

ABSTRACT

St halimatus Sakdiyah, 10.02.4.1.1.00015. Top Reviews Revenue and Expense Recognition Based Financial Accounting Standards (PSAK No. 23) at PT. XYZ. Faculty of Economics and Business University Trunojoyo. Under the guidance of Fariana kusumawati, SE, M.Si and Fitri Ahmad Kurniawan, SE., M.Ak. AK.

Income is a factor which is shaping the profit therefore, income should be measured appropriately in accordance with revenue recognition principles. Income and expenses are to be comparable component in the income statement which are presented in the financial statement should really reflect the revenue and expenses actually earned and received by the company within the period.

The revenue recognition method becoming important matter to be applied in order to measure the actually received income by the company. The revenue recognition principle determined that the income is recognized when it is realized or could be realized or generated. Instead of revenue, expenses must be also recorded correctly and proportionally, because expenses are also determining company's income statement. The correctness in recording expenses activities depends on the accuracy of expenses classification applied by the company itself.

The research was conducted at the company engaged in the textile sector, namely PT. Rajut Indah Sari Surabaya, aimed to find out whether the method of recognition of income and expenses may affect the fairness of financial statements. From the results of research, that the revenue recognition method applied is the method of income recognition at the time of sale and its application on the basis of accrual bassist and also costs which are recognized when they occurred and appropriate because it already meets the criterias defined by PSAK, financial Report therefore seems so real thus the company's financial statements have been presented fairly with exception and feasible according to the of financial accounting standards.

Keywords : Revenue recognition, expenses, fairly financial statement