

CASH FLOW ANALYSIS AS A PLANNING AND CONTROL TOOL IN PT. BERMA KARYA BERSAMA

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ABSTRACT

This study aims to determine the cash flow statement (cash flow) as a planning and control tool by using the cash flow ratio of PT. Berma Karya Bersama. This type of research is qualitative research that is descriptive in nature. Results and discussion of this research Cash flow management by PT. Berma Karya Bersama has not been effective and efficient, where it does not create separate accounts for company and personal funds, does not separate incoming and outgoing cash accounts, and every expenditure or small transaction that is carried out every day with cash does not keep records of expenses. After analyzing the company's cash flow, it can be seen that the cash flow of PT. Berma Karya Bersama during the 2017-2019 period experienced ups and downs. It can be seen that the net cash received from the company's operating activities is able to offset the payment of obligations and also the condition of operating cash flows can be offset by activities originating from investing and financing.

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1. INTRODUCTION

A company carries out its company's operational activities with the aim of getting big profits and increasing the growth and quality of the company, so that it can carry out various strategies to achieve the targets that have been set or want to achieve. The development and progress of science and technology is so rapid. It is an opportunity for every company to be able to increase its productivity by utilizing existing resources and a good management system is the product of this development and progress. In achieving the desired company goals. Companies need to develop a plan. Planning is an important start to start the company's operational activities in line with control and supervision. The plan made by the company's management must also be in line with the incoming and outgoing flow planned by the company within a certain period along with an explanation of the sources of cash receipts and disbursements. The planning that has been made must be done as well as possible. One function of management is planning where planning is a very important factor in an organization. Every company in carrying out its activities always needs cash. Cash in physical form is an asset that is easy to move, because cash is very liquid and can be accepted by anyone. In addition, cash plays a very important role in the smooth running of the company's operations. To find out the planning and control of memories, every company must present financial reports for a certain period. Financial reports are a source for obtaining information regarding the financial position and operating results that have been achieved by the company. This information is used as material for consideration in decision-making, both company management and external parties. An obligation for companies to include cash flow statements in the presentation of annual financial statements makes the use of cash flow statement information as an analytical tool for planning and cash control increasingly important. Thus researchers conduct research that aims to determine cash flow reports (cash flow) as a planning and control tool by using the cash flow of PT. work together.

2. LITERATURE REVIEW

Internal Control System

In accounting, control is defined as the relationship between procedures and systems related to achieving company goals. The concept of management control provides information related to financial performance and the level of company competition in the long term. The internal control system is a plan that includes the organizational structure and all coordinated methods and tools used within the company with the aim of maintaining the security of company property, checking the accuracy and correctness of accounting data, encouraging efficiency, and helping to encourage compliance with management policies that have been stipulated. According to Tamodia (2013: 103) "Internal control must

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be implemented as effectively as possible within a company to prevent and avoid errors, fraud, and fraud". Therefore, it is necessary to develop a control framework for the existing system in the company which consists of various internal control measures for the company, so that managers can allocate resources effectively and efficiently, so an internal control is needed that can provide confidence to the leadership. that the company's goals have been achieved.

Committee Of Sponsoring Organizations (COSO) quoted by Sujarweni (2015: 71) states that internal control is a series of actions that cover all processes within the organization that are in the basic management process, namely planning, implementation, and monitoring. From these understandings, it can be concluded that the internal control system is a system that is structured to cover all organizational processes to accurately manage information used by the company to provide security guarantees in protecting company assets.

Cash Flow Analysis

Cash flow statement analysis is one of the most important financial analysis tools. The main purpose of the analysis is to find out where the cash comes from and what the cash is used for. Analysis views the cash flow statement as providing information about whether the company has generated sufficient cash to pay bills, replace assets, and pay declared dividends.

According to Munawir (2004: 37) is "analysis and sources of use of cash (cash flow statement analysis) an analysis to find out the causes of changes in the amount of cash or to find out the sources and uses of cash during a certain period. Meanwhile, according to Harahap (2004: 201) cash flow analysis can show the movement of cash flows from where the source of cash is obtained and where it flows. From the above understanding it can be concluded that by analyzing the cash flow statement it is expected that the company can allocate cash appropriately so that the company in carrying out its activities includes paying all obligations that must be fulfilled immediately. Tools to analyze cash flow with financial ratios include:

1. Operating Cash Flow Ratio (OCFR)

The operating cash flow ratio is one of the most important cash flow ratios. Operating cash flow relates to the cash flow that an organization obtains from its operations, up to the repayment of its current debts. This is useful for measuring how liquid a company is in the short term because it relates to current liabilities and cash flow from operations. The OCFR formula is

$$OCFR = \frac{\text{Cash Flow From Operations}}{\text{Current Liabilities}}$$

2. Price/Cash Flow Ratio (PCFR)

This ratio is often considered a better indication of the value of a business organization when compared to the price to revenue ratio. This ratio is useful for comparing a company's share price with the company's generated cash flow per basis. The PCFR formula is

$$PCFR = \frac{\text{Stock Price}}{\text{Operating cash flow per share}}$$

3. Cash Flow Margin Ratio (CFMR)

This ratio reveals the relationship between cash generated from operations and sales. Business organizations need cash to pay dividends, suppliers, debt, and invest in new capital assets, so cash is as important as profit for business firms. This ratio also measures the company's ability to convert sales into cash. The CFMR formula is

$$CFMR = \frac{\text{Cash flow from operating cash flow}}{\text{Net sales}} = \%$$

4. Ratio of Cash Coverage to Current Liabilities

This ratio measures a company's ability to pay current debt based on net operating cash flow. This ratio is obtained by cash flow plus cash dividends divided by current liabilities.

$$CKHL = \frac{\text{Operating Cash Flow} + \text{Deviden cash}}{\text{Current Liabilities}}$$

5. Quick Ratio (Acid-Test)

Is a test of liquidity that is more specific than the current ratio. This ratio measures inventory and measures the company's liquidity in selling to meet its short-term debt obligations. The formula for this ratio is as follows:

$$QR = \frac{\text{Current Aset – inventori}}{\text{Current Liabilities}}$$

Definition of Control

Control or supervision (controlling) is the final part of the management function. Controlled management functions are planning, organizing, directing and controlling. Control is the process of monitoring, evaluating and reporting plans for achieving the goals set for corrective action for further improvement. The difference between control and supervision is in the authority of the development of the two terms. Control has the authority to intervene which is not owned by the supervisor. The supervisor is only limited to giving advice, while the follow-up is carried out by the controller. In the Indonesian dictionary the term "Control comes from the word control which means to curb, in the sense of curbing something that can be detrimental and has a negative impact"

Control is all efforts or activities to guarantee and direct so that the work being carried out can run according to a predetermined plan or the desired results and also in accordance with all applicable provisions and policies. With a shorter formulation it is stated that "Control is all efforts or activities to guarantee and direct so that the work being carried out can run properly ". Taking into account the understanding above, control has a broader meaning than supervision. The meaning of control is not limited to efforts to find out and assess a job or activity, but also to guarantee and direct so that the work or activity carried out can run according to plan, and also in accordance with applicable laws and regulations

3. METHODS

Qualitative research is research that is descriptive in nature and tends to use analysis. Process and meaning (subject perspective) are emphasized in qualitative research. The theoretical basis is used as a guide so that the research focus is in accordance with the facts in the field. In addition, this theoretical basis is also useful for providing an overview of the research background and as material for discussing research results. There is a fundamental difference between the role of the theoretical basis in quantitative research and qualitative research. quantitative research, research departs from theory to data, and ends in acceptance or rejection of the theory used, whereas in qualitative research researchers depart from data, utilize existing theory as explanatory material, and end with a theory.

In this study, researchers used a type of qualitative research where this research was based on existing company descriptions obtained from several sources that referred to what the researcher did. The analysis was carried out to find the problem of the relationship between one variable and another.

4. RESULTS AND DISCUSSION

Analysis of planning and control using financial ratios

Cash flow analysis is a very important financial analysis for a company's financial manager in addition to other financial tools, by using cash flow statement analysis, financial managers can carry out one of the planning functions. The results of the research that will be discussed regarding how financial planning and control are carried out by PT. Berma Karya Bersama by using an analysis of cash flow statements conducted on the 2017-2019 financial statements.

Operating cash flow ratio (OCFR)

The operating cash flow ratio is one of the most important cash ratios. Operating cash flow relates to the cash flow obtained by the organization from its operational activities, to paying off debts. This is useful for measuring how liquid a company is in the short term because it relates to current debt and cash flow from operations.

Rumus OCFR adalah :

$$\text{OCFR} = \frac{\text{Cash From Operations}}{\text{Current Liabilities}}$$

$$\begin{aligned} \text{OCFR tahun 2017} &= \frac{16.282.221.106}{54.873.632.462} = 0,32 \\ \text{OCFR tahun 2018} &= \frac{45.032.354.839}{92.453.038.383} = 0,49 \\ \text{OCFR tahun 2019} &= \frac{30.368.936.051}{96.901.638.150} = 0,31 \end{aligned}$$

Tabel 1. The calculation O Result perating Cash Flow Ratio (OCFR) PT. Berma Karya Bersama (Rp)

Tahun	Jumlah arus kas operasi	Kewajiban lancar	Perputaran
2017	16.282.221.106	54.873.632.462	0,32
2018	45.032.354.839	92.453.038.383	0,49
2019	30.368.936.051	96.901.638.150	0,31

Cash Flow Margin Ratio (CFMR)

This ratio reveals the relationship between cash generated from operations and sales. Organizations in business need cash to pay dividends, supply debt, and invest in new capital assets, so cash is as important as profit for business firms. This ratio also measures the company's ability to convert sales into cash.

Rumus :

$$\text{CFMR} = \frac{\text{Cash Flow From Operating Cash Flow}}{\text{Net Sales}} = \%$$

$$\begin{aligned} \text{CFMR Tahun 2017} &= \frac{17.382.222.105}{121.127.794.887} = 0,14 \% \\ \text{CFMR Tahun 2018} &= \frac{46.031.354.839}{114.688.300.343} = 0,40 \% \\ \text{CFMR Tahun 2019} &= \frac{30.368.936.051}{169.851.345.835} = 0,17 \% \end{aligned}$$

Tabel 2. Result Cash Flow Margin Ratio (Rp) PT. Berma Karya Bersama

Year	Total operating cash flow	Penjualan	%
2017	17.381.222.105	122.381.794.887	0,14%
2018	46.031.354.839	114.688.300.343	0,40%
2019	30.368.936.051	169.851.345.835	0,17%

Ratio of Cash Coverage to Current Liabilities

This ratio measures a company's ability to pay current debt based on net operating cash flow. This ratio is obtained by cash flow plus cash dividends divided by current liabilities.

$$\text{CKHL} = \frac{\text{Arus Kas Operasi} + \text{Deviden Kas}}{\text{Hutang Lancar}}$$

$$\begin{aligned} \text{CKHL year 2017} &= \frac{17.381.222.105 + 0}{53.972.633.463} = 0,32 \\ \text{CKHL Year 2018} &= \frac{46.031.354.839 + 0}{39.453.038.383} = 0,49 \\ \text{CKHL Year 2019} &= \frac{30.368.936.051 + 0}{97.901.638.150} = 0,31 \end{aligned}$$

Table 3. Calculation of Cash Coverage Ratio to Current Liabilities (Rp) PT. Berma Karya Bersama

Tahun	Arus kas operasi	Deviden kas	Hutang lancar	Perputaran
2017	17.381.222.105	0	53.972.633.463	0,32
2018	46.031.354.839	0	39.453.038.383	0,49
2019	30.368.936.051	0	97.901.638.150	0,31

Quick Ratio

This analysis provides information about the company's ability to meet its short-term obligations by reducing current assets with inventory. The current assets used are more focused on components that are more liquid.

$$\text{QR} = \frac{\text{Aktiva Lancar} - \text{inventori}}{\text{kewajiban lancar}}$$

$$\begin{aligned} \text{QRTahun 2017} &= \frac{43.896.387.189 - 7.274.331.039}{53.972.633.463} = 0,67 \\ \text{QRTahun 2018} &= \frac{48.035.036.259 - 10.889.072.755}{39.453.038.383} = 0,94 \\ \text{QR Tahun 2019} &= \frac{46.578.816.045 - 1.135.581.500}{97.901.638.150} = 0,46 \end{aligned}$$

Table 4. Rasio Quick Ratio (Rp) PT. Berma Karya Bersama

Tahun	Aktiva lancar	Inventori	Hutang lancar	perputaran
2017	43.896.387.189	7.274.331.039	53.972.633.463	0,67
2018	48.035.036.259	10.889.072.755	39.453.038.383	0,94
2019	46.578.816.045	1.135.581.500	97.901.638.150	0,47

Planning Analysis And Cash Control

Planning helps management to avoid waste - waste which allows for good coordination between the various parts carried out by the company. Without financial planning, it can result that leaders or officials in authority are usually serious about carrying out their own policies which can result not only in confusion - confusion of inappropriate actions, but can also lead to wastes in the form that time is wasted - unsustainable financial resources. maximally utilized. The basis for financial planning depends on the type of planning that is made. If a company plans financial reports for a certain period, then the best basis for planning is the position of the last financial statements. Meanwhile, if the company is going to make a cash budget, the basis for good planning is to assess it with plans for cash receipts and disbursements in the planned period, which we can see in the table above which appears in the financial statements in the two periods.

In addition to having a plan in an activity, it is necessary to have control (control) of the activities that have been planned so that it can produce maximum cash surpluses and avoid cash deficits. allows the emergence of fraud and fraud for irresponsible management, in this case, parties with an interest in financial administration matters. Control over cash is adequate procedures to protect cash receipts and cash disbursements. Management must have a professional outlook and attitude to advance or improve the results it has achieved.

According to Harnanto (2002:75) giving the notion of control is an attempt to adjust the plan to the original plan.

According to George R. Terry (2006: 163) providing a definition of control is determining what has been implemented, meaning evaluating work performance and if necessary implementing corrective actions so that work is according to plan. So in simple terms, control is defined as a process that guarantees that actions are carried out according to plan.

In this cash flow analysis as a planning tool, it appears that there are items that need special attention from company leaders so that in carrying out company operations they can provide greater profits, therefore there is a need for special attention by company management between what has been planned with what has been realized, namely cash receipts and disbursements shown in the following table.

Table 5. Planning and Realization of Cash Disbursements Year 2017

No	Description	Plan	Realization
1	Prepaid expenses	246.600.000	255.736.163
2	Stock	6.700.000.000	7.274.331.039
3	Debt Payment	7.000.000.000	8.222.772.483
4	Other Expenses	10.000.000.000	12.000.000.000
5	Tax	1.800.000.000	1.758.018.449
	Total	25.746.600.000	29.510.858.134

In the table above, which shows the cash disbursement budget and its realization, but reversed on cash receipts previously, in this expenditure there was a cash surplus with what had been planned, namely the planned expenditure of Rp. 25,746,600,000 and what was realized was Rp.29,510,858,134 so there was an excess of cash of Rp. 114,620,409. This relates to the cash receipt plan, the budget plan is taken from the revenue plan reference to be obtained, but the reality is that is not the case, so in other words the company still has a cash surplus from the total income receipt of Rp. 122,128,794,887 added to the existing cash balance amounting to IDR 3,267,539,202 minus the total cash disbursement of IDR. 29,510,858,134 so the company still has a surplus of Rp. 95,885,475,955 thus the company can still run

the company and enable the company to be able to fulfill all of its financial obligations and office operational costs.

Analysis of Cash Flows as a Tool of Cash Control seen from an acceptance in this case money in a company comes from several sources including project revenue, other income, settlement of accounts receivable, and from loans. In addition, cash disbursements in a company are to pay for various transactions. If controls are not implemented strictly, often the amount of expenditure is enlarged and the difference can be embezzled. Therefore, it is necessary to control these activities so that business continuity can be achieved properly and company can generate maximum profit.

5. CONCLUSION

Cash flow management by PT. Berma Karya Bersama has not been effective and efficient, where it does not create separate accounts for company and personal funds, does not separate incoming and outgoing cash accounts, and every expenditure or small transaction that is carried out every day with cash does not keep records of expenses. After analyzing the company's cash flow, it can be seen that the cash flow of PT. Berma Karya Bersama during the 2017-2019 period experienced ups and downs. This can be seen where the net cash received from the company's operating activities is able to offset payment of obligations and also the condition of operating cash flows can be offset by activities originating from investing and financing. With the help of cash flow analysis, cash flow can be identified for future cash needs, so that company leaders can easily adopt sound financial policies and also greatly affect the smooth running of projects. With the help of cash planning and control, cash flow analysis allows a company in running the company's wheels to optimize profits to be obtained and operate effectively and efficiently as expected.

From the calculation of the operating cash flow ratio, it has shown that the value is below one every year, this means that there is a possibility that PT. Berma Karya Bersama is unable to pay current obligations, without using cash flow from other activities, whereas in 2018 the value was higher, which means that efforts have been made by PT. Berma Karya Bersama in cash flow from its operating activities. The increase in sales seen from the income resulted in an increase in cash in the operating cash flow, so that the company was able to fulfill all of its current obligations. Judging from the increase in operating cash flow, for the following year it can be used as a planning tool and as a control tool. Inaccuracy in preparing the budget and budget estimates that were planned prior to realization so that the realization was greater than the previous plan, resulting in deviations.

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