has implemented PSAK 72 properly, namely by following the 5 steps of revenue recognition from contracts with an explanation in Notes to Financial Statement. From the previous chapter, it was explained that there are several sectors of the company's revenue derived from contracts with customers, which can be concluded that the sector consists of mobile, consumer, enterprise, WIB, etc. It has followed the steps set out in PSAK 72 where the most important thing is that revenue recognition from all these sectors is recorded after the performance of obligations by the company. This is in accordance with the principle of revenue recognition based on accrual basis accounting.
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