

The Impact of Optimizing Accounting and Finance Functions on Financial Reports in Improving Internal Control at PT Tripalindo Trans Mix

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Abstract: *This research was conducted to find out how it impacts financial statements if the accounting and finance functions are optimized. The research was conducted on optimizing the accounting and finance functions in improving internal control at PT Tripalindo Trans Mix. This research uses a qualitative approach by choosing financial divisions as a sample. The data obtained from the financial division will be compared with the relevant theory. The data analysis carried out in this study includes collecting data related to accounting and finance, studying and analyzing documents, providing alternatives to problem-solving, and drawing conclusions. The results of the research that has been carried out are known that the task of finance at PT. Tripalindo Trans Mix includes banks, office cash, and factory cash. The accounting section includes receivables, payables, and accountants. Based on the results of observations, active participation, interviews, and author analysis related to the topic, it is known that the lack of human resources makes companies must rely on these two important tasks, namely accounting, and finance, one person. However, this has an impact on financial statements which often experience lags in a settlement. The strict supervision system carried out by the company makes it run effectively and no fraud is found in its implementation.*

Keywords: Optimization, Accounting, Finance, Internal Control, Financial Statements.

1. INTRODUCTION

In a company having a part in financial management is important. This certainly makes the company must be able to manage the financial management system properly. The resulting financial reports are very influential on the company's operations because there are listed the profit and loss of the business, the total assets of the company, and the company's operational costs. Accounting and finance tasks are needed in managing financial reports. According to the American Institute of Certified Public Accounting (AICPA) explained by Sujarweni, (2020) defines accounting as "the art of recording, classifying and summarizing in a certain way in monetary terms, transactions and events which are generally financial including interpreting results -the result". In simple terms, it is explained that accounting can produce information used by managers to carry out company operations. Accounting is used as a measuring tool that provides information generally in terms of money about an economic entity that is useful for internal and external parties in making decisions.

Yuesti and Kepramareni (2019, 2) explain the opinion of Bambang Riyanto that financial management is "all company activities related to efforts to obtain the funds needed at minimum cost and the most profitable conditions along with efforts to use these funds as efficiently as possible". Finance is one of the terms in financial management. Finance deals with

the supervision, creation, and study of the financial, banking, credit, investment, assets, and liabilities that make up the financial system. This means finance has the right to hold the company's money.

Even though the two parts, namely accounting, and finance, are related to finance, in carrying out their duties the two parts must be separated. At least one person carries one financial section. This was explained by Slamet Sugiri (Sodikin, 2019) in his book which stated that "a good internal control system is a system that separates the operating and accounting functions. For example, a cash holder may not double as an officer for recording cash in a journal or posting it to a cash account. The aim is not only to facilitate financial management, which is the duty of every financial department but also to minimize fraud in financial management.

Based on the explanation above, it can be seen that the task in finance is not easy. It takes thoroughness, thoroughness, understanding, and good analysis in managing company finances. PT Tripalindo Trans Mix is a road paving contractor company in East Java that was established in 2002. This company has received many projects in various regions such as road paving works in Tuban, Gresik, Sidoarjo, and other areas. It is quite interesting to know how the division of tasks and financial management, especially in the field of accounting and finance. Therefore, the authors chose this company as a place of research that intends to determine the impact of

optimizing the accounting and finance functions on financial reports in improving internal control which is the main topic of this research.

2. METHOD

The research location was carried out at PT. Tripalindo Trans Mix which is located on Jl. Komerling No. 14 Surabaya. In this study, researchers used a qualitative approach. This study uses the type of case study research. Sources of data obtained by researchers in this study came from informants who were staff of the financial division and documents which were printed in books, reports, and research agendas. The sample to be taken is the one who knows best about the problem to be studied, namely the financial division of the company PT. Tripalindo Transmix. Techniques for collecting data were carried out by observation by looking directly at the conditions in the field regarding the object under study, and interviews by giving in-depth questions related to accounting and finance tasks to the staff and head of finance at PT. Tripalindo Trans Mix, as well as documentation in the form of photos or drawings and archives regarding research activities in the field. Test the validity of the data in this study using theoretical triangulation by comparing the data obtained from the financial division with the relevant theory.

Data analysis carried out by researchers in this study was to collect data related to the accounting and finance functions as well as internal control over financial reports. Second, study and analyze the organizational structure that has been implemented so that in this way it can be seen whether the applied organizational structure has a clear system of authority and responsibility. Third, studying and analyzing journals and other documents used in the internal control system for financial reports. Fourth, provide alternative problem-solving that aims to improve the internal control system over financial reports. Fifth, provide conclusions regarding the results of data analysis from the internal control system over financial reports and the accounting and finance functions.

3. RESULTS

3.1 FINANCE FUNCTION

a. Finance Section of the Bank

1) Fundraising

Before making a transaction, the finance department of the bank checks the final balance in each company's bank account. This check is done through internet banking. This is done as an effort to find sources of funds that can be used for transactions.

2) Fund Management

After knowing the source of funds that can be used for transactions, then the bank's department records and recaps the transactions that will be carried out into the record book. These transactions include submitting office cash funds, debt payments, and other company operational needs. After that, check and select the application for funds and any payments that are approved to be paid. This is done with the approval of the leadership.

3) Allocating Funds

Recap of transactions that have been approved by the leadership and then paid by the bank. For payment of funds, the bank's office cash application withdraws cash from the company's account, then it is paid to the office cash according to the application for funds approved by the leadership. In handing over the cash, the bank provides duplicate receipts as proof of receipt and delivery of the money. Debt payments which include suppliers of raw materials, production, and spare parts, it is done through LLG, current account checks, and transfers.

b. Office Cash Department Finance

1) Fundraising

In the cash section of the office, fundraising is carried out by submitting operational funds to the bank's department. The value of applying for office cash funds is based on notes on the needs of the field, office, factory, and the absences of field employees.

2) Fund Management

Office cash checks operational fund requirements submitted by factory cash, office needs, and field division and selects operational funds to be paid. For example, an office employee applying for funds to photocopy files in the office cash section has the right to refuse it because the office has provided facilities for photocopies.

3) Allocating Funds

After getting the funds from the bank's department, the official cash then made payments to the factory cash in cash. And for field needs, it is carried out through the chief executive of each project. The cash office provides duplicate cash receipts that must be signed by the giver and recipient of the money as proof of payment.

c. Factory Cash Section Finance

1) Fundraising

The factory cash submits a fund application to the office cash section to obtain funds used for operations. Funds submitted are based on data on requests for funds provided by project finance in the form of absences from factory employees and notes.

2) Fund Management

The factory cash section checks and selects operational funds before submitting them to the cash office.

3) Allocating Funds

Funds that have been received from the office cash are then paid to the project finance department for factory employee salaries, operational materials, and project needs in the field.

The three sections, namely bank cash, office cash, and factory cash, also have the task of making cash reports

to be given to the accounting department. Cash reports are made every day, however, given to the accountant once a week.

2.1 ACCOUNTING FUNCTION

a. Receivables Section

1. Recording Reports

In this company, receivables arose due to a project tender that was won by the company and the sale of asphalt to the private sector. After signing the contract, the accounts receivable section records the receivables book with the net contract value (Dpp - Pph). This receivable is billed monthly according to the progress of work in the field. This billing is done with the system of payment of advance and terms. Then, the accounts receivable section prepares accounts receivable reports every month to be given to the accountant.

2. Classify

The classification of receivables transactions consists of grouping project receivables from government agencies and receivables from ready-mix and hot-mix sales to private parties. In the financial statements, project receivables are recorded as project sales and receivables from private parties are recorded as retail sales.

3. Make Summary

The accounts receivable section makes a summary of the remaining invoices based on recording payments from customers. This report is given to the leadership every week.

b. Debt Section

1. Recording Reports

In this company, debt arises because of the purchase of goods on credit and bank loans for company capital. Bills given by suppliers to companies are recorded by the bank in the accounts payable book. Then the bill is submitted for payment by the bank to the directors. Once approved, payment is made by the bank. The accounts payable section also creates a report to give to the accountant. In carrying out its duties, the debt department concurrently has duties in the factory cash section.

2. Classify

The classification of debt consists of trade payables and bank loans. Trade payables consist of purchases of raw materials such as sirtu, sand, stone, and cement. Bank debt consists of corporate capital debt. The financial statements are recorded as trade payables and bank loans.

3. Make Summary

The accounts payable department makes a recap of supplier bills that are due to be paid to the bank and management every week.

c. Accountant Section

1. Recording Reports

The report data obtained from the finance, receivables, and payables departments are then re-examined and recorded in a journal. After that enter the journal into the ledger. The next task is to make a trial balance to find out whether the debit and credit amounts in the general ledger account are balanced. In this company, there is a possibility that there are transactions that have not been recorded because transactions occur at the end of making reports. If a case like this occurs, the accountant will collect all transactions that have not been recorded as material for making adjusting entries. The next step is to make a worksheet to find out errors that might occur in making adjusting entries. Then make financial reports consisting of profit and loss reports, balance sheets, reports on changes in

capital, and cash flow statements. In carrying out their duties, the accountant concurrently serves as part of the bank.

2. Protect Property and Assets

The accounting section prepares asset reports based on data on asset purchases made on credit or cash and then calculates asset depreciation using the straight-line method.

3. Communicating Results

In this company the financial reports produced can be used by the tender section to calculate the SKN (Remaining Real Capabilities) or calculate the final total equity of the company. The amount of equity is used as the basis for the company's ability to handle a project.

4. Legal meetings

The system used to recover tax overpayments is by referring to Minister of Finance Regulation No. 209

/PMK.03/2021 which states that Corporate Taxpayers submitting Annual Income Tax Returns overpaid for refunds with a maximum amount of overpayment of IDR 1,000,000,000.00 (one billion rupiahs). If there is a purchase of goods with VAT then it is recorded as input tax by the company. When the total input tax has reached 1 billion, the tax accountant will make a refund.

5. Classify

The classification of data by accountants is based on the account number or COA that has been made. For example, the account number for accounts payable is 1.0.20.10.

6. Analyze and Interpret

The report data produced by the accountant is then given to the directors for analysis.

4. DISCUSSION

4.1 FINANCE FUNCTION AT PT TRIPALINDO TRANS MIX

a. Fundraising

From the results of research in the field the bank's section in seeking funds by looking at the balance that can be used for transactions in each company's bank account, then the cash office section submits funds to the bank to obtain money. As well as the factory cash section obtains money by submitting funds to the office cash. These results show that the finance function in this company is by Riyanto's statement (Nurhayati, 2017) "financial management (financial management) is all company activities related to how to obtain funds,.....".

b. Fund Management

The bank, office cash, and factory cash department always re-check the details of the application for funds so that the money provided for the company's operational needs is not misdirected and meets the needs. This shows that the finance function is by Riyanto's statement (Nurhayati, 2017) that "financial management (financial management) is all company activities related to how to obtain funds, use funds, and manage assets according to company objectives as a whole".

c. Allocating Funds

From the application of funds by the bank to the directors and approval, then payments are made from the bank to the cash office, suppliers, and other operational needs. Office cash makes payments to factory cash and field operators. For the factory, cash makes payments to project finance. This shows that payments are made as a form of allocating funds that have been approved for company operational needs and by Riyanto's statement (Nurhayati, 2017) "financial management is all company activities related to how to obtain funds, use funds, ...".

The three departments, namely bank cash, office cash, and factory cash, also have the task of making cash reports to be given to the accounting department. This is a form of financial responsibility to provide information on financial transactions that have been carried out. This is to the results of research by Suswanti and Rizami (2017, 58) which show "reliability of financial information has a positive effect and significance on the quality of financial reports".

4.2 ACCOUNTING FUNCTION AT PT TRIPALINDO TRANS MIX

a. Recording Reports

From the results of field observations, the accounts receivable section records transactions into accounts receivable books and makes accounts receivable reports, the accounts payable section records in accounts payable books and makes accounts payable reports, and accountants record reports from office cash, factory cash, bank cash, debts, and accounts receivable into journals and postings. to the ledger. Accountants make financial reports consisting of balance sheets, income statements, and reports on changes in capital and cash flows. This shows that the accounting function in this company is by the statement of Siswanti, Setiadi, and (Sibrani, 2002) in their book, namely "the main function of accounting is to record transaction records systematically and chronologically from so many transactions....., and finally prepare the final account to find out the profit and loss of the business.....".

b. Protect Property and Assets

The results of the study show that the accountant makes asset reports and calculates asset depreciation. This is to the statement of Siswanti, Setiadi, and Sibrani (2022, 10) in their book, namely "the next accounting function is to calculate the amount of asset depreciation".

c. Communicating Results

accounting information system has a significant positive effect on the quality of financial reports.

The results of the financial statements can be used for the tender section as a measure of the company's final total equity which is used as the basis for the company's ability to handle a project so that the government is interested in using the company's construction services. This is certainly to the statement of Siswanti, Setiadi, and Sibrani (2022, 10) in their book, namely "the next function of accounting is to communicate results and transactions to all parties interested in a particular business".

d. Legal meeting

When the total input tax has reached 1 billion, the tax accountant will make a refund by the provisions of KMK.209

/ PMK.03/2021. This is to the explanation of Siswanti, Setiadi, and Sibrani (2022, 10) in their book, namely "The accounting function is also related to system design and development, This system is later needed to activate ownership or authority to submit various statements, such as sales returns, taxes, income tax returns, and so on.

e. classify

In the financial statements, project receivables are recorded as project sales and receivables from private parties are recorded as retail sales. The classification of debt consists of trade payables and bank loans. The classification of data by accountants is based on the account number or COA. This is to the explanation of Siswanti, Setiadi, and Sibrani (2022, 10) in their book, namely "the function of accounting is as a classification related to the systematic analysis of all recorded data".

f. Create Summary

The accounts receivable section makes a summary of the remaining invoices based on recording payments from customers. The accounts payable section makes a summary of supplier invoices that are due. This is to the explanation by Siswanti, Setiadi, and Sibrani (2022, 10) in their book, namely "this summarizing activity involves presenting confidential data with understandable delivery".

g. Analyzing and Interpreting

The report data produced by the accountant is then given to the directors for analysis. This is to the explanation of Siswanti, Setiadi, and Sibrani (2022, 10) in their book, namely "the last accounting function is to analyze and interpret financial data".

Making financial reports is also a form of accounting responsibility to provide financial information to companies. This is to the results of research by Astuti and (Suprptiningrum 2022, 492), which shows that the

4.3 THE IMPACT OF OPTIMIZING ACCOUNTING AND FINANCE FUNCTIONS IN IMPROVING INTERNAL CONTROL AT PT TRIPALINDO TRANS MIX

It should be noted that in this company the accountant also doubles as finance in the bank's department. The combination of the two tasks, namely finance, and

accounting, has an impact that can affect financial management. Some of the impacts include more jobs desc owned due to the merger, thus allowing for delays in the management of financial data. In addition, fraud in data management and financial transactions carries a greater risk because it is carried out by the same person.

Based on the results of interviews conducted by the author with the head of accounting and finance, it shows that one of the factors that are the reason for the optimization of the two sections is the limited human resources owned by the company. But so far, with the optimization of accounting and finance tasks, the financial system is still being implemented effectively. Evidenced by the financial reports that can be completed in each accounting period, although sometimes there are delays. To anticipate fraud or manipulation of data, the company conducts random internal audits once a week. Internal audit is carried out as a control over financial reports. This is to the results of research by Emay, Fajar, and Suparwo (2019, 42) which shows that internal control partially has a significant effect on the quality of financial reports.

5. CONCLUSION

1. Based on the author's observations and analysis it is very clear that the accounting and finance tasks are running as they should. Accounting is in charge of recording and preparing financial reports, while Finance is in charge of money management.
2. Optimization of accounting and finance tasks carried out by the company is still effectively carried out with full supervision from the company through random internal audits within one week. This is done to anticipate fraud that causes losses in the company.
3. The impact of optimizing the accounting and finance functions is that more job desks are covered so that delays often occur in preparing financial reports.

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