

ABSTRACT

PT Langgeng Prima Trireka is a company construction services moving in the field of oil and gas, for which revenue recognition and expense should be on the basis of the activity of the contract, the contract is good in the long term or short term contracts. In the decision making of a contract, the company wants the maximum profit. Big nothingness of profit depends on the rapid income rather than the expense of an income statement, so income is one of the important elements relating to his little big company profits. In measuring revenue recognition a reasonable need for compliance with the principles of the statement of financial accounting standards.

The purpose of this research is to know the application of revenue recognition of long-term contracts and the load against the income statement company construction. Then test the application of revenue recognition and the expense of long-term contract as well as analyze the determination of revenue recognition and the expense of long-term contract according to Statement of financial accounting standards applied.

The method used is descriptive qualitative with the interview. Where researchers outlining the results of interviews conducted with the management company. To know the application of revenue recognition and the expense of long-term contracts that the company performed during this time.

Based on the evaluation of the research by the method of interview conducted, PT Langgeng Prima Trireka yet apply the principles set forth in the statement of financial accounting standards. Where the company has not yet implemented the principle of recognition of the expense that is useful to ease the expense of classification related to income or not. In addition the election method of revenue recognition and the load being applied need to be examined further in order to get maximum profit.

Based on the results of such research, then to maximize company profits need to apply these principles to know which particular expense to make it more effective. The necessity of the existence of certain criteria to determine what method should be used when companies acquire a project work.

Key words: construction services, revenue recognition and the expense of, Percentage of completion Method, contract long term, income statement