



Analysis Of Implementation Of Internal Control Of Cash Receivings And Accounts Receivables In PT. Bright M. Yamin Medan

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received Mar 12, 2021 Revised Apr 26, 2021 Accepted May 31, 2021</p> <hr/> <p>Keywords:</p> <p>Cash; Account Receivables; Internal Control.</p>	<p>This research was conducted at PT. Bright Supermart M. Yamin Medan is engaged in the retail sale of products for the needs of the community. In Operational activities, companies implement internal controls to transaction cash receipts and accounts receivable. The purpose of this study to determine the effectiveness of internal control of cash receipts and accounts receivable activities to achieve the objective of operating profit. This type of research using quantitative research, while taking the measurements scale used is the scale interval. Type of research data using quantitative data and data sources using primary data and secondary data. Data collection techniques using observation and interviews. Based on the results of research conducted can be put forward that the internal control of cash receipts quite effectively obtaining a value of 82 with an internal scale of between 63-83. Meanwhile, internal controls for receivables will be considered effective obtaining a value of 84 with a scale interval between 84 -103. PT. Bright Supermart has implemented elements of internal control as well as on COSO, consisting of the control environment, risk assessment, control procedures, monitoring, and information and communications.</p> <p><i>This is an open access article under the CC BY-NC license.</i></p>



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1. INTRODUCTION

Credit sales transactions that occur will result in accounts receivable. Accounts receivable is one of the assets that is quite large in value from current assets owned by the company. On the other hand, trade receivables arising from credit sales have problems, namely bad debts and late payments by consumers. Bad debts is a risk from credit sales that can hinder the company's viability in the future. In addition to uncollectible accounts receivable from consumers, there are also several frauds committed by employees who handle accounts receivable. It is very important to implement internal control over trade receivables. Fraud in a work cycle in the company environment is very common so that it can harm the company materially.

This research was conducted at PT. Bright Supermart M. Yamin Medan which is engaged in selling consumer goods needs. In its operational activities, the company requires available cash in large enough quantities to finance operational activities to increase sales. With the availability of

adequate cash, business activities can run smoothly, but cash is the most liquid asset owned by the company so that fraud is often carried out by employees for personal or group interests.

Meanwhile, sales transactions that occur in the company are carried out on credit, so that it will cause trade receivables. The greater the number of sales, the higher the value of trade receivables owned.

According to research conducted by Habibie (2013), regarding: Analysis of Accounts Receivable Internal Control at PT. Adira Finance Manado Branch. Based on empirical evidence from the results of research conducted, it shows that overall, the internal control of accounts receivable at PT. Adira Manado is less effective, where the company's management has not fully implemented the concepts and principles of internal control, on the other hand there are several procedures that do not reflect the concept internal control.

According to research conducted by Nadifah (2013) entitled: Evaluation of Internal Control of Cash Receipts from Receivables Study at PT. Semarang New Stage. Based on empirical evidence from the results of the research conducted, it shows that the internal control of cash receipts from PT Panggung Baru Semarang has not fulfilled the elements of adequate internal control, because there is no segregation of duties for the billing function, cash receipts function, and accounting function, cashiers who are not insured and there is no rotation of positions so that fraud is still possible.

2. RESEARCH METHOD

The type of research used is quantitative research. According to Martono (2010: 19), quantitative research is carried out by collecting data in the form of numbers or ratios. Data in the form of numbers or ratios are then processed and analyzed to obtain scientific information.

2.1 Data analysis technique

The data analysis technique used is descriptive statistical method, which is an analytical method by first collecting existing data and then clarifying, analyzing, and then interpreting it so that it can provide a clear picture of the situation being studied. In this study, the research variables were measured using a questionnaire sheet and measured using a score for the comments given as follows:

Table 1. Score Score

No	Comment	Score
1	TS = Disagree	20
2	KS = Disagree	40
3	R = Doubt - doubt	60
4	S = Agree	80
5	SS = Strongly Agree	100

3. RESULTS AND DISCUSSIONS

3.1 Elements of Internal Control at Bright Supermart M. Yamin Medan

With the implementation of effective control, it will minimize the possibility of fraud or embezzlement of cash that occurs in the company. The following are the elements of internal control at Bright Supermart M. Yamin Medan as follows:

- a. Organizational structure that performs a strict separation of functional responsibilities. The organizational structure is a basic framework for the division of tasks and responsibilities in each unit in the organization that is formed to carry out company activities. The division of functional responsibilities in this organization is based on the following principles:
 - 1) Operational and storage functions must be separated from accounting functions.
 - 2) A function should not be given full responsibility in carrying out all stages of a transaction.
- b. Authority system and recording procedures that provide adequate security and protection for company assets In activities in the organization, every transaction that occurs when there is

authorization from the authorized official approves the occurrence of the transaction. In the organization there is a system of division of authority to authorize the implementation of each transaction. One of the media used for smooth operations is a form. Good recording procedures will ensure that data is recorded on accounting forms and records with a high level of accuracy and reliability.

- c. Healthy practice in carrying out the duties and functions of each organizational unit There are several ways that the company implements to create healthy practices as follows:
 - 1) The use of automatically printed serial numbered forms whose use must be accounted for by the authorized official,
 - 2) A sudden inspection was carried out.
- d. Each transaction may not be carried out from beginning to end by one person or an organizational unit without the intervention of another person or organizational unit.
- e. Periodic job rotation is carried out at least once every 2-3 years.
- f. Taking leave for employees who are entitled, during the leave, the position of the employee concerned is temporarily replaced by another employee.
- g. Periodically, the company's physical assets and records are matched.
- h. Establishment of an organizational unit tasked with checking the effectiveness of the elements of the existing internal control system, this unit is called the Internal Supervision Unit / Internal Audit Staff.
- i. Employees who have quality in accordance with their responsibilities Selection of qualified employees is carried out by the company through stages and processes process selection and do development (*training*) for develop the abilities and skills of employees in their fields.

3.2 Internal Control of Cash Receipts at Bright Supermart M. Yamin Medan

Good cash internal control can ensure that cash receipts are recorded fairly. To monitor cash receipts, Bright Supermart M. Yamin Medan implements the following: Duties and responsibilities in handling company cash must be firm, clear and definite

- a. Cash transactions that occur must be recorded immediately.
- b. The use of receipts with serial numbers printed automatically must be recorded up to date,
- c. The physical handling of cash is only done by one person.
- d. Loading archives to store documents as cash receipts,
- e. Checking the validity of cash receipts as paid by whom and received by whom,
- f. In order to prove the correctness of the cash book, the supporting evidence of cash and the existing cash balance are examined.
- g. The company must keep a sufficient and sufficient amount of cash for the company's needs on a daily basis and the rest is deposited into the company's bank account.

The procedure for cash receipts carried out by Bright Supermart M. Yamin Medan is as follows:

- a. Cash received from the sale of products along with supporting documents,
- b. Counting the amount of money received on the next working day.
- c. After that the finance department checks the supporting documents of the cash receipts,
- d. The finance department issues cash receipts vouchers where the do in the voucher describes the origin and source of cash receipts and their value.
- e. then the cash receipt voucher is submitted to the accounting department to be recorded.

3.3 Internal Control of Accounts Receivable at Bright Supermart M. Yamin Medan

The elements of internal control for trade receivables implemented at Bright Supermart M. Yamin Medan are as follows:

a. Control environment

The management of Bright Supermart M. Yamin Medan prioritizes integrity and competence in carrying out their duties and responsibilities. Between one part with other parts in the company is a unity that is interconnected. Every employee of Bright Supermart M. Yamin Medan must have

competence for the tasks completed. Recruitment of qualified prospective employees is very important in order to create competence. The contract system for new employees implemented by the company is one of the management's efforts to encourage the creation of good human resources which aims to improve company performance. The company has a Standard Operating Procedure (SOP) that must be carried out by every personnel. SOP can be different for each section, because the job description of each section is also different.

b. Risk determination

Determination of risk is one of the important things for management. In addition, good relations with customers are also continuously fostered by the company's management for the continuity of the company in the future. With a good communication relationship between the two parties, a mutually beneficial business relationship will be created in fulfilling the rights and obligations of each party.

c. Information and communication

Information regarding trade receivables at Bright Supermart M. Yamin Medan is in the form of information from each section that handles trade receivables as follows:

- 1) Information about the condition of the customer aims to determine whether the prospective customer who will buy the company's products is creditworthy or not.
- 2) Information regarding payment mutations from customers to the company aims to ascertain whether the customer has ever been in arrears to the company in paying off receivables during an accounting period.

d. Supervision and monitoring

The management of Bright Supermart M. Yamin Medan has defined and outlined the responsibilities of each employee in a clear and systematic manner. The smooth running of accounts receivable is the responsibility of each employee who handles the mutation of accounts receivable. Because it is between the parts of one with the other parts are interrelated. Monitoring the smooth running of accounts receivable is the responsibility of the collection of accounts receivable. The performance of each personnel is always monitored based on information from the Report Aging Schedule of the previous period so that the results of the achievement of the collection of accounts receivable are evaluated and not continued.

3.4 Research Questionnaire on Internal Control of Cash Receipts and Accounts Receivable at Bright Supermart M. Yamin Medan

In the research conducted, researchers used respondents, namely employees who worked at Bright Supermart M. Yamin Medan to facilitate the research. For this reason, researchers need data on respondents in the company, namely gender, age, education and length of work. Based on the tabulation results of respondents' answers received by researchers, the following characteristics of respondents are presented as follows:

a. Characteristics of Respondents Based on Gender

The following are the characteristics of respondents based on gender as follows:

Table 2. Gender Characteristics

Gender	Amount	%
Man	19	63.33
Woman	11	36.67
Amount	30	100.00

Source: processed data, 2016

Table 2 shows the number of male respondents as many as 19 people (63.33%), and the number of female respondents as many as 11 people (36.67%).

b. Characteristics of Respondents Based on Age

The following are the characteristics of respondents based on age as follows:

Table 3. Age Characteristics

Age	Amount	%
> 21 - 30 years old	18	60.00
> 30 - 40 years	8	26.67
> 40 years	4	13.33
Amount	30	100.00

Source: processed data, 2016

In table 3, it is known that the number of male respondents aged > 21-30 years was 18 people (60%), while respondents aged > 30-40 years were 8 people (26.67%) and respondents aged over > 40 years as many as 4 people (13.33%).

c. Characteristics of Respondents Based on Education

The following are the characteristics of respondents based on education as follows:

Table 4. Characteristics of Education

Educational level	Amount	%
high school	16	53.33
Bachelor	12	40.00
Postgraduate	2	6.67
Amount	30	100.00

Source: processed data, 2016

Table 4 shows the number of respondents with high school education as many as 16 people (53.33%), while respondents for undergraduate education are 12 people (40%) and respondents who have postgraduate education are 2 people (6.67%).

d. Characteristics of Respondents Based on Length of Work

The following are the characteristics of respondents based on the length of work as follows:

Table 5. Characteristics of Working Time

Length of working	Amount	%
> 1 - 3 years	11	36.67
> 3 - 6 years	13	43.33
> 6 years	6	20.00
Amount	30	100.00

Source: processed data, 2016

In table 5, it is known that the number of respondents who have worked hours between > 1-3 years are 11 people (36.67%), for respondents who have worked lengths between > 3-6 years are 13 people (43.33%) and for respondents who have worked longer than 6 years as many as 6 people (20%).

3.5 Respondent's Explanation on Internal Control of Cash Receipts

Based on the questionnaire given by respondents regarding the internal control of cash receipts at Bright Supermart M. Yamin Medan, the following is presented: the percentage of respondents' answers as follows:

Table 6. Percentage of respondents' answers Internal Control Cash Receipts

No	Questionnaire	Respondent's Answer Score									
		SS	%	S	%	R	%	KS	%	TS	%
1	Sales function must be separate of cash function	16	53.3	11	36.7	3	10	-	-	-	-
2	Functioncash must be separated from the accounting function	15	50	10	33.3	3	10	2	6.67	-	-
3	Cash sales transactions must be carried out	22	73.3	4	13.3	4	13.3	-	-	-	-

No	Questionnaire	Respondent's Answer Score									
		SS	%	S	%	R	%	KS	%	TS	%
4	by the sales function, cash, remittance function and accounting function Reception orders from buyers are authorized by the sales function using the cash sales invoice form	26	86.7	4	13.3	-	-	-	-	-	-
5	Reception cash is authorized by the cash function by affixing cash "paid" on the cash sales invoice and placing cash register tape on the invoice	24	80	6	20	-	-	-	-	-	-
6	Sales by bank credit card are preceded by an authorization request from the credit card issuing bank	22	73.3	8	26.7	-	-	-	-	-	-
7	Delivery of goods is authorized by the shipping function by affixing stamp "already submitted" on cash sales invoices	23	76.7	7	23.3	-	-	-	-	-	-
8	Recording into the journal authorized by the accounting function by placing a mark on the cash sales invoice	22	73.3	5	16.7	3	10	-	-	-	-

Source: processed data, 2016

3.5 Respondent's Explanation on Accounts Receivable Internal Control

Based on the questionnaire given by respondents regarding the internal control of accounts receivable at Bright Supermart M. Yamin Medan, the following percentages of respondents' answers are presented as follows:

Table 7. Percentage of respondents' answers to Accounts Receivable Internal Control

No	Questionnaire	Respondent's Answer Score									
		SS	%	S	%	R	%	KS	%	TS	%
1	Company leader always reminding that the smooth management of accounts receivable is one of the benchmarks for the company's progress	23	76.7	7	23.3	-	-	-	-	-	-
2	The company has implemented SOP (Standard Operating Procedure) for the collection division which handles the collection of accounts receivable	22	73.3	6	20	2	6.67	-	-	-	-
3	The head of the collection division is people who have expertise in their fields and are appointed on the basis of achievement	20	66.7	7	23.3	3	10	-	-	-	-
4	Management insures every personnel who collect receivables such as accident insurance,	21									
5	Separate sales (marketing) function with receivables function (collection)	23	70	8	26.7	1	3.33	-	-	-	-
6	Separate accounting function with sales function and credit function	22	76.7	4	13.3	3	10	-	-	-	-
7	Receipt of orders from buyers must authorized by the sales function using the delivery order form	25	73.3	6	20	2	6.67	-	-	-	-

Source: processed data, 2016

4. CONCLUSION

Internal control of cash receipts implemented by Bright Supermart M. Yamin Medan can be said to be quite effective with a value of 82 with an interval scale of 63-83 criteria,

Internal control for accounts receivable can be said to be effective with a value of 84 with an interval scale of 84-103 criteria.

The internal control policy for cash receipts and accounts receivable is applied by Bright Supermart M. Yamin Medan, which has internal control elements such as those found in COSO

which consists of a control environment (clear separation of duties and responsibilities between the cashier and accounts receivable divisions). business so that there are no duplicate tasks), risk assessment (Bright Supermart management performs analysis and evaluation of the settlement of trade receivables arising from credit sales transactions every 4 months), control procedures (for cash receipts and trade receivables transactions are required to use an automatic printed form and authorization of authorized officials), monitoring (checking between records and physical calculations on the settlement of receivables by looking at the Report Aging Schedule report), as well as information and communication (a weekly report made by cashiers and A/R employees on cash receipt transactions and settlement of receivables from debtors). and companies).

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