RISK CONTROL OF CONTINGENCY TRANSACTION IN PROFIT SHARING SYSTEM

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ABSTRACT

This study is descriptive and theoretical to anticipate the occurrence of losses arising from the contingency conditions in the services of sharia banks that implement the system for the results. The accounting treatment according to Ariani (2012) in the implementation of the principle of profit sharing is not fully in accordance with the principles of Islamic sharia. The compliance on the Statement of Financial Accounting Standard (SFAS) No.59 concerning Islamic banking financial accounting of the science, but there are not yet according to science Fiqh Syafi'iyah, because SAK is made for businesses that are full profit oriented while sharia principles are oriented to profit and mutual interest. Another thing that arises is the risk of uncertainty in the form of contingencies. Contingent transactions have not affected the position in the company's balance sheet and profit and loss. Contingencies under PSAK No.31 must be presented in such a way that when associated with assets and liabilities items can adequately represent the bank's financial position. Contingency is a transaction that has not changed the position of the bank's assets and liabilities at the report date, but the must be executed by the bank if the terms agreed with the customer are met. The result in, the contingent impacts may be claims or liabilities in both Rupiah and Foreign Currency. For that reason, banks need to make capital reserves derived from income, profit, general analysis of funding, and reserves of special purpose to anticipate contingent conditions that occurred, and be borne by the bank concerned

Keywords: Contingency, Risk Control, Profit Sharing System

INTRODUCTION

The era of sharia banking has begun with the enactment of Law No. 7 of 1992 on Banking which became the legal basis for the establishment of profit-sharing banks, but in fact in 1991, has been established Bank Muamalat Indonesia (BMI) (Anshori, 2008). With the issuance of Law no. 10 of 1998 which is a change from Law no. 7 of 1992, dated June 17, 1998 and Law no. Law Bank Indonesia No.6 /24/ PBI Year 2004, further strengthening the government policy that seeks to accommodate the interests of industrial development which is sharia-based.

These government policies in order to accelerate the growth of sharia banking, has given fresh air for sharia banking activities to open branches of service in various provinces in Indonesia, including in South Sulawesi. The more support and active role of the government will accelerate exceeding the target of 5% market share of total national banking assets in 2010, as determined by BI. Due to the large market potential, sharia banking will grow better with strong support from the government (Rosly, 2008). However, from 1992 to 30 November 2008, the achievement of sharia banking market share in Indonesia only reached 2.05% (Bank Indonesia, 2008).

The development potential of sharia banks in Indonesia is very high. Proven with the population of Indonesia amounted to 228,523,300 peoples, the number is the 4th largest after the population of China, the United States and India. Of the total population of Indonesia, 88% of them are people who are Muslims. Theoretically, Islamic banking has a lot to play in growth of domestic investment. This is because the character of Islamic banks is considered to accommodate the needs of small and medium-sized economic actors, mainly indigenous dominant Moslems, mainly due to the system that eliminates the interest on loans and nullifies the terms of collateral (Dhumale and Sapcanin, 2000). In addition, a large number of Muslim population can become a captive market of Islamic banking in Indonesia as the largest population in the world and Indonesia is known as a multicultural and religious country.

The distribution of mudharabah financing is channeled to all sectors of the economy that can provide benefits and prohibit the distribution of businesses containing unlawful elements. As stated by Susana and Prasetyanti (2011), the existence of sharia banking institutions is driven by strong pressure from the existence of Muslims who want to avoid bank transactions that are considered to contain elements of usury. The existence of prohibition in usury is the main grip for sharia banks in conducting their business activities, so that the contracts between sharia banks should be in the interest-free corridor. In their study concluded that so far as can be ascertained, Islamic banking is free of interest/riba and instead is the application of profit sharing system in accordance with the teachings of Islamic sharia.

As for the other obstacles, apart from the system for the results applied according to the teachings of Islamic is the wider community, especially those who often do banking transactions sometimes less know what and how the system for the results run in the operations of sharia banks, especially in the system for the results of bank financing Sharia. In addition, there is a risk in the implementation of mudarabah, including side stream (customers may use the proceeds of the financing is not as mentioned in the contract, negligent, willful misconduct, withholding of profits by the customer if the customer is not honest (Susana and Prasetyanti, 2011). The question is why what is the accounting treatment on the fulfillment of sharia principles. Ariani (2012) finds that contrary to the results of research with Susana and Prasetyanti (2011).

THEORETICAL BACKGROUND

Regarding the accounting treatment and compliance of sharia principles in financing mudharabah and musharaka on the practice of PT. BMI, indicates that in the implementation of profit sharing principle in mudharabah and musyarakah financing at PT. BMI was not fully in accordance with the principles of Islamic sharia (Ariani (2012). The implementation of profit sharing principle in financing mudharabah and musyarakah at PT. BMI that is not fully in accordance with Islamic sharia principles, that is:

a. Yadul amanah that uses mudharib collateral goods instead of financing that cannot be returned by mudharib even though it is not caused by negligence mudharib.
b. Management fee at PT. BMI uses revenue sharing method in calculating the results received from mudharib. The use of this method resulted in the shahibul maal (PT BMI) not participating to bear the operational costs incurred by mudharib to manage mudharabah property.
c. Profit sharing, PT. BMI receives profit sharing with payback in installments every month. This advantage should be accepted by the banks when financing has been completed and the capital has been restored entirely by mudharib.
d. Furthermore, mudharabah financing at PT. BMI is categorized as an activity beyond the limit because if memudhara returning back mudaraba property, then the owner of the funds The beginning should not bear the harm caused either by negligence of the mudharib or not.

In his accounting treatment of mudharabah and musyarakah financing at PT. This BMI in general is in conformity with SFAS No. 105 regarding mudharabah accounting. Related to the rules of sharia accounting in the PSAK which is one of the guidelines for the implementation of mudaraba in Indonesia, there is a problem that is also quite basic. In the research of Alfie and Khanifah (2007) related to the implementation of Mudharabah, explaining about the clash

between the rules of economic-based standards (Financial Accounting Standards, SAK) and sharia-based (fiqih syafi'iyah). Alfie and Khanifah's research (2007) reveals that there is one obstacle in terms of the potential incapacity of experts in combining these two fields of science. On the one hand there are economists who only master knowledge without the support of knowledge of sharia, on the other hand many scholars who master fiqh muamalah but they do not master and understand the existing economics and business environment, consequently there is a kind of tendency.

Risk can be defined as a potential occurrence of an event (events) that can cause harm. Risk is a possibility of the occurrence of undesirable results, which can cause harm if not anticipated and not managed properly. Risks in the banking sector is a good potential events that can be expected (anticipated) and unpredictable (unanticipated) the negative impact on revenue and bank capital. These risks cannot be avoided but can be managed and controlled (Ahmad Selamet and Hoscaro, 2008). The risks can be divided into two major groups, namely the risk of systematic, the risk caused by any condition or situation at the macro level, such as the changing political situation, changes in government economic policy, the change of market situation, a situation of crisis or recession, and So that affect the general economic conditions; and unsystematic risk (unsystematic risk) is the risk that is unique, which is attached to a particular company or business (Asep Ali Hasan and Ari Wahyu Nugroho, 2008). Various risks faced by the bank are as follows:

1. *Liquidity Risk*. Market liquidity risk where risks arising from banks are not able to offsetting certain prices due to inadequate market liquidity conditions or market disruptions. Fund liquidity risk which risks arising from the bank being unable to disburse its assets or obtain funding from other sources of funding.
2. *Market Risk*. Risks arising from changes in market variables, such as: interest rates, exchange rates, equity value and commodity prices so that the value of portfolio / assets owned by banks decreased.
3. *Credit Risk*. Where the risk arising from failure (default) from the other party (customer / debtor) to meet its obligations.
4. *Operational Risk*. Risk due to lack of an information system or internal control system resulting in unexpected losses.
5. *Compliance Risk*. Risk of compliance arises as a result of non-compliance or non-enforcement of existing rules or regulations or both internal and external provisions.
6. *Legal Risk*. Legal risks are related to bank risks that result in losses resulting from lawsuits, weaknesses in legal or juridical aspects. This weakness is caused, among others, by the absence of legislation that supports or weaknesses of engagement such as non-fulfillment of the terms of the legal contract and the imperfect collateral binding.

7. *Reputation Risk*. Risks arising from negative publicity related to the bank's business activities or due to negative perceptions of the bank.
8. *Strategic Risk*. Risks arising from the improper establishment and execution of bank business strategies, improper business decision making or lack of bank responsiveness to external changes (Ahmad Selamet and Hoscaro, 2008).

In general, the risks facing sharia banks can be classified into two major sections. That is the same risk with conventional banks and risks that have its own uniqueness because it must follow the principles of sharia. Credit risk, market risk, benchmark risk, operational risk, liquidity risk, and legal risk, should face Islamic banks. However, because it must comply with sharia rules, the risks faced by Islamic banks also become different. Sharia banks must also face other unique risks. This unique risk arises because the balance sheet contents of different sharia banks with conventional banks. In this case the pattern of results (profit and loss sharing). (Tariqullah Khan and Habib Ahmed, in Rahmani Timorita Yulianti (2009) conducted Shari'ah bank adds to the possible emergence of other risks. Such a withdrawal risk, fiduciary risk and displaced commercial risk. Where:

1. *Withdrawal risk* is part of the business risk spectrum. These risks are largely the result of the competitive pressures faced by Islamic banks than conventional nak as its counterpart. Islamic banks may be affected by withdrawal risk (the risk of withdrawal of funds) is caused by the depositor if the benefits they received were lower than the rate of return provided by rival competitors.
2. *Fiduciary risk* as the risk that is legally responsible for violations of good investment contracts is incompatible with the provisions of sharia or mismanagement to fund investors.
3. *Displaced commercial risk* is the risk associated with the transfer of deposits to equity holders. These risks can arise when banks are under pressure to make a profit, but the bank just have to give most of the profits to the depositors due to the low rate of return (Rahmani Timorita Yulianti, 2009).

These risks are examples of the unique risks that sharia banks face. The risk faced by sharia banks in operations related to financing products run by Islamic banks that include:

a. Product Related Risks
    1. Risks Related to *Natural Certainty Countracts* Based Financing (NCC)

        What is meant by risk analysis based financing *natural certainty countracts* (NCC) is to identify and analyze the impact of

the entire customer risk that financing decisions are taken into account the existing risks of financing *natural certainty countracts*, such as *murabaha, Ijarah, Ijarah mutahia bit Tamlik, greetings and istisna*'. This risk assessment includes 2 (two) aspects, as follows:

a) Default risk (risk of bankruptcy). Namely the risks that occur in the first way out is influenced by such things as the following:
b) Industry risk is the risk that occurs in the type of business that is determined by the following things:
   - Characteristics of each type of business concerned
   - Exposure history is concerned at bank conventional financing and financing are concerned with Islamic banks, especially the development of non-performing financing this type of business in question.
   - The financial performance of business concerned (financial industry standard).
c) Internal conditions of the customer company, such as management, organization, marketing, technical production and finance.
d) Other factors adverse corporate customers, such as the condition of business group, circumstances force manjeur, legal issues, strikes, liabilities off balance sheet (L / C import, bank guarantees) market risk (foreign exchange risk, interest risk, scurity risk), payment history (Delinquent obligations) and financing restructuring.

b. Recovery risk (the risk of collateral). Namely the risk that occurs in the *second way out* is influenced by such things as the following:
   a) Perfection of bail warning.
   b) Kemblai sale value guarantees (guarantees marketability).
   c) Other negative factors, such as the other party's lawsuit against warranty, duration of re-transaction guarantee.
   d) The credibility of the guarantor (if any).

c. Risks Related to *Natural Based Financing Uncertainty Contracts* (NUC)

   What is meant by analysis *Related Risks Uncertainty Countracts Natural-Based Financing* (NUC) is to identify and analyze the impact of the entire customer risk that financing decisions taken already account for the existing risk of NUC-based financing, such as *mudaraba* and *musharaka*.

Business risk (business risk financed). Is the risk that the first way out is influenced by:

1. Industrial risk is the risk that occurs in the type of business determined by:
   - Characteristics of each type of business concerned
   - Kinds of financial performance is concerned (the financial industry standard)
2. Factors negative otherwise influence the company's customers, such as the condition of business group, force majeure, legal issues, strikes, liabilities off balance sheet (/C import, bank guarantees), market risk (foreign exchange risk, interest risk, scurity risk), history payment and financing restructuring.
3. Shirinking risk (risk reduction in the value of financing). Risk that occurs in the second way out is influenced by:
   a. Unusual business risk is the risk of an outstanding business that is determined by:
      - A drastic reduction in the level of business sales financed
      - The drastic decline in the price of goods / services from the business being financed
      - Drastic reduction in the price of goods / services of the business financed
   b. Kind of revenue sharing is done, whether the profit and loss sharing or revenue sharing
      - For this type of profit and loss sharing, shirnking risk appears when there is loss-sharing to be borne by the bank
      - For this type of revenue sharing, shirnking risk occurs when customers are not able to bear the cost (nafaqah) should be borne by the customer, so that customers are not able to continue their business.
   c. Disaster risk that force majeure had an enormous impact on our customers' businesses are financed by the bank.
4. Character risk (the risk of bad character mudharib), namely the risk that occurs in third way out that is affected by the following:
   a. Negligence of customers in running a bank-financed business
   b. The violation of agreed terms so that the customer in running the bank-financed business is no longer in accordance with the agreement
   c. The company's core management, such as management, organization, marketing, production and financial engineering, is not professionally performed in accordance with agreed management standards between banks and customers.

To address the risk character, the bank establishes a special covenant Musharaka financing and mudaraba. In the event of losses caused by a character risk, the loss will be in charge to the customer. To ensure that customers are able to bear losses due to such risks, the banks set their bail (colleteral).

The complexity and volume of corporation financing pose additional risks in addition to the risks associated with the product. The risk analysis associated with corporate finance includes:

1. Risks arising from changes in customer business conditions after disbursement of financing. There are at least three risks that may arise from changes in the business conditions of customers after disbursement of financing, as follows:
    a. Over trading. Over trading happens when the client develop a large volume of business with a small capital support (too much business volume with too little capital). This situation will cause a cash flow crisis.
    b. Adverse trading. Adverse trading occurs when customers expand their business by doing policy on fixed expenses (fixed costs) were great every year, as well as playing the market level sales volume is unstable. Companies with such characteristics are potentially vulnerable and risky.
    c. Liquidity run. Liquidity run occurs when a customer experiencing liquidity problems due to loss of income and increased spending due to unexpected reason. This condition will of course affect the client's ability to settle its obligations to the bank. Although unable to predict the flow of a company's liquidity, banks can assess whether the company has sufficient liquidity or to obtain additional funding to maintain the cash flow as usual.
2. Risks arising from excessive capital commitments

    A company may take excessive capital commitment and signing of a contract for large scale expenditure. If not able to obey the commitment, the bank may be forced to liquidate. Banks and payment of trade suppliers often unable to control an excessive expenditure of a company. However, banks may try to monitor the analysis, for example, the balance of the company's latest published, where capital expenditure commitments should be disclosed.
3. Risks arising from the bank's weak analysis. There are three kinds of risks arising from the weakness of bank analysis, which is as follows:
    a. Financing Erroneous Analysis

        In this context, is not due to changes in customers' unforeseen conditions, but dikernakan had been since the beginning of high-risk customer concerned. Financing decisions could be the

decision invalid. Errors in decision making is usually sourced from the available information is less accurate. To overcome this, the bank requires trained and experienced staff in preparing a financing approach.

b. Creative Accounting

Creative accounting is a term used to describe the company's accounting policies which provide misleading information about a company's statement of financial position. In this case, profitability can be made to look bigger, look lebuh valuable assets and liabilities can be hidden from the balance sheet.

c. Characters Customers

Sometimes customers can outwit the bank deliberately creating traffic jams financing. Banks need to guard against this possibility by trying to make a decision based on the information on the character of the customer (Adiwarman A. Karim, 2004).

Contingency theories were widely accepted because of the logic underlying them was very compelling. It makes good sense that there is not one best way to manage, and the early research of Bums and Stalker (1961), Woodward (1965), and Lawrence and Lorsch (1967) seemingly convergent results. Later theoretical developments by Thompson (1%7) and Galbraith (1977) provided theoretical foundations within which these early findings could be explained.

Contingency is a state of uncertainty about the probability of profit or loss by a company, which will be resolved by the occurrence or absence of one or more events in the future. Contingent transactions have not affected the position in the company's balance sheet and profit and loss. PSAK No.31 regulates the issue of the Contingency. Contingencies should be presented in such a way that when associated with assets and liabilities items can adequately represent the bank's financial position. Contingency is a transaction that has not changed the position of the bank's assets and liabilities at the report date, but the hasrus is executed by the bank if the terms agreed with the customer have been fulfilled. Such contingencies may be claims or liabilities in both Rupiah and Foreign Currency. The systematic presentation of the commitments and conjunctive statements shall be prepared on the basis of a possible sequence of effects on the financial position and results of operations of the bank. Subsequently, commitments and contingencies, both bills and liabilities, are individually presented without any counterpart, so disclosure in the report shall be made solely through an administrative account which is an off balance sheet

Concerning with the implementation of mudharabah financing compliance on Statement of Financial Accounting Standards (SFAS) No.59 concerning Islamic banking financial accounting of Fiqh Syafi'iyah concluded

that generally mudharabah statement in Statement of Financial Accounting Standards (PSAK) No . 59 is in accordance with sharia in terms of science Fiqh Shafi'iyah sourced from al-Qur'an and Hadith of Prophet Muhammad SAW, but there are not yet according to shari'ah in terms of science Fiqh Syafi'iyah, which is as follows (Alfie and Khanifah (2007):

a. Paragraph no. 14 point b at PSAK No. 59 mentioned that financing is given in stages, while according to the Fiqh science Syari 'Iyah of financing should be given in cash and may not be given in stages / credit.
b. Paragraph no. 15 point b at PSAK No. 59 mentioned that financing is in the form of non-cash, and the difference between the fair value and the book value are recognized as gains or losses of the bank, whereas according to the science of jurisprudence Shafi 'Iyah of financing should not be administered in the form of non-cash / goods, no gain or loss on Face due to the difference between fair value and book value before the mudharabah contract is executed. Similarly, in paragraph no. 18 and no. 20 of the PSAK No. 59.
c. Paragraph no. 25 of SFAS No. 59 mentioned that the revenue share mudarabah to do with profit sharing (for profit is calculated from income after deducting the costs associated with the fund management mudharbah), whereas according to the science of jurisprudence Shafi 'Iyah for profit can only be done by the method of revenue sharing (for revenue is calculated on the total Mudharabah income management).

METHODOLOGY

The implemented methodology is description in accounting method, which apply accounting treatment in facing uncertainty condition which regarding as risky in syariah point of view. In this case, fully apply the principles of sharia then must formulate the principles of accounting that is also fully in accordance with the shari'ah (practice must also be regulated clearly not just the problem of accounting treatment). The study of sharia accounting theory versus general accounting, concluding that the treatment and measurement of sharia accounting are not the same as general accounting. General accounting recognition items are present in sharia accounting but the treatment is different according to the type of accounting (Haryati's,2011). General accounting measurements are based on four items: historical cost, current cost, realization/settlement value, present value. These four rules are partially treated in sharia accounting but not entirely. In general, the results of the above research questioned the difficulty in harmonizing the general accounting principles with the principles of sharia. Obviously very difficult because the SAK was created and used for businesses that are full profit oriented while sharia principles are oriented towards profit and mutual interest.

RESULTS

A provision for a contingent loss can be made on the profit and loss account if both of the following conditions are met:

1. There is strong evidence that an impairment in the value of an asset has occurred or an obligation has occurred at the balance sheet date
2. The amount of loss that can be reasonably estimated.

Contingent transaction types are: bank guarantees, revocable outstanding letters of credit, foreign currency option transactions, interest income in settlement. Such transactions shall be reported in the financial statements through an administrative account, which may be in the form of claims or liabilities.

A. Bank Guarantee

These are all forms of warranty or guarantee received or granted by the bank that result in payment to the party receiving the guarantee if the party is guaranteed a default or promised injury bank. Published with the intention of providing facility assistance to the customer concerned in order to facilitate the transaction being run. The type of bank guarantee can be in the form; Acceptance or issuance of collateral in the form of bank guarantees both for the purpose of granting credit, risk sharing, standby L/C and in the framework of project guarantees such as big bonds, performance bonds and advanced payment bonds, bias also in the form of acceptance or endorsement of securities. Bank guarantees may be used for domestic tender transactions, trade, foreign tenders, down payment, customs duties, cigarette taxes, and the purchase of fixed assets.

B. Accounting Bank Guarantee

Include at issue and maturity. In the maturity of the bank is faced with two situations if the client able to pay off remaining obligations then Bank "X" issued Bank Guarantee at the request of PT. XYZ addressed to PT. CVS in Surabaya worth RP 500.000.000, -. Deposit guarantee is paid by PT. XYZ of 60 percent over the expense of his bank giro account, then his journal paragraph:

D: Giro - PT.XYZ ...... Rp. 300.000.000, -

K: Bank Warranty Deposit Guarantee ... Rp. 300.000.000, -

Journal entry to record the contingency of the Bank Guarantee is the amount of full liability or 100% that is:

K: Rupiah Administrative Account - Bank Mutual Guarantee Rp. 500.000.000, -

Upon maturity, if PT XYZ repay all of its remaining obligations at the expense of the current account, at that time the "X" Bank will credit the account

between the Surabaya branch office by ordering to pay to PT.CVS, the journal entry is for the following reasons:

D: Giro - PT.XYZ .... Rp. 200.000.000, -

D: Bank Guarantee Deposit Guarantee ... Rp. 300,000,000, -

K: RAK-Branch Surabaya .... Rp. 500.000.000, -

Surabaya Branch will record:

D: RAK - Jakarta branch .... Rp. 500,000,000, -

K: Giro - PT. CVS .. .. Rp. 500.000.000, -

To delete a bank contingency post and record receipt of the deposit guarantee defaults are:

D: Rupiah Administrative Account-Bank Guarantee Not Matured Rp. 500.000.000, -

In the event of default, the bank issuing bank guarantees must convert to a general debtor by charging customers a certain fee, for example on:
PT. DSK opens bank guarantee at Bank "X" for Rp. 350,000,000, - with a guarantee deposit of 60 percent paid on account of his giro account. Bank guarantee is addressed to customers of Bandung branch of PT. DCK, then the journal:

D: Giro - PT DSK .... .Rp. 210.000.000, -

K: Bank Warranty Deposit Guarantee.................Rp. 210.000.000

Paragraphs of his administrative journals:

K: Rupiah administrative account-Bank Mutual Guarantee Rp. 350,000,000,-

At the maturity date, the customer of PT.DSK has not yet come to pay off the remaining obligations, the Bank "X" shall first book an administrative account on the bank guarantee that has not been due and replace it with a temporary bank warranty, with the following paragraph:

D: RAR - Bank Time Warranty Rp. 350,000,000, -

K: RAR - Guaranteed Bank Warranty Time Rp. 350,000,000, -

If at the latest within 2 weeks the customer is not able to pay off the remaining obligations, it will be charged to the customer charge the credit provision of Rp. 350,000, -with his journal verse:

D: Debtor .... Rp. 140.350.000, -

D: Bank Guarantee Warranty Deposit .... Rp. 210.000.000, -

K: RAK – branch Bandung. .... Rp. 350,000,000, -

K: Credit Provision Income .... Rp. 350.000, -

At the time the administrative account of the bank guarantee falls in time then the journal:

D: Accounts Administrative Rupiah -Bank Warranty That has Fallen Time .... Rp. 350,000,000, -

C. Letter Of Credit

Revocable Letter of Credit is still running are collateral in the form of L / C which can be canceled in the framework of import and export or trade traffic and presented for the remaining unrealized amount of L / C for example:

If Bank "X" issues a revocable Domestic L / C at the request of PT.DKS amounting to Rp.300.000.000, -and addressed to a customer in Surabaya branch. Guarantee deposit is 40% and payable by PT.DKS for the giro account expense, the journal at the time of issuance:

D: Giro - PT.DKS .... Rp. 120.000.000, -

K: L / C Warranty Deposit In Revocable State ... Rp. 120.000.000,-

The administrative journal to record this contingent transaction is:

K: RAR - L / C Domestic Revocable Published Rp. 120.000.000,-

In the event of cancellation of L / C at the request of PT.DKS customer, Omega bank will record the journal:

D: Deposit Guarantee L/ C Domestic Revocable ……..... Rp. 120.000.000,-

K: Giro - PT.DKS .... Rp. 120.000.000, -

K: RAR-L / C Domestic Revocable Published.Rp. 300.000.000,-

Contingency report made each reporting date which will define all mutual position of the bank's contingent, whether the short or long position. Here are examples of Conveyance reports from multiple transactions

BILL	ARREARS
Interest Arrears ... Rp. 18 million	Bank Guarantee not expire……… …...Rp 500 Million Bank Guarantee Yang-It expire. ……..Rp 350 Million L / C DN *revocable* ....Rp 300 Million
Amount of bill Rp. 18 million	Total Liabilities ……………………...Rp 1.150 Million
Balance of contingent liabilities ………………………………........................Rp. 1. 132 Million	

DISCUSSION

As a result of the occurrence of the risk of direct financial losses, losses due to risk on a bank may have an impact on stakeholders of banks, namely the shareholders, employees and customers and also affect the economy in general. Effect of risk loss on stock holder is a direct employee, while the effect on

customers and the economy indirectly. And here will be described the potential impacts on stakeholders and the economy.

A. Impact on Shareholders

Effect of loss risk on the shareholders, among others:

1. Impairment of investment, the AKN give effect to lower prices and / or a decrease in profits, falling stock prices lower the value of the company, which means the decline in shareholder wealth;
2. The loss of the opportunity to gain the dividends it would have received as a result of the decline in corporate profits;
3. The failure of the investments made, up to the most severe is a bankruptcy companies eliminate all morally paid-up value.

B. Impact on Employees

Employees of a bank can be affected by the event risk, which give rise to risk loss associated with their involvement. That influence can be:

1. Disciplinary sanctions for negligence that cause harm;
2. Reduction of income such as bonuses or a reduction in payroll deductions;
3. Work termination.

C. Impact on Customers

Failures in risk management can affect the customer. Impacts that occur can be direct or indirect and sodium absorption ratio can be identified immediately. The influence of risk event that takes place on an ongoing basis, in turn, will lead to risk the loss of the business continuity of the bank itself. Consequences risk loss affecting the bank's customers are:

1. Declining levels of service;
2. Reduced quality of products offered;
3. The liquidity crisis making it difficult for the disbursement of funds;
4. Regulatory changes.

CONCLUSION

Contingent condition is always unpredictable, but can be anticipated solution taken by any Islamic bank. Risk-based Islamic bank Natural Uncertainty Countracts (NUC) is to identify and analyze the impact of the entire customer risk that financing decisions taken already account the existing risk of NUC-based financing, such as mudaraba and Musharaka . Assessment of risk factors for negative otherwise influence the company's customers, such as the condition of business group, the state of force majeure , legal issues, strikes, liabilities off balance sheet (L/C import, bank guarantees), market risk (foreign exchange risk, interest risk, scurity risk), your payment history (arrears liabilities) and financial restructuring. Another thing in the contingency also

have an impact Shirinking risk (risk reduction in the value of financing). A drastic reduction of the level of business sales are financed, a drastic reduction jula prices of goods / services from businesses that are financed, and the drastic drop in the price of goods / services of the financed business.

For this type of profit and loss sharing, shrinking risk arise when there is loss sharing which must be borne by the bank, a kind of revenue sharing, shirnking risk occurs when a customer is not able to bear the cost (nafaqah) should be borne by the customer, so that customers are not able to continue his efforts, and disaster risk that the circumstances of force majeure had an enormous impact on our customers' businesses are financed by the bank. For that banks need to make capital reserves derived from revenue, profit, general analysis of the funding, and special-purpose reserve to anticipate contingencies occurring conditions, and are borne by the bank concerned.

FURTHER STUDY

The result in my own research was that it was easy to explain how my study was grounded in previous research and practice. There was a genealogy of thought, that i recommend to next researcher to expand this topic of study, because we have limitation only in banking sector, but this study could be applied in industrial or others service field.

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