

Evaluation of internal control in supporting the sales accounting information system of PT. Trans Retail Indonesia Buah Batu Transmart branch

¹Muhtarudin, ²Nurhayati Pertiwi

^{1,2}Fakultas Ekonomi dan Bisnis Digital Institut Digital Ekonomi LPKIA Bandung

Article Info	ABSTRACT
<p>Keywords: Internal Control, Accounting Information System, Retail Company</p>	<p>The evaluation of internal controls over the sales accounting information system is a highly important process to ensure that a company's operations run efficiently, accurately, and securely, especially when involved in the retail and sales business. This research aims to evaluate the impact of using the Sales Accounting Information System on internal sales controls. The study seeks to assess the extent to which the implementation of this information system affects the effectiveness of internal controls in the sales context. The research method employed is qualitative descriptive research, which can provide in-depth insights into internal controls within the sales accounting information system and serve as a strong foundation for necessary improvement recommendations. Data is collected through qualitative data collection techniques, including interviews with personnel involved in the sales accounting information system and auditors, as well as the collection of data from internal documentation such as policies, procedures, internal reports, or internal control records. Positive outcomes from the evaluation of internal controls over the sales accounting information system can offer various benefits to the company and relevant stakeholders. Some potential positive outcomes that may arise from this research include Improved Operational Efficiency, Enhanced Financial Information Reliability, Enhanced Stakeholder Trust, Prevention of Fraud and Risks, Legal Compliance, Cost Efficiency, Positive Company Reputation: Building a positive company reputation. These positive outcomes underscore the importance of evaluating internal controls within the sales accounting information system for the overall success and integrity of the business operations.</p>
<p>This is an open access article under the CC BY-NC license</p> 	<p>Corresponding Author: Muhtarudin Fakultas Ekonomi dan Bisnis Digital Institut Digital Ekonomi LPKIA Bandung muhtar@lpkia.ac.id</p>

INTRODUCTION

Business development in Indonesia is increasingly increasing and becoming more competitive [1]. PT. Trans Retail Indonesia is one of the leading retail companies in Indonesia operating under the trademark "Transmart." This company has an extensive branch network spread across various major cities throughout Indonesia. One of its

branches, Transmart Buah Batu, is located in Bandung City, West Java. Transmart Buah Batu is a branch that has a significant sales turnover and an important contribution to the overall business of PT. Trans Retail Indonesia.

As a retail company, PT. Trans Retail Indonesia Transmart Buah Batu Branch focuses on various consumer products, including food, household goods, clothing, electronics, and many more. Sales at this branch involve thousands of daily transactions, including cash and non-cash payments. Therefore, accurate and efficient sales accounting management is very important to support the daily operations of this company. Business competition is an important factor in improving company performance [2].

Sales accounting information systems have a very important role in supporting the operations of retail companies such as PT. Trans Retail Indonesia. The Buah Batu Transmart branch, as part of an extensive retail network, faces increasingly complex challenges in managing sales, collecting transaction data, and providing accurate and reliable accounting information. In this context, internal control plays a crucial role in maintaining the quality and reliability of the sales accounting information system. Company leaders are responsible for implementing internal control in a company[3]

PT. Trans Retail Indonesia Transmart Buah Batu Branch in carrying out its business operations is very dependent on the effectiveness of internal controls implemented in the sales accounting information system. Internal control is the steps and procedures used to protect company assets, ensure the reliability of financial information, and mitigate risks that can affect the company's operations and reputation. With good internal control, it is hoped that it will be able to secure company assets, minimize deviations and errors that may occur by employees, so that the goals the company wants to achieve will be easier to achieve [4].

However, with the rapid development of information technology and increasingly dynamic business, companies need to continuously evaluate and update their internal control systems to remain relevant and effective. Failure to maintain good internal control can potentially result in financial losses, accounting errors, and can even damage the company's reputation. The main factor for the effectiveness and efficiency of company sales can be achieved by having a good and adequate internal control system within the company [5]. As technology develops, the implementation of an accounting information system is needed to speed up the process so that the implementation process is more efficient and accurate [6].

As one of the leading retail companies in Indonesia, PT. Trans Retail Indonesia has a moral obligation and great business interest to ensure that their sales accounting information system operates properly and is safe from potential risks. Therefore, this research aims to conduct a comprehensive evaluation of the internal controls implemented in PT's sales accounting information system. Trans Retail Indonesia Transmart Buah Batu branch.

With a better understanding of existing internal controls and the findings from such evaluations, companies will be able to improve their operational efficiency, reduce financial risk, and ensure the accuracy of sales accounting information. In addition, the results of this

research are also expected to provide valuable insight for practitioners and academics in the field of accounting and information systems who are interested in the context of internal control in retail companies.

This research will include an assessment of a number of important aspects of internal control, such as segregation of duties, access to systems, transaction recording procedures, and monitoring and reporting. Thus, it is hoped that the results of this research can provide concrete recommendations for improving and strengthening internal control in supporting PT's sales accounting information system. Trans Retail Indonesia Transmart Buah Batu branch. Research is used to evaluate, design sales information systems, implement sales accounting information systems and internal control [7] .

Formulation of the problem

Research is a scientific activity to obtain correct knowledge about a problem [8]. This research aims to answer a number of main questions related to the evaluation of internal control in supporting PT's sales accounting information system. Trans Retail Indonesia Transmart Buah Batu branch. The formulation of the problem that will be answered in this research is as follows:

1. How is internal control currently implemented in the sales accounting information system at PT. Trans Retail Indonesia Transmart Buah Batu branch?
2. What aspects of internal control are the focus of evaluation in supporting the integrity, reliability and security of sales transaction data?
3. Are there any weaknesses or deficiencies in internal control that could threaten the accuracy and security of sales accounting information in this company?
4. How does internal control influence operational efficiency, managerial decision making and risk mitigation in the context of PT's retail business. Trans Retail Indonesia Transmart Buah Batu branch?
5. What recommendations can be put forward for improving and strengthening internal control in the sales accounting information system to overcome the challenges identified in this research?

Literature Review

Accounting information system:

According to Romney and Steinbart, an Accounting Information System (AIS) is a system that collects, processes and reports financial and non-financial information about certain entities [9]. It includes all procedures, people, instructions, and hardware and software used to collect, record, and report financial data. So, the accounting information system is a framework used to collect, process and report financial information in an organization. Some important functions of Accounting Information Systems (AIS) according to Kay and Ovlia, are:

1. Financial Data Collection: AIS collects financial data from various sources within the organization. It includes data about business transactions, income, expenses, assets, and liabilities.

2. Data Processing: Once the data is collected, AIS processes it in various ways. This includes data validation, data integration, calculations, and categorization of information.
3. Data Storage: AIS stores financial data in a secure and structured database. This data can be accessed and retrieved at any time for reporting and analysis purposes.
4. Financial Reporting: One of the main functions of AIS is to produce accurate and relevant financial reports. This includes profit and loss statements, balance sheets, cash flow statements, and other reports required by management, shareholders, and external parties.
5. Internal Controls: AIS helps in implementing internal controls that ensure the reliability and security of financial data. This includes transaction validation, access tracking, and access rights restrictions.
6. Decision Support: Accounting information systems also provide the information necessary for effective decision making. It includes analytical reports, trend analysis, and forecasting.
7. Audits and Inspections: AIS simplifies the internal and external audit process by providing easy access to financial data and audit trails.
8. Regulatory Compliance: Accounting information systems also help organizations comply with applicable accounting regulations and standards[10].

These functions reflect the important role of AIS in managing financial information in an organization. It plays a key role in ensuring that accurate, relevant, and reliable financial information is available for decision making, reporting, internal control, and auditing.

Internal Control in Accounting:

- Internal controls are the steps and procedures implemented within an organization to protect assets, ensure the reliability of financial information, and minimize risks that can affect business operations. This theoretical foundation covers the basic concepts of internal control and why it is important in the accounting context. The objectives of internal control in the accounting context according to Turner and friends are:
- Protecting Assets: Internal controls aim to protect an organization's assets, including cash, inventory, property, and other assets, from loss, theft, or damage.
- Ensuring the Reliability of Financial Information: Internal controls are designed to ensure that the financial information produced by the organization is accurate, reliable, and in accordance with applicable accounting standards. This includes the income statement, balance sheet, and cash flow statement.
- Preventing and Detecting Fraud: Internal control helps in preventing and detecting fraud, both by internal employees and external parties. This involves transaction monitoring, segregation of duties, and internal audit procedures.
- Optimizing Operational Efficiency: Internal control can also help an organization optimize its operational efficiency. This can include setting up efficient business processes, controlling costs, and monitoring performance.

- Ensure Legal and Regulatory Compliance: The organization must comply with applicable laws and regulations. Internal controls help ensure that an organization meets legal and regulatory requirements in all aspects of its operations.
- Supporting Effective Decision Making: Internal control also plays a role in providing the information necessary for effective decision making by management and organizational stakeholders.[11]

Each organization may have internal control objectives that are tailored to its own needs and objectives. Therefore, it is important to refer to specific sources, such as the books mentioned, to gain a deeper understanding of how internal control is explained in a particular context.

METHOD

This research will use the analytical description method to gain an in-depth understanding of internal control in supporting the sales accounting information system at PT. Trans Retail Indonesia Transmart Buah Batu branch. This method will involve data collection, data analysis, as well as a comprehensive description and understanding of existing internal controls.

Research Stages:

1. Data collection:

- Data collection will be carried out through various sources, including interviews with company personnel related to the sales accounting information system, examination of internal documents, as well as direct observation of sales-related processes.
- Data collected will include policies and procedures, organizational structure, transaction records, financial reports, and relevant documents.

2. Data analysis:

- The data collected will be analyzed using the description method to describe in detail how internal control is currently implemented in the sales accounting information system.
- The analysis will include a description of the organizational structure, process flow, policies and procedures related to internal control.
- Data will also be analyzed to identify potential findings or problems that may exist in the system.

3. Description and Interpretation:

- The results of data analysis will be used to provide an in-depth description of the internal controls found in the company.
- Data will be interpreted in the context of the role of internal controls in maintaining the integrity, reliability and security of sales accounting information systems.
- Any problems or weaknesses identified will be described in detail.

4. Rekomendasi dan Perbaikan:

- Berdasarkan temuan dalam analisis data, akan diajukan rekomendasi perbaikan atau penguatan pengendalian internal yang sesuai.
 - Rekomendasi ini akan diformulasikan dengan mempertimbangkan prinsip-prinsip pengendalian internal yang baik dan praktik terbaik dalam industri ritel.
- 5. Conclusion and Implications:**
- This research will produce conclusions about the effectiveness of internal control in supporting PT's sales accounting information system. Trans Retail Indonesia Transmart Buah Batu branch.
 - The implications of the results of this research will be explained, including how improving internal control can have an impact on operational efficiency and company risk mitigation

RESULTS AND DISCUSSION

Internal Control of Cash Sales in Retail Companies:

Cashier at PT. Trans Retail Indonesia, like many retail companies, has a key role in the sales process and management of financial transactions. Following are some of the main functions of cashiers at PT. Trans Retail Indonesia:

1. **Accepting Payments:** The main role of a cashier is to accept payments from customers who have purchased products or services in the store. This includes accepting cash, credit/debit card payments, vouchers, or other forms of payment accepted by the company.
2. **Transaction Process:** The cashier is responsible for processing sales transactions carefully and accurately. They enter items purchased by customers into the sales information system, calculate the total purchases, and print invoices or receipts that are given to customers.
3. **Cash Management:** Cashiers must manage the cash received during transactions. They must have skills in counting money quickly and accurately. Additionally, they must maintain cash security and enforce established security procedures.
4. **Product Verification:** Cashiers can have a role in verifying products brought by customers. This includes ensuring that products purchased have been paid for and matching receipts with the items the customer brought.
5. **Transaction Recording:** Every transaction must be recorded properly in the sales information system. This is important for managing inventory, generating sales reports, and ensuring financial accountability.
6. **Inventory Control:** Cashiers can assist in stock and inventory control by ensuring that each transaction is properly recorded in the system. This helps identify when products need to be restocked or ordered.
7. **Customer Service:** The cashier is one of the last people to interact with customers before they leave the store. Therefore, they must have the skills to provide good customer service, answer questions, and handle complaints professionally.
8. **Daily Financial Reconciliation:** The cashier must carry out daily reconciliation, namely comparing the total cash received with the total sales recorded in the system. It is

important to ensure that all transactions have been recorded correctly and that cash corresponds to the sales recap.

9. Compliance with Policies and Procedures: Cashiers must comply with the policies and procedures established by the company, including internal control procedures relating to financial transactions.
10. Reporting and Auditing: The information recorded by cashiers is also used in a company's financial reporting and auditing processes. Therefore, cashiers must ensure the integrity of transaction data

Related Functions

Cash Sales Accounting Information System (Cash Sales Accounting Information System) at PT. Trans Retail Indonesia has several key functions that are very important for managing sales transactions efficiently and ensuring accuracy in financial recording and reporting. The following are several functions related to the cash sales information system at PT. Trans Retail Indonesia:

1. Sales Recording: This system records all sales transactions carried out in the store, including details of the products purchased, their quantity, price, and transaction date. This recording is important for tracking daily sales activities.
2. Total Sales Calculation: The system automatically calculates total sales based on transaction details. This includes a tally of the total cash, credit/debit cards, or other forms of payment received from customers
3. Stock Management: The sales information system is also related to managing product stock in the store. Every time a product is sold, the stock amount is reduced automatically. This helps in identifying when products need to be restocked or reordered.
4. Invoice or Receipt Generation: This system can generate sales invoices or receipts that are given to customers as proof of purchase. This invoice contains transaction details and other important information
5. Discount and Promotion Management: The system can calculate discounts or promotions that apply to sales transactions. This helps in accurate price calculation and provides benefits to customers.
6. Transaction Verification: The system can verify sales transactions by ensuring that the product price, quantity and product type match those recorded in the database.
7. Coupon or Voucher Management: If there is an applicable coupon or voucher program, the system can manage it by subtracting the discount value from the total transaction.
8. Payment Integration: The system can be integrated with various forms of payment, including cash, credit/debit cards, e-wallets, or other digital payment systems. This allows customers to choose the appropriate payment option.
9. Daily Reconciliation: The system automatically performs daily reconciliation by comparing the total cash received with the total recorded sales. This helps ensure accuracy in recording transactions.

10. Financial Reporting: The cash sales information system produces daily, weekly or monthly sales reports. This report is used to monitor sales performance and can be used in the audit or financial reporting process
11. Security Monitoring: The system can also have security monitoring functions to protect transaction data and prevent sensitive information leakage.

Evaluation of Internal Control Systems

Evaluating the cash sales internal control system at PT. Trans Retail Indonesia involves a number of key steps to ensure that the system functions effectively and in accordance with internal control objectives. Here are the steps you can consider::

1. Understanding the System: Start by understanding in depth how the internal control system for cash sales at PT. Trans Retail Indonesia operates. Here you need to know the policies, procedures and practices related to cash sales in the company.
2. Identify Control Objectives: Determine the main objectives of the cash sales internal control system, such as protecting company assets, minimizing the risk of fraud, or ensuring the accuracy of financial records.
3. Review Policies and Procedures: Review the policies and procedures that have been established by the company regarding cash sales. Ensure that the procedures include appropriate control measures.
4. Risk Identification: Identify potential risks associated with cash sales. These risks may include cash theft, record-keeping errors, or non-compliance with policies.
5. Documentation Inspection: Examine existing cash sales transaction documents, such as sales invoices, receipts and cash records.
6. Staff Interviews: Ask questions of staff involved in the cash sales process to understand how they apply internal controls in their daily work.
7. Testing of Controls: Perform testing to measure the effectiveness of internal controls. This may include testing a sample of transactions to ensure that controls are functioning as expected.
8. Retest: Repeat testing periodically to ensure that controls remain effective and do not erode over time.
9. Nonconformance Investigation: If you discover a nonconformity or problem in the control system, investigate further to understand the root cause and find the right solution.
10. Reporting Results: Create a report that includes your findings during the evaluation of the cash sales internal control system. Include recommendations for improvement if necessary.
11. Implementation of Improvements: If you discover problems or nonconformities, submit recommendations for improvements to management and ensure they are implemented correctly.
12. Continuous Monitoring: After improvements are implemented, conduct ongoing monitoring of the internal control system. Ensure that the system remains effective and adapts to changes in the business environment.

13. Oversight and Audit: Consider involving an internal audit team or external auditor to conduct independent audits of the internal control system on a regular basis.
14. Employee Training: Ensure that employees involved in the cash sales process receive adequate training regarding internal controls and best practices.

Cash Sales Information System

Cash Sales Information System at PT. Trans Retail Indonesia may have various components and features that support efficient cash sales operations. Although I do not have access to specific information about the PT system. Trans Retail Indonesia, I can provide a general overview of the components that may exist in a cash sales information system in retail companies like this:

1. Transaction Receipt: This system receives and records cash sales transactions from various sources, such as physical stores, online stores, and sales kiosks.
2. Product Recording: The system records details of products sold, including product name, SKU code, price, and quantity.
3. Customers: The system can have a customer database that records customer information such as name, address, telephone number, and purchase history.
4. Total Calculation: The system automatically calculates the total purchases based on the selected products and their prices.
5. Payment Options: The system supports various payment types, including cash, credit/debit cards, vouchers, and electronic payments.
6. Transaction Verification: Sales transactions can be verified to ensure price accuracy, total calculations and stock availability.
7. Stock Management: The system reduces the amount of product stock sold and provides information about available stock.
8. Sales Invoice: An invoice or receipt is printed or generated by the system to provide proof of purchase to the customer.
9. Discount and Promotion Management: The system can calculate applicable discounts or promotions and reduce the payment amount according to the discount given.
10. Sales Reporting: The system generates daily, weekly, or monthly sales reports, including data on product sales, revenue, and customer transactions.
11. Card Payment Integration: The system may connect with credit/debit card payment networks to securely process card transactions.
12. Security: The system must have strong security features to protect transaction data and reduce the risk of fraud or security breaches.
13. Staff Monitoring: The system can record the activities of staff involved in sales transactions and generate user activity reports.
14. Returns and Returns Management: The system can manage the product return and refund process in cases of returns or customer complaints.
15. Daily Reconciliation: The system can perform daily reconciliation by comparing the total cash received with the total sales recorded in the system.
16. Auditing and Internal Controls: These systems may have controls and tracking that enable internal controls to monitor sales activities effectively.

17. Tax Management: The system can calculate and record the amount of tax imposed on sales transactions.
18. Integration with Other Systems: This system may be integrated with other systems in the company, such as an inventory system or a customer management system.
19. Product Updates: This system allows companies to update and manage product, price and promotion information.

The Relationship between Internal Control and the Sales Accounting Information System

Effective internal control evaluation can greatly support the sales accounting information system at PT. Trans Retail Indonesia branch of Transmart Buah Batu. Here are some ways in which internal control evaluation can play an important role in supporting sales accounting information systems:

1. Ensure Data Accuracy: Evaluation of internal controls can help ensure that sales data entered into the sales accounting information system is accurate. This includes checking that each transaction has been recorded correctly and the amounts are appropriate.
2. Error and Fraud Prevention: By identifying potential risks and ensuring that appropriate internal controls are implemented, evaluations can help prevent errors and fraud in sales transactions. It protects the company from financial losses caused by unauthorized actions.
3. Efficient Stock Management: Evaluation of internal controls can ensure that product stocks in stores, including at Transmart Buah Batu, are well monitored. This makes it possible to avoid under- or over-stocking, which can impact product availability for customers.
4. Accurate Financial Reporting: Evaluation of internal controls can help ensure that the financial reports produced from the sales accounting information system accurately reflect the business performance of Transmart Buah Batu. This is important for informed decision making.
5. Tax Controls: Evaluation of internal controls can help a company ensure that taxes imposed on sales are calculated correctly and paid on time, thereby minimizing the risk of tax penalties.
6. Compliance with Regulations: Transmart Buah Batu, like other companies, must comply with applicable regulations. Evaluation of internal controls can help ensure that the company operates in accordance with applicable legal requirements in the field of sales.
7. Data Security Management: Internal control evaluation can also support the security of customer data and sales transactions. This includes protecting customer personal data from security threats.
8. Improved Operational Efficiency: By identifying potential improvements in the internal control process, evaluation can help improve operational efficiency at Transmart Buah Batu. This can result in cost savings and increased productivity.

CONCLUSION

The functions of the Internal Control System are very helpful for PT. Trans Retail Indonesia manages and tracks all cash sales activities efficiently, ensures the integrity of transaction data, and provides better service to customers. Apart from that, this system also supports accurate decision making and financial reporting. Evaluating the cash sales internal control system is an ongoing effort that helps PT. Trans Retail Indonesia mitigates risks associated with cash transactions, ensures recording accuracy, and ensures compliance with applicable policies and regulations. This evaluation can also help improve the efficiency and reliability of a company's cash sales operations. Cash sales information system as used by PT. Trans Retail Indonesia is very important to support smooth sales operations, accurate records, and efficient customer service in retail companies. This system also allows companies to collect important data that can be used for business decision making and performance analysis. Internal control evaluation serves as a tool to ensure that the sales accounting information system runs well, produces accurate data, and supports healthy business operations. With strong internal controls, companies such as PT. Trans Retail Indonesia Transmart Buah Batu branch can improve sales transaction management and achieve its business goals better.

REFERENCES

- M. Muhtarudin, "APLIKASI SISTEM INFORMASI AKUNTANSI PERSEDIAAN SPARE PART SEPEDA MOTOR Studi Kasus: PT SEJAHTERA INTI ANUGRAH PERKASA BANDUNG," *J. Komput. Bisnis*, vol. 16, no. 1, pp. 1–7, 2013, [Online]. Available: <http://jurnal.lpkia.ac.id/index.php/jkb/article/view/438>
- M. H. Al Hamzah, W. O. Kurniawan, and K. Muzakki, "Evaluasi Sistem Informasi Akuntansi Penjualan dalam Upaya Meningkatkan Efektifitas Pengendalian Intern (Studi Kasus Pada Pt. Elba Fitrah Mandiri Sejahterah)," *Semin. Santika*, vol. 3, no. 2016, 2019.
- M. D. Agustini, Y. Sukandani, and M. R. Ardhiani, "Analisis Sistem Informasi Akuntansi Penjualan Kredit Untuk Meningkatkan Pengendalian Intern," *J. Sustain. Bussiness Res.*, vol. 3, no. 1, pp. 82–91, 2022, [Online]. Available: <https://jurnal.unipasby.ac.id/index.php/jsbr/article/view/5377>
- M. Rachmawaty Rachman, "Dampak Sistem Informasi Akuntansi Penjualan dan Pengeluaran Kas Terhadap Pengendalian Internal Studi Kasus Pada PT Cahaya Buana Furindotama," *J. Ilm. Akunt. Kesatuan*, vol. 11, no. 1, pp. 177–186, 2023, doi: 10.37641/jiakes.v11i1.1718.
- Y. Setyawan and D. Widyawati, "Analisis Pengendalian Intern Dalam Sistem Informasi," *J. Ilmu dan Ris. Akunt.*, vol. 11, 2022.
- D. C. Wati, H. T. H. P, D. Zuhroh, W. Wiratna, and S. Sutini, "Evaluasi Sistem Informasi Akuntansi Penjualan Terhadap Pengendalian Penerimaan Kas Pada PT . IMS Di Surabaya," 2023.
- Yu Anita Nila Vandarita and Sri Dwi Estiningrum, "Evaluasi atas Perancangan Sistem Informasi Akuntansi Penjualan Kredit pada Usaha Kecil," *J. Ris. dan Apl. Akunt. dan Manaj.*, vol. 5, no. 3, pp. 339–354, 2022, doi: 10.33795/jraam.v5i3.008.

- Adhi Kusumastuti; Ahmad Mustamil Khoiron, *Metode penelitian kualitatif*. Lembaga Pendidikan Sukarno Pressindo (LPSP), 2023. [Online]. Available: https://www.google.co.id/books/edition/Metode_penelitian_kualitatif/637LEAAAQBAJ?hl=id&gbpv=1
- Marshall B. Romney; Paul J. Steinbart, *Accounting Information Systems*. Pearson, 2021.
- D. K. A. Ovlia, *Accounting Information Systems: The Crossroads of Accounting and IT*, 3rd ed. Wioey, 2021.
- Leslie Turner; Andrea B. Weickgenannt; Mary Kay Copeland, *Accounting Information Systems: Controls and Processes*. Wiley, 2021.