



**DEWAN STANDAR AKUNTANSI KEUANGAN**  
**IKATAN AKUNTAN INDONESIA**  
**(INDONESIAN ACCOUNTING STANDARDS BOARD)**

12 March 2012

Mr. Hans Hoogervorst  
Chairman of the International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

Dear Mr. Hoogervorst:

**Re: Indonesian Accounting Standards Board Response to IASB Exposure Draft,  
ED/2011/6 Revenue from Contracts with Customers**

The Indonesian Accounting Standards Board (*Dewan Standar Akuntansi Keuangan – DSAK*) as part of the Indonesian Institute of Accountants (*Ikatan Akuntan Indonesia – IAI*) is the national accounting standard-setter in Indonesia. DSAK is also a proud member of the Asian-Oceanian Standards-Setters Group (AOSSG).

DSAK is pleased to provide comments on IASB Exposure Draft ED/2011/6 *Revenue from Contracts with Customers*, a revision of ED/2010/6 *Revenue from Contracts with Customers* issued in 2010.

### **General Comment**

In general, we agree with IASB's objective to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. We believe that IASB has correctly identified and addressed most of the significant issues arising from the previous ED. We also acknowledge the tendency of how this ED seems to move toward recognising contract revenue over time, a change in paradigm that surely would be welcomed by some stakeholders.

### **Specific Areas of Concern**

In substance, our view in general has been accommodated in the AOSSG response to the ED. The purpose of this response is to reiterate some issues that we as a national standard-setter would like to raise to IASB, especially those that we believe should be further considered.



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Those issues are:

1. Presentation of customers' credit risk

Although we agree with presenting impairment losses on contract assets and receivables as an expense in a separate line, we however disagree with presenting impairment losses pertaining to customer credit risks adjacent to the revenue line, since impairment losses in a certain period do not necessarily relate to the revenue in that period.

2. Scope of onerous test

We disagree with the proposed scope limitation of the onerous test because it might not properly present possible material onerous liability and expense that might present within the one year period.

3. Interim disclosures

We believe that the proposed disclosure requirements are excessive and would cause potential cost benefit issue not just for the preparers but also the users of financial statements, who could have difficulties in locating information that are relevant and useful for them.

4. Introduction of the term *practical expedient* and *reasonably assured*

Taking into consideration these newly introduced terms used sparingly in the ED we believe that further explanation and clarification is needed, to set up good base of understanding from the beginning, and to avoid possible misunderstanding and misinterpretation.

We would also like to express our sincerest appreciation to IFRS Foundation, and in particular IASB for the effort in establishing comprehensive and continuous communication with stakeholders around the world in the development of this ED.

We hope you find these comments useful and would be pleased to provide any further information you might require. Please do not hesitate to contact us should you have any queries.

Thank you for your attention and kind consideration.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rosita Uli Sinaga'.

Rosita Uli Sinaga  
Chairman of the Indonesian Accounting Standards Board