Accurate Accounting Recording System And Internal Control In Mr. Agu Dump Truck Rental Services

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Abstract

Agu Dump Trucks Rental Services has been established since 1990 but because of the lack of system that record transactions accurately, the business is hard to produce report that inform the financial condition of business and making difficulties to owners to make decisions in developing their business. The financial record system owned by Agu Dump Trucks Rental Services is still traditionally manual that causing slow data processing and ineffective preparation of financial reports. The method used in the implementation of this practical work is using primary data sources, where the data needed is directly obtained from related parties. The output result of the implementation of an accounting recording system are statement of financial position, income statement, statement of changes in capital, report on purchases and sales, and report on remaining debts and receivables. The recommendation for future student creativity program is to find the needed place which we can implement for good and correct accounting recording procedures.

Keywords: *Accounting Information System, Microsoft Access, Internal Control, System Design, Financial Report*

Introduction

Micro, Small, and Medium Enterprises (MSMEs) are important organs for economic growth and the level of welfare in the country (Akim; Konety, Neneng; Purnama, Chandra; Adilla, 2018). With the existence of MSMEs, the unemployment rate in Indonesia is also reduced, because MSMEs can absorb labor (Safitri 2020). Based on data obtained from the Ministry of Cooperatives and Small and Medium Enterprises (KUKM) in 2018, MSMEs have a workforce absorption capacity of at least 117,000,000 workers in the business world and contribute 61.1% to improve Indonesia's national economy. So there needs to be more attention given to MSMEs in order to develop their business and help improve the welfare of the nation. Usually in the industrial sector with a large scale, it generally has used technology. They already have an adequate system of production, recording of transactions, inventory, sales, purchases, and financial statements. Meanwhile, the use of technology is still rarely found in micro, small and medium-sized enterprises. This makes it difficult for MSMEs to compete with large-scale companies. Due to the ineffectiveness and efficiency of the company's

operational activities, be it the production system or recording transactions that produce output in the form of financial information. In addition, in 2020, the world was shocked by the presence of the Covid-19 virus, including Indonesia. In addition to attacking human health, this virus also attacks the world economy. Not only does it affect economic conditions in large-scale industries, but it also negatively affects all business fields, including MSMEs. The growth rate of MSMEs is also hampered due to the Covid-19 pandemic, MSMEs must be able to maintain their business, but the level of resilience and flexibility of MSMEs is still in doubt due to the low level of digitalization and difficulties for MSMEs to access technology (Hilmiana & Kirana, 2021). For this reason, it is necessary to have this community service activity (CSA) program in order to support the growth and survival of MSMEs. The internal control system is a process carried out by the board of directors, management and personnel of other entities, designed to help improve compliance with applicable laws, regulations, contracts, policies and procedures. With internal control, the information available is reliable, accurate, and timely. An effective internal control system can help companies evaluate, see what is detrimental to the company and help in improving internal controls that need to be improved (Burhani et al., 2022). This CSA is targeted to design an accurate accounting recording system in accordance with the results of interviews and requests from business owners. The main system contained in the program is a system for recording transactions such as purchases and sales. The recording system designed using Microsoft Access aims to make it easier for these businesses to record transactions so that they no longer need to be done manually. In addition, it can make it easier for owners to find the desired transaction quickly and easily if needed at some time. Through the design of this system, the owner can see the profit and loss, financial position, balance sheet, total sales and purchases as well as the remaining debts and receivables easily. Initially, Mr. Agu Dump Trucks Rental Services only knew the traditional recording system so that all transactions were recorded manually as in a book and excel and this of course was very time-consuming and could not guarantee the accuracy of financial statements besides that there was also no grouping of transactions which caused everything to be made into 1 file only. So if the owner wants to find the desired transaction at any time, it takes a long time to unpack and search one by one from the reports in the file and of course this is very ineffective and efficient. So the author has a desire to help Mr. Agu Dump Trucks Rental Services in terms of recording transactions. The author has designed a system for accurately recording transactions using the Microsoft Access program. This system can help owners in recording transactions so that they no longer need to be done manually and can increase the effectiveness and efficiency of activities at Pak Agu Dump Trucks Rental Services. The output produced is in the form of an income statement, a statement of financial position, a statement of changes in capital, a balance sheet statement, a report, a report on sales and purchases, a report on the remaining debts and receivables.

Methods

The following is the method of implementing CSA (Community Service Activities):

1. Interview

Interview is a conversation that aims to obtain certain information in which there are interviewers and interviewees. The interviewer is the person who gives the questions and the source is the one who provides the information. Interviews can usually be conducted through direct or face-to-face contact with the source or by (M.Eastwaramoorthy & Zarinpoush, 2006). Prior to the interview, the CSA executive had asked the business owner for permission and prepared interview questions. In this CSA the implementer conducts an interview directly with the Manager to get information about business activities and problems that are being faced in relation to accounting.

2. Observation

Observation is carried out by direct observation with the aim of obtaining certain data. This observation has the characteristic that there is a presence of research participants where the information is needed. With observation, the data needed can be considered valid or valid for use in research (Mirhosseini, 2012). In the implementation of this CSA, the executor visits the place of business to observe firsthand the process of activities that occur daily in the business. The activities in question are related to the process of providing rental services and the transaction recording system at Pak Agu Dump Trucks Rental Services.

3. Documentation

Documentation is evidence provided for information where such evidence includes primary sources and secondary sources (Nordquist, 2019). The primary source in this CSA is the business owner and secondary sources can be in the form of numbers, pictures or graphs such as notes, documents, and so on. Mr. Agu Dump trucks Rental Services is engaged in dump trucks rental services.

Pak Agu Dump trucks Rental Services is engaged in dump trucks rental services. This business is located on Jl. Legenda Malaka No.16, Batam. The duration of this activity is recorded in the schedule so that it can find out the flow of activities carried out in this CSA, this activity is carried out starting from July 1, 2022 to December 31, 2022.

Table 1.
Project Implementation Schedule

No	Date	Activities
1	01 July - 25 July 2022	Partner Search in Batam
2	25 July 2022	Contact Pak Agu Jasa Sewa Dump Trucks to explain the CSA that will be carried out and discuss the availability of partners to hold cooperation
3	29 July 2022	Conducting site surveys and observing business activities and conditions
4	29 July 2022	Conducting interviews with partners

No						
5	01 August - 12 August 2022	Preparation of MoU and MoA				
6	27 August 2022	Signing of MoU and MoA from the Partner and requesting additional data for the purposes of recording financial statements				
7	27 August – 30 August 2022	Attach a proposal to be signed by the head of the study program, Ibu Sari Dewi, S.E., Mak.				
8	01 September - 23 September 2022	Designing accounting systems in Microsoft Access				
9	15 October – 31 October 2022	Training and teaching to the Implementation Partner				
10	01 November -20 December 2022	all draft results Preparation of CSA Activity Report				
11	31 December 2022	Assessment by the supervisor				
12	31 December 2022	Collection of CAS final reports to BAAK				

Source: Author (2022)

Table 2.
Project Implementation Budget

No.	Activities	Budget Type	Volume	Metric	Unit	Total
1	Observations and interviews	Transportation	2	Times	IDR 40,500	IDR 81,000
		Consumption	2	Times	IDR 50,000	IDR 100,000
		Internet	1	Month	IDR 200,000	IDR 200,000
2	Approval Documents	10,000 stamp duty	4	Pieces	IDR 12,500	IDR 50,000
3	Fee Design	Cost of making the system	1	Package	IDR 1,000,000	IDR 1,000,000
		Purchasing Laptops	1	Piece	IDR 3,000,000	IDR 3,000,000
4	Implementation and Documentation	Transportation costs	2	Times	IDR 40,500	IDR 81,000
		Internet	2	Months	IDR 200,000	IDR 400,000
		Consumption Cost	2	Times	IDR 100,000	IDR 200,000

| 5	Evaluation and Reporting	Printing Fees	Package	IDR 60,000	IDR 60,000
			Total Cost		**IDR 5,172,000**

Result and Discussion

a. **Business Flow Design (FlowChart)**

The design of the business flow is based on the results of observations and surveys conducted, as well as the results of interviews and understanding of the business flow from the owner. As a result of Mr. Agu's business flow, Dump Trucks Rental Services made a simple sales transaction, namely in picture 1.

Picture 1.
Sales Flowchart
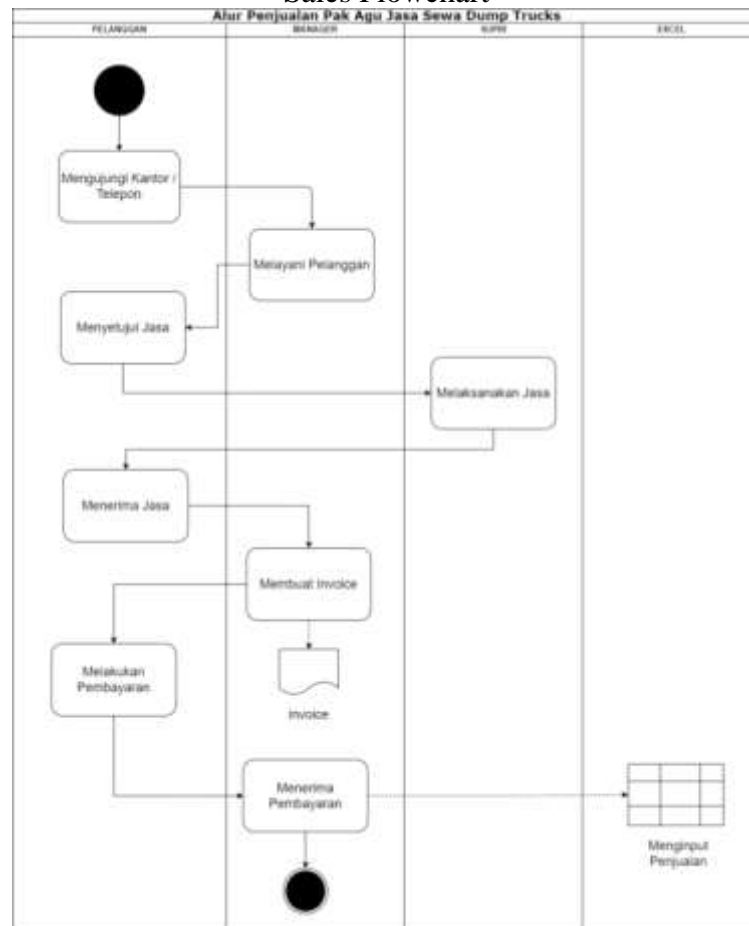
Source: Author (2022)

The process starts from the customer who makes the order in the process by the Manager. The manager will discuss with the customer about the service that the customer wants and the price. After the customer agrees to the service price, the driver will carry out the service. After the customer has received the service, the manager will create an invoice to the customer and after receiving the payment, the manager will record the transaction using Microsoft Excel. The resulting output is only a sales transaction, there is no report. This causes

ineffectiveness in recording transactions, therefore, the proposed draft of an effective business flow is to use the system that has been designed in this activity.

Picture 2.

Improvement of Sales Flowchart

Source: Author (2022)

The new design of the sales flow in Figure 2 makes business activities easier. Managers in generating financial reports and data are automatically processed by the system when there is a sales transaction. The sales flow starts from ordering purchases by customers, the Manager will discuss with customers about the services customers want and prices. After that, the Manager creates a purchase order and confirms the sale to the customer for the purchase transaction he made and inputs it into the customer data system. Confirmation of the sale will be proof of the driver to carry out the service. The customer makes a payment to the manager and after the Manager receives proof of payment from the customer, the manager records the sales transaction in the access database.

b. Internal Control System

Pak Agu Dump Trucks Rental Services Definition of Internal Control System according to PP Number 60 of 2008 concerning SPIP is an integral process in actions and activities carried out continuously by the leadership and all employees to provide adequate confidence in the achievement of organizational goals through effective and efficient activities. The following is the internal control system of Mr. Agu Dump Trucks Rental Services:

1. Control Environment

Control Environment Pak agu dump trucks rental services only involve the manager and owner so that the manager has a close relationship with the owner. The manager covers all the work that takes place in this company. Starting from receiving services, commanding drivers to perform services and inputting sales. The proof of the

transaction that occurred was not filled neatly by the manager and was only stacked. There is also some proof of the transaction of purchasing discarded fuel oil. But, in the system of recording excel is already recorded.

2. Risk Assessment

The risks that can occur in operations are as follows.

a. Risk of lack of accuracy of employees in inputting transactions into excel and transaction books.

b. Risk of embezzlement of funds.

3. Control Procedure

The control procedure on Pak Agu Dump Trucks Rental Services can be explained as follows.

a. Transaction Data and Recording

When a sales transaction occurs, the manager must confirm the sale with the customer via chat and write into the transaction book. So that when the manager commits fraud or negligence, the owner can see again evidence of fraud or negligence. Transactions that have been inputted in excel must have all proof of transactions in the form of notes so that when the owner wants to know whether the transaction really occurred, the owner can see the proof of the transaction. In addition, proof of transaction must also be filled properly and neatly into a folder.

b. Employee Competence

Mr. Agu Dump Trucks Rental Services has employees who take care of the entire sale so that it can be guaranteed that the employee's ability to carry out business operations properly from serving customers to sending orders. However, the lack of employee competence is that it has not been able to help the owner to create adequate financial statements so that the owner can only make a profit statement in such a way without understanding the actual calculation method. This will be improved by designing an accounting system so that it has more accurate and adequate financial statements.

4. Monitoring

Monitoring is carried out by the owner by occasionally checking the suitability of customer orders with transactions recorded by employees. In addition, the owner must also check the proof of transaction with transactions that have been recorded / input into excel. 5.Information and Communication The information and communication carried out by the owner to the employee is well established because it only has one employee. So that the close relationship between the owner and employees can be declared good and can streamline business operations.

c. Designing a Microsoft Access-Based Accounting System

Picture 3 is the display when you first open the system Dash board or the main menu is the home view of the designed system. The inside of this homepage contains information that will be needed by business owners. The display of this homepage is in the form of a business name and shortcuts / buttons for inputting transaction data that are cool so that it can make it easier for owners to access the system.

Picture 3.
Dashboard
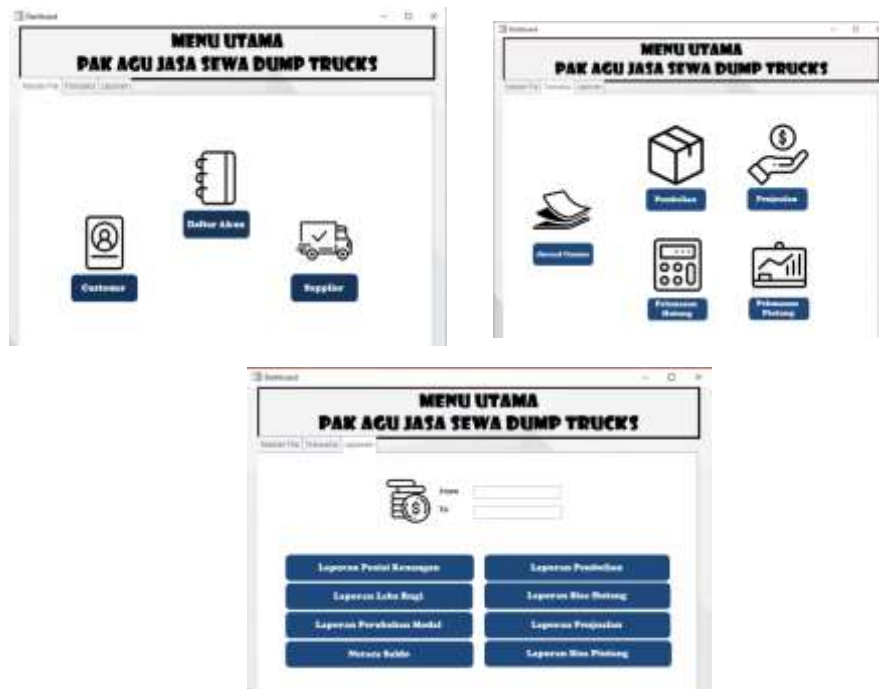
Source: Author (2022)

1. Main Menu

Master File The main menu in the master file has buttons of account list form, customer form and supplier form. The account list form serves as a place to fill out the account list. Here are the details of the main menu of the master file:

a. Account List Form

Account List Form is used to add new accounts in the future, managers or business owners can input on the account list form. The account list form will be connected to the account list table (master file) so that if the owner inputs new accounts, the account data will be stored and entered into the list of accounts that are the master file. Here is what the account listing form looks like.

Picture 4.
Account List

Source: Author (2022)

b. Customer Form

Customer Form customer list has a function as a place to input customer data. For every new customer or to edit information about the customer, the owner and manager can do it on this form, the following is seen from the customer list form:

Picture 5.
Customer Form

Source: Author (2022)

c. Supplier Form

As for business owners or managers, they can add the identities of new suppliers through the supplier form. Where the results of the input will be automatically stored in the list of suppliers who are the master file. In the supplier form, there are several fields, namely the supplier code, supplier name and supplier address. Here is what the supplier form looks like:

Picture 6.
Supplier Form

Source: Author (2022)

2. Main Menu Transaction

The main menu in the master file has a form button General Journal, purchase, sale, repayment of debts and repayment. Here are the details of the main menu of the transaction:

a. General Journal Form

In the general journal form section, users can input daily transactions. Not only in the form of main transactions such as buying and selling, but also transactions such as depreciation, purchase of oil raw materials, and company expenses such as salary costs, electric water, and so on. In this form, there is also a debit and credit column that contains the transaction nominal and also a description or memo so that users can provide a brief note which is considered important to know what transactions are inputted. There are also several shortcut keys to make it easier for managers to input transactions. The display of the general journal is as follows:

Picture 7.
General Journal Form

Source: Author (2022)

b. Purchase Forms

Purchase Forms has a function as a place to input all purchases. This form contains a purchase number column to fill in the nth purchase transaction, purchase date as a description of when the transaction occurred, supplier name, method to find out whether the item was purchased in cash or with the installment/credit method, name of the item purchased, amount or volume, unit price and total price. In addition there are several shortcut buttons such as the 'x' sign to close the purchase form, a printer icon image to print the purchase form, the delete button to delete the form if you want to delete the purchase transaction, the save button to record or save the transaction data that has been inputted, sign '>' to see the next transaction, sign '<' to go back to the previous transaction, and add to create a new form with the aim of entering the next transaction. Here is the appearance of the purchase form:

Picture 8.
Purchase Form

Source: Author (2022)

c. Sales Form

In this form, there is a sales number, sales date, description, item name, item quantity, unit price, and total price. Users can input sales transactions on this form. With this form, each sales transaction has been specified to make it easier for the owner to see the number of sales transactions per month. On the sales form, there is a sales number, the date the item was sold, a description to provide information about the item being sold, the name of the customer who bought it, the method of payment by the customer, there is also a table for inputting prices for services, both manufacturing services and furniture installation services at the destination. In addition, there are also shortcut buttons that have the same function as the previous purchase form.

Picture 9.
Sales Form

Source: Author (2022)

d. Debt Repayment Form

Debt settlement functions as a place to fill in purchase payment transactions. Debt Payment No. functions to record the payment transaction number. No invoice serves to show the purchase transaction number. Supplier, the place to fill in the supplier code. Account Name, where to fill in the intended account name. Description serves to show transaction information. Debit, charging the remaining available credit. The transaction date is used to input the date the transaction occurred. Memo is used to add notes/special information. Furthermore, there is an add button which functions as an order to add payment payments, the save button functions to save data that has been filled in, and delete functions to delete incorrect or unnecessary data.

Picture 10.
Debt Repayment Form

Source: Author (2022)

e. Account Repayment Form

Repayment of accounts receivable serves as a place to fill in sales receipt transactions. Account Receivable No. serves to show the sales transaction number. Customer, where to fill in the customer code. Account number and account name as a place to fill in the intended account number and account name. Description serves to show transaction information. Credit, where to fill in the remaining debits available. Transaction date to function for the date the transaction occurred.

Picture 11.

Account Repayment Form

Source: Author (2022)

3. Report Main Menu

The main menu in the report has buttons for report on financial position, income statement, change in capital report, purchase report, sales report, trial balance, remaining receivables report and remaining accounts payable report. This menu also provides the report period date so that reports can be processed according to the desired date.

a. Statement of Financial Position

The statement of financial position contains total assets, liabilities and capital. The benefit of this report is to find out the financial condition of a business. From this report, the owner can see how much the company's assets and debts are, so that the owner can balance the company's assets and debts. The form of the company's statement of financial position is as follows.

Picture 12.

Statement of Financial Position

Source: Author (2022)

b. Income statement

The income statement contains all expenditure transaction data such as expenses and other costs needed for the company's operational needs and income from sales. Through this income statement, the owner can clearly see the net profit of the company and helps the owner in making decisions.

Picture 13.

Income Statement

Source: Author (2022)

c. Statement of changes in capital

Report on changes in capital is a report that contains information about capital, prive, and changes in capital due to changes in the addition and reduction of profit (loss). Statements of changes in capital consist of initial capital, changes in additions and reductions in profits (losses), private owners, and the final capital owned by the owner for a certain period.

Picture 14.

Statement of changes in capital

Source: Author (2022)

d. Purchase Report

Purchase reportcontains all purchase transaction data. Through this report, the owner can find out how many times the company made purchases in 1 month. This report makes it easier for the owner to view and search for purchase transactions if necessary. The following is an overview of the purchase report.

Picture 15.

Purchase Report

Source: Author (2022)

e. Sales report

The sales report contains all sales transactions from Mr. Agu Dump Trucks Rental Services. From this report the owner can monitor the level of business sales in one month. Owners can also see the number of sales they have made and make it easier for owners to find the desired purchase transaction. Here is the form of the sales report:

Picture 16.
Sales Report

Source: Author (2022)

f. Remaining Accounts Receivable Report

The remaining accounts receivable report contains the remaining credit transactions from sales at Pak Agu Dump Trucks Rental Services. From this report the owner can monitor the level of trade receivables that have not been received by customers. Thus, making it easier for owners to handle unpaid receivables.

Picture 17.
Remaining Accounts Receivable Report

Source: Author (2022)

g. Remaining Accounts Payable Report

The remaining debt report contains the remaining debt transactions on credit from purchases at Pak Agu Dump Trucks Rental Services. From this report the owner can monitor the level of unpaid debts to suppliers. Thus, making it easier for owners to plan payment of unpaid debts.

Picture 18.
Remaining Accounts Payable Report

Source: Author (2022)

h. Trial Balance Report

The trial balance report contains all types of accounts along with the total balance of each account. The trial balance report consists of account numbers, account names, debits, credits, and the final total for the type of account.

Picture 19.
Trial Balance Report

Source: Author (2022)

Conclusions

From the results of observations and interviews with business owners in this community service activity, it can be concluded that Mr. Agu Dump Trucks Rental Services still does not have an accurate and adequate transaction recording system. Although it has been around for 32 years, the system implemented is still very traditional and everything is done manually without the help of a more accurate, effective, and efficient system. So that in the end the financial information produced is also not very clear and hinders the search for certain transactions. From the explanation of the problems faced by business owners, the author has designed an accurate transaction recording system that is tailored to the wishes and needs of Mr. Agu Dump Trucks Rental Services. The output generated from this system is the balance sheet, income statement, capital change statement, position statement, purchase and sale report, and statement of remaining debts and receivables. So that Mr. Agu Dump Trucks Rental Services can further develop and help business owners to make decisions related to business development. Through this system, it is also expected to make it easier for business owners to record transactions and present financial reports clearly and accurately, as well as make it easier for business owners to find the desired transactions. The condition after the implementation process was carried out on Pak Agu Dump Trucks Rental Services had a different impact compared to the previous situation. The differences that occur are as follows: recording transactions is easier, financial reports are automated when recording transactions, the flow of the sales and purchase process is more organized. The next recommendation for CSA is to find a place to implement CSA carefully so that it can help those who really need help in improving good and correct accounting recording procedures. On this occasion, the author would like to thank the parties involved in the implementation of this CSA. So, this CSA can run well and smoothly.

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