

Information System of Application for Purchasing and Cash Disbursement at Cattamaran Beach Club Bali

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Abstract: This research aimed to evaluate the internal control procedures for purchasing and cash disbursements of an VHP-based accounting information system at Cattamaran Beach Club. The data sources used were primary and secondary data with data collection techniques by observation, interview, and documentation. The data analysis technique used was qualitative data analysis. The results of the research indicated the internal control of the purchasing and cash disbursement cycle at Cattamaran Beach Club implemented in accordance with the COSO Framework.

Keywords: Accounting Information System, Visual Hotel Program, Internal Control, COSO Framework

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Introduction

Internal control in accordance with standards is very important for the health of the company's operations in order to minimize the occurrence of fraud that can occur in the company. Good Internal Control needs to be established and supervised directly by the board of commissioners, management and other personnel. The internal approach made by COSO that publishes Internal Control which has the main components, namely: control environment, control activities, risk assessment, information and communication, and monitoring. The development of technology-based information systems has a significant impact on the application of SIA to a company. . The existence of a well-integrated sia of cash purchases and expenditures will be beneficial for a company. This must still be balanced with good internal control, completeness of documents and reports related to cash purchases and expenditures, as well as a separation of duties and responsibilities in each section in each department so as to avoid potential fraud that occurs in the company in accordance with the COSO Framework theory.

SIA has been used by businesses in various fields, because a business is definitely connected to customers, suppliers, distributors, and owners. Then it is necessary to implement an integrated information system such as the Visual Hotel Program (VHP) application. The success of implementing an integrated SIA depends on information technology and the interaction between users in each section in each department in the company. This should make this system effectively implementable.

Cattamaran Beach Club Bali has implemented a VHP system with the implementation of the software, it is hoped that the entire operational process of the company is integrated so that the process of purchasing and cash expenditure runs effectively. However, based on the theory of internal control according to the COSO Framework, there is still a gap in the company's internal control that occurs at the Cattamaran Beach Club, namely the absence of a store keeper in the warehouse section, thus causing the purchasing department to concurrently become part of the store keeper, as well as the absence of document authorization such as the absence of a warehouse stock card. Meanwhile, the account payable (AP) section when after making a payment does not authorize transactions in the form of a pay stamp or stamp paid.

Method

This research is a case study research with a qualitative approach. This study uses primary data and secondary data. The primary data obtained from this study is by directly requesting a cash purchase and expenditure system, an overview of the application of the accounting information system, and an overview of

internal control at cattamaran Beach Club Bali. Secondary data of this study were obtained from documents, books, journals related to analytical techniques using credibility tests using the triangulation method.

Result and Discussion

1. Observation Result

a. Organizational Structure of iNi ViE Hospitality in Cattamaran Beach Club

In relation to the organizational structure, each section has duties and authorities that must be accounted for. The job description and authority in the Accounting Department of the Cattamaran Beach Club is as follows:

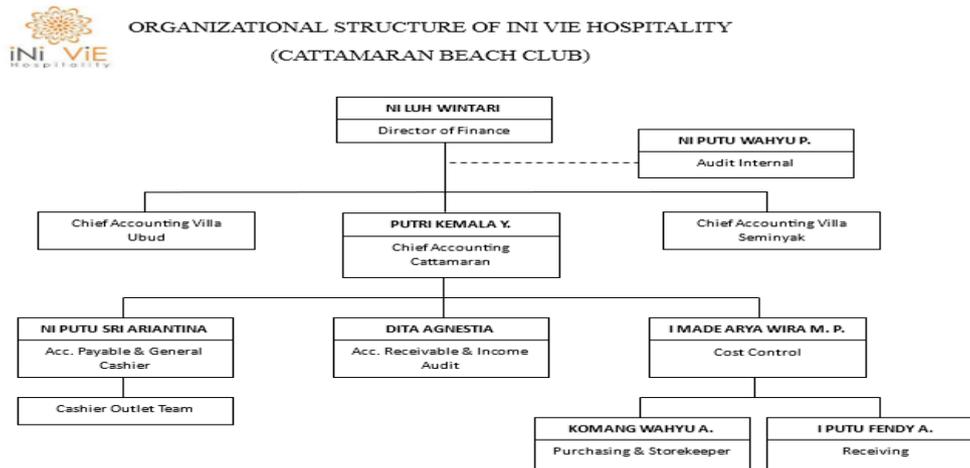


Figure 1. Organizational Structure of iNi ViE Hospitality in cattamaran Beach Club
Source : Secondary Data Processed (2022)

b. Credit Purchase Flowchart

Below is the result of data processing related to the flow of credit purchases at Cattamaran Beach Club Bali in the form of a flowchart:

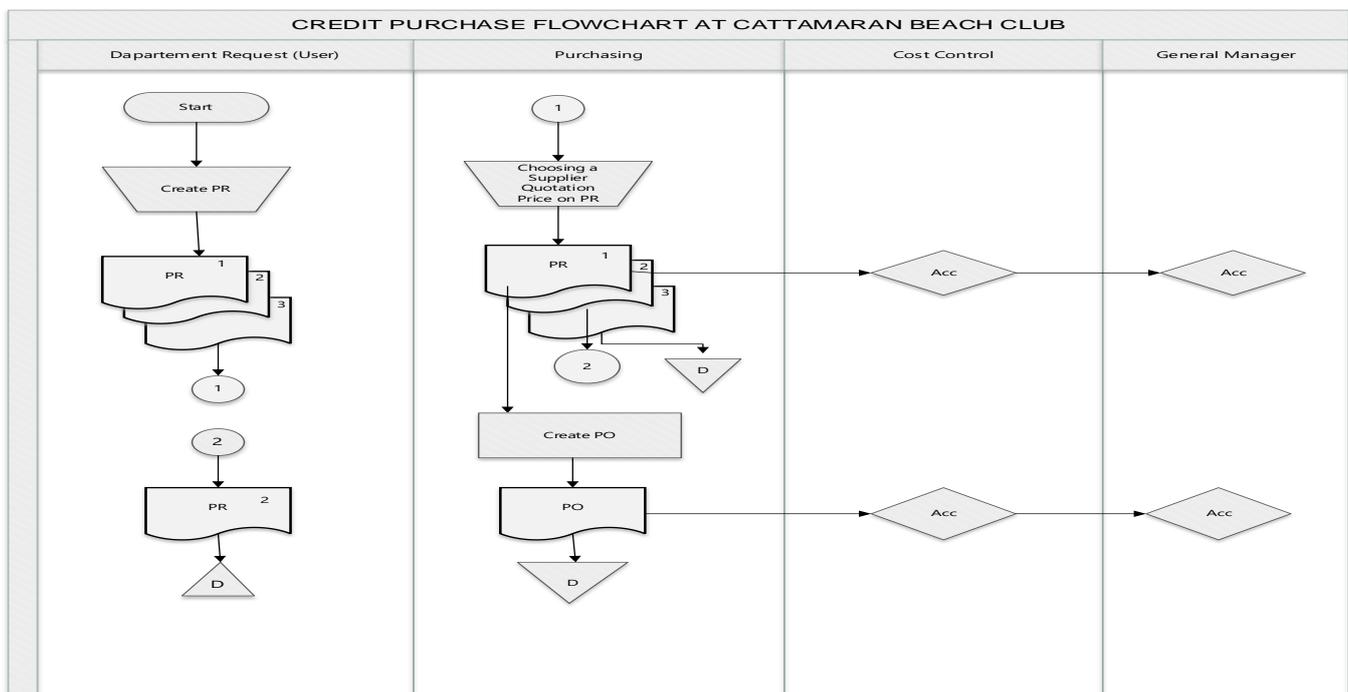


Figure 2. Credit Purchase Flowchart
Source : Primary Data Processed (2022).

c. Cash Dirbursement Flowchart On Credit.

Below is the result of data processing related to the flow of cash disbursement on credit at Cattamaran Beach Club in the form of a flowchart, which is as follows:

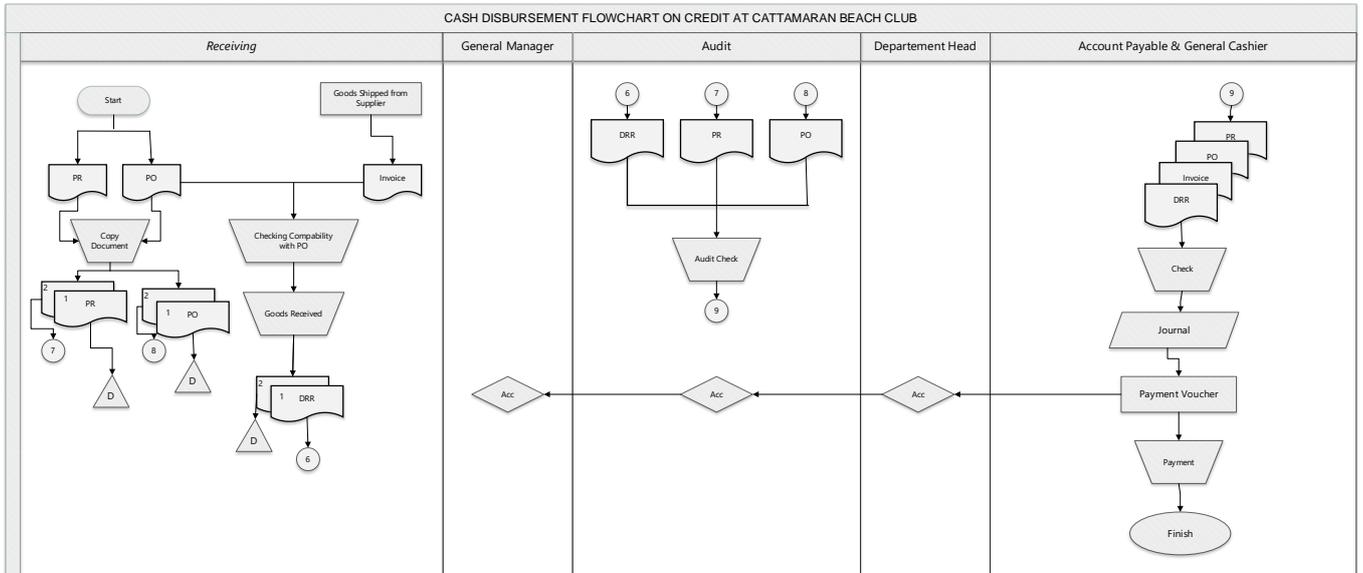


Figure 3. Cash Dirbursement Flowchart on Credit.
Source : Primary Data Processed (2022).

d. Cash Purchase Flowchart

Below is the result of data processing related to the flow of cash purchases at Cattamaran Beach Club Bali in the form of a flowchart, which is as follows:

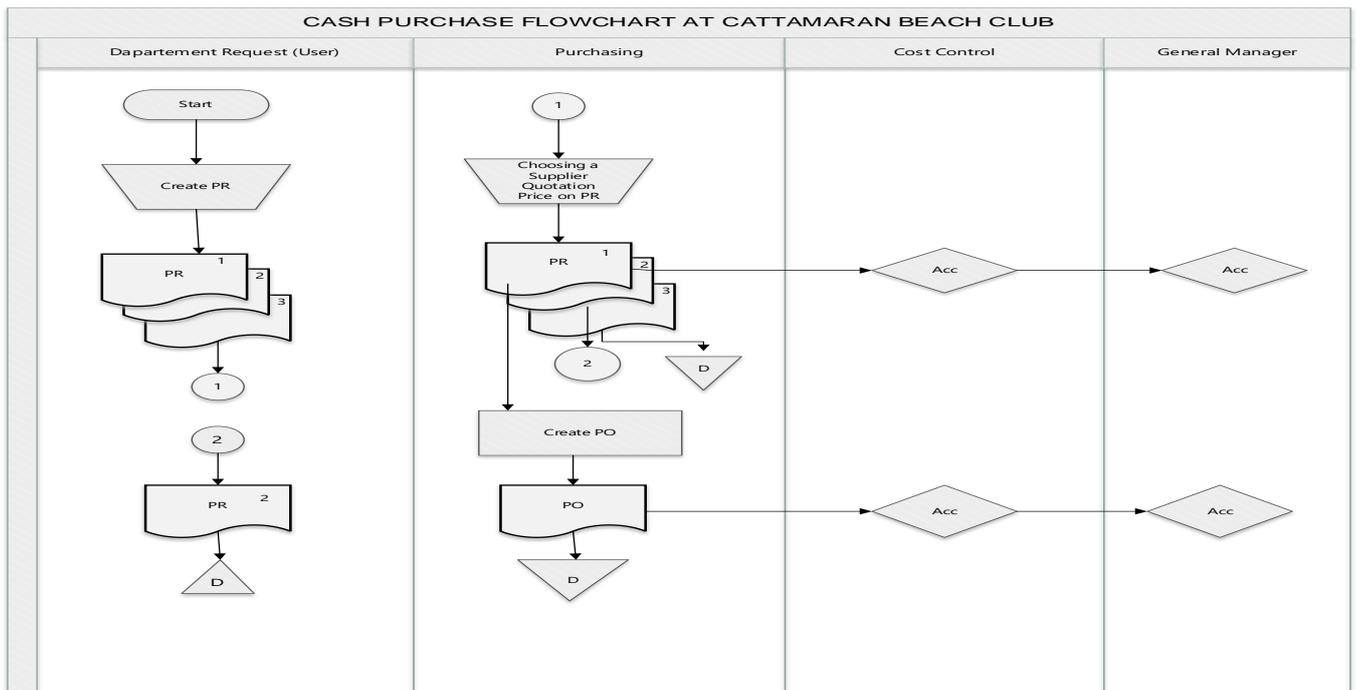


Figure 4. Cash Purchase Flowchart
Source : Primary Data Processed (2022).

e. Cash Disbursement Flowchart

Below is the result of data processing related to the flow of cash disbursement at Cattamaran Beach Club in the form of a flowchart, which is as follows:

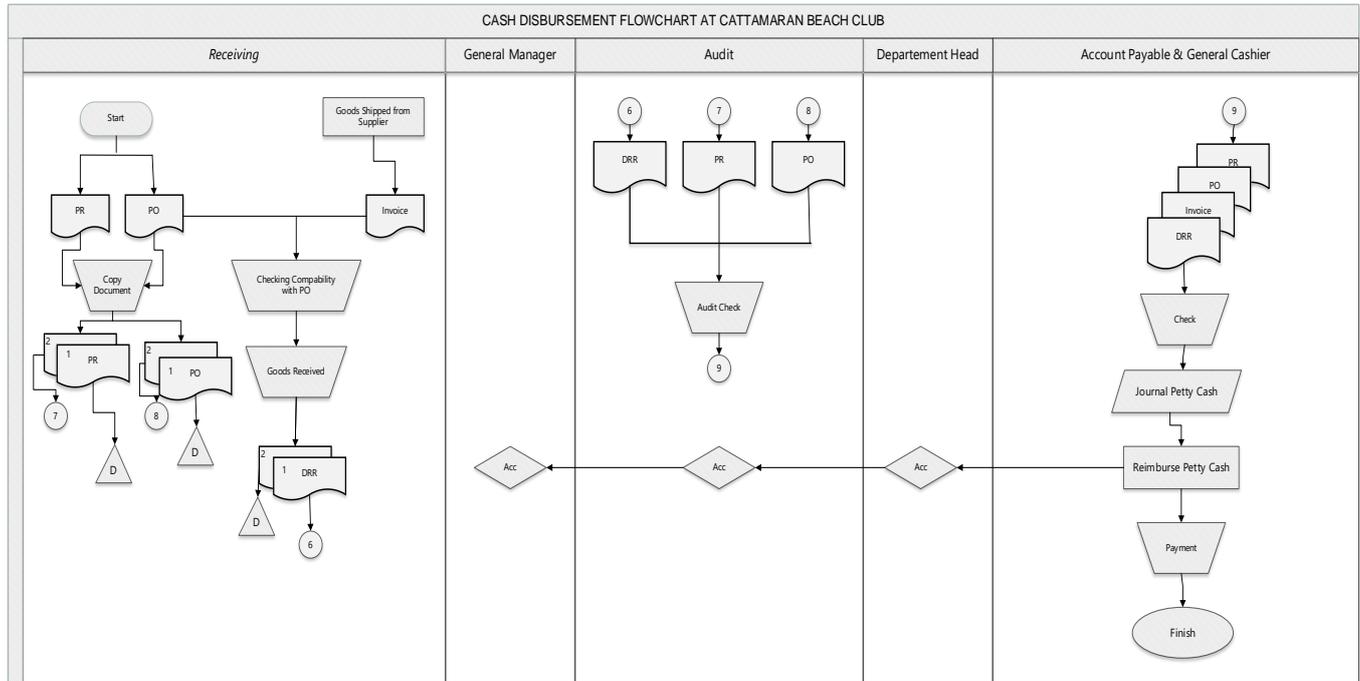


Figure 5. Cash Disbursement Flowchart
Source : Primary Data Processed (2022).

f. Internal Control System of Purchasing and Cash Disbursement

Based on the results of the analysis in the table, the level of conformity of internal control on the procedure for purchasing and cash disbursement from the theory taken from the COSO framework with the situation in the field, namely at the Cattamaran Beach Club, is 92.1%.

Table 1. Results of Internal Control Evaluation Recap

Components of Internal Control	Corresponding Elements	Non-Conforming Elements
Control Environment	10	1
Risk Assesment	2	0
Control Activities	19	2
Information and Comunication	1	0
Monitoring Activities	3	0
Total	35	3

Source : Primary Data Processed (2022).

Internal control in Cattamaran has its drawbacks that lie in:

- 1) Internal control in the theory of document authorization is that there is no item card (bin card). This causes frequent outages of unknown supplies. So that the purchasing department often makes unexpected purchases of goods.
- 2) Internal control in the theory of document authorization is the absence of stamp paid at the time of payment. It is feared that there will be fraud committed by suppliers.
- 3) Internal control in the theory of separation of duties, namely the purchasing part is still concurrently part of the storekeeper. It is feared that this will cause misappropriation of the goods to be stored.

2. Discussion

The description of the results of this study is that Cattamaran Beach Club applies cash purchase and expenditure procedures with a system that is integrated with each other through the Visual Hotel Program (VHP). In addition, internal control according to the COSO Framework which is indicated by the separation of duties, risk identification, risk handling, transaction authorization, and delivery of information and communication has been implemented. Based on good internal control according to the COSO Framework, there are still discrepancies in the separation of duties in the purchase flow section, namely the purchasing section (Purchasing) concurrently becomes the Store Keeper section so that upon arrival of the goods, it is directly stored by the purchasing department into the warehouse, as well as the absence of supporting documents for warehouse cards. It is feared that this can lead to fraud because in addition to the occurrence of multiple positions, there is also no adequate document.

In addition to the gap in the double position in the purchasing section, there is also a difference with transaction authorization which is different from the theory, namely after making payments by the payment department (payable) the absence of document ratification has been paid off by stamp-paid, it is feared that fraud committed by the supplier can occur.

Conclusion

Based on the results of research conducted on internal control of cash purchase and expenditure procedures at Cattamaran Beach Club, it can be concluded that internal control of cash purchase and expenditure procedures runs in accordance with a good internal control theory according to the COSO Framework, especially with the existence of an integrated system, namely the Visual Hotel Program (VHP). According to the COSO Framework theory, there are still shortcomings experienced in the elements of separation of duties and transaction authorization, there are still discrepancies in the purchase flow section, namely the purchasing section (Purchasing) concurrently being part of the Store Keeper and the absence of recording of incoming and outgoing goods using warehouse stock or bin cards. In the cash disbursement section, namely the account payable part in transaction authorization theory, not using stamp paid when a payment has occurred to the supplier. It is necessary to have good document authorization, namely the existence of bin cards and stamp paid, in order to reduce the occurrence of fraud that will occur, and it is also necessary to have a clear separation of duties in each department.

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