

Inventory Accounting Information System Design at PT Mitra Produk Dagang, Jakarta, Indonesia



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ABSTRACT: This study aims to design a merchandise inventory accounting information system at PT Mitrahasil Dagang. PT Mitrahasil Dagang is a trading company, but since its establishment PT Mitrahasil Dagang does not have a trading goods inventory accounting information system. This causes PT Mitrahasil Dagang to experience problems with information regarding the type and quantity of merchandise in the warehouse that does not match the data in the Accurate system and hinders the sales process. The method used in this study is descriptive qualitative using primary and secondary data sources as well as data collection techniques of observation, interviews and documentation. The research results show, the constraints experienced by PT Mitrahasil Dagang occurred because the company did not have sufficient human resources and incomplete documents in operational implementation, as well as the absence of clear procedures regarding the receipt and release of merchandise inventory in the warehouse. Based on these constraints, this study produced a series of merchandise inventory accounting information systems including procedures for receiving, issuing and stock taking for PT Mitrahasil Dagang.

KEYWORDS: Receipt of Inventory, Expenditure of Inventory, Merchandise Inventory, Trading Companies, and Accounting Information Systems.

I. INTRODUCTION

An accounting information system is a series of activities in an organization that has a function as a provider of financial information and information derived from transaction data for use by internal parties such as managers in current and future control and planning, information can also be used as reporting to external parties such as shareholders, government and other parties who have an interest [1]. Moreover, with the existence of a company accounting information system it can provide control over company assets, management also functions as a supervisor which aims to ensure that activities can run according to planning centered on conventional targets [3].

Control of company assets can use one of the existing information systems, namely the inventory accounting information system because inventory is a current asset that has a high risk if there is no control to protect inventory [1]. Inventory needs to be considered because in a company an inventory is an investment, if the company does not have sufficient inventory it will suffer losses due to business processes in the company not going well [2].

In trading companies, inventory is merchandise purchased by a company and then stored with the aim of selling or using the company [3]. In trading companies both in small, medium and large companies, merchandise inventory is an investment invested in the company, besides that inventory is vulnerable to damage, theft, and fraud, so the accounting information system is important because it can avoid manipulation of company assets, especially those that related to inventory [4].

Inventory accounting information systems can help companies to reduce the possibility of errors in handling the amount of goods available, with the implementation of recording and controlling of merchandise that has been carried out with the procedures implemented and implemented as early as possible, the results of processing financial reports will be more effective and efficient [1].

The application of accounting information systems also has many positive impacts on the progress and development of a company, but the impact of technological advances and information that is increasingly developing on information systems is currently still not being felt by some companies. This is because there are companies that do not yet have an accounting information system in their operational processes, such as PT Mitrahasil Dagang so that the information produced by PT Mitrahasil Dagang is not maximized. This causes PT Mitrahasil Dagang to experience problems in operational processes such as

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the process of recording merchandise inventory which has data information that does not match the inventory in the warehouse.

PT Mitrahasil Dagang already uses the Accurate accounting system in its recording, but due to the absence of an accounting information system for inventory, the problem of value discrepancies in inventory occurs. The data discrepancy experienced at PT Mitrahasil Dagang is information about the amount of merchandise contained in the Accurate accounting system that does not match the physical goods contained in the warehouse, so this hinders the sale of PT Mitrahasil Dagang because every time you make a sale, the warehouse department will check and manual counting to ensure the amount of physical goods available, it is not uncommon for PT Mitrahasil Dagang to receive orders from buyers but the merchandise inventory is insufficient.

Based on this phenomenon, there are several studies related to the inventory accounting information system which state that the inventory data processing is still done manually so that the transaction and information processes become ineffective and efficient [5]. The company has implemented an internal control system for merchandise inventory well, but there are still deficiencies, namely the inventory accounting information system is still not optimal, the accounting section has not been formally formed so that the recording and reports are not detailed [6]. The company has implemented but not perfect and there are some deficiencies, as in the process of recording inventory in the documents used are not in accordance with the procedures of the inventory accounting information system which makes the inventory in the warehouse often insufficient to meet the demand of buyers, this causes a decrease in sales levels [4]. Based on the phenomenon and the results of previous studies, this study aims to design an accounting information system for merchandise inventory at PT Mitrahasil Dagang.

II. LITERATURE REVIEWS

The inventory accounting information system is a system that aims to organize inventory records which will become accounting information for management regarding inventory if it requires additions [7]. Making the inventory accounting information system a system that is specialized for processing data and transactions so that it can produce accurate and timely information regarding merchandise inventory, reducing and eliminating the possibility of fraud in data collection such as intentional additions or deletions.

There are two methods of recording inventories, namely the periodic method and the perpetual method. The periodic method, in which the calculation of goods is carried out at the end of the accounting period when preparing financial statements. While the perpetual method, inventory has records such as recording increases and decreases in cash. At the end of the accounting period, all inventory costs are allocated to physical inventories to be reported as assets and sales as cost of goods sold expense. There are two methods of inventory valuation, the first method is First In First Out (FIFO) which is a method that is often the same as inventory flow, and where inventory costs are used in cost of goods sold which are in the same order as those costs when they occur. The second method of Average Cost Flow is a method that uses costs to determine cost of goods sold and ending inventory [9]. If the purchases made during a period are relatively uniform, then the average cost flow method will give the results of calculating costs that will be similar to the flow of goods, by calculating the total unit cost available for sale divided by the units available for sale, you will get the average unit cost -balanced average.

The inventory accounting information system aims to minimize deviations in the merchandise inventory data collection system, there are systems and procedures that involve inventory accounting information systems [10], namely:

- 1) Process for recording finished goods. In this procedure, product reports are completed and memorial evidence becomes source documents, and the accounting records used are inventory cards and general journals. The functions related to this procedure are the warehouse function as a supplier of goods, besides that there is an inventory card function as a place to record the cost of inventory, and there is also a journal function as recording journal.
- 2) Procedure for recording sales of cost of finished goods. In this procedure, delivery orders and sales invoices are the source documents, and the accounting records used are warehouse cards, inventory cards, and general journals. The functions involved in this procedure are the inventory card function as a maker of recapitulation of cost of goods sold and making memorial evidence, and the function of the journal as recording journal based on stock card function.
- 3) The procedure for recording the return of the cost of finished goods from the buyer. This procedure is contained in the sales return system, transaction this will have an effect on supply finished goods then the warehouse department will record the addition of goods on the warehouse card and on the finished goods inventory card the cost of finished goods will be recorded by the inventory card section. In this procedure, receiving reports and credit memos become source documents, and the accounting records used are warehouse cards and cards supply, general journal, and also sales returns. The functions involved in this procedure are the warehouse function for recording the return of goods, and the journal function for record journal according to the receiving report and credit memo.

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- 4) Additional recording procedures and adjustments to the cost of goods in process inventory. In this procedure, the memorial evidence becomes the required document, and the accounting records used are general journals. The related functions in this procedure are the production function as a report on inventory in process, the inventory card function as memorial evidence and recording prices, and also the journal function as journal entry in accordance with memorial evidence.
- 5) Procedure for Recording Purchases of Cost of Inventory Goods. In this procedure, the documents used are reports on receipt of goods and evidence of cash out. The functions related to this procedure are the function of receiving goods as recipient of goods, as well as preparing reports on receipt of goods, besides that there is a debt function as a proof of cash out, the function of the inventory card as a recorder of inventory in accordance with evidence of cash out, and there is a warehouse function as inventory mutation recorder in accordance with the goods receipt report.
- 6) Procedure for Recording Return of Cost of Goods Inventory to Suppliers. This action affects the inventory amount on the warehouse card and the inventory cost on the inventory card. In this procedure, the documents used are delivery reports and debit memos. The functions involved in this procedure are warehouse functions as exit recorder goods according to the memo discharge, the function of shipping as a sender of goods to suppliers and also making reports on delivery of goods, there is a debt function as a comparison of the amount of goods and the type of goods to be returned, then the function of the inventory card as a recorder of the cost of goods unit goods, and there is a journal function as a recorder of the purchase return journal.
- 7) Procedures for Requesting and Releasing Warehouse Goods. In this procedure, the document needed is a book of requests and expenditure of goods. Related functions are the production function as a proof card maker for the demand and expenditure of warehouse goods, the warehouse function as a filler for the amount of goods to be given in the proof card, the card function supply as a filler for the principal price on the card evidence and inventory card, then there is a cost card function as a recorder of the cost of goods, and a journal function as a recorder of the raw material usage journal in accordance with the evidence card.
- 8) Warehouse Goods Return Procedure. In this procedure, the documents needed are only warehouse goods return books. The functions involved in this procedure are the production function as proof card maker return warehouse goods, then the function of the warehouse is to validate the card proof, then the function of the inventory card as a filler for the cost of goods on the proof card, as well as the function card costs as recorder the cost of the product, and the function of the journal as a recorder of the journal in accordance with the proof of return of warehouse goods.
- 9) Inventory Physical Counting System. This process ensures the amount of inventory in the warehouse is in accordance with the inventory records. The documents needed in this procedure are physical counting cards, lists of physical counting results, and memorial evidence, and the accounting records used are inventory cards, card warehouse, and general journal. The functions involved in this procedure are the committee responsible for carrying out calculations and physical checks, the accounting function as an inclusion of the cost of goods unit inventory to be multiplied by the number of goods and cost of goods unit, then includes the total cost of goods in the list of physical count results, then makes a memorial evidence, and the function of the warehouse as an adjustment to inventory data.

III. METHODS

This research uses a qualitative descriptive method with the basic research objectives to gain a deeper understanding and knowledge about inventory accounting information systems. Researchers will go directly to the field to observe phenomena that are happening in accordance with research objectives. The object of research in this study is PT Mitrahasil Dagang. This research will focus on the inventory accounting information system at PT Mitrahasil Dagang.

The primary data source in this study was obtained based on interviews, the verbal data giver was called an informant, the informant in this study was the head of PT Mitrahasil Dagang Company. The secondary data sources used come from official company documents that are already available in the research object in the form of letters, notes, reports and so on. Collection techniques in this study are observation, interviews and documentation. The research instruments used in this study were observation, interviews, and documentation which would obtain information related to the inventory system at PT Mitra Prestasi Dagang.

Data analysis techniques in this study were carried out during and after data collection within a certain period, the analysis of the data obtained will be developed and continued to be examined so that conclusions can be obtained whether information can be accepted or rejected. The validity of the data as a support in determining the final results of a study, the purpose of conducting a validity test in a study is to find out whether the research being carried out is scientific research and testing information data. The validity of the information can be obtained by using the right data collection process, one way of collecting data is by using a triangulation process.

IV. RESEARCH RESULTS

4.1 Data Reliability and Validity

In this study, reliability testing was carried out by re-examining all existing data and then comparing it with the data obtained from the informants. This study uses data related to merchandise inventory in the form of supporting documents. Data were obtained through an interview process with informants, in this study the informant was a logistics manager at PT Mitrahasil Dagang and marketing manager at PT Mitrahasil Dagang with the aim of matching the suitability of the data with the informant's explanation, so from that the results could be concluded whether the informant's explanation was in accordance with the research data or inappropriate.

Validity testing in this study is in the form of using data triangulation such as conducting interviews with informants at PT Mitra Prestasi Dagang, namely the logistics manager and marketing manager. In addition to interviews with informants, testing was carried out by collecting data from several sources available at PT Mitrahasil Dagang such as written documents, minutes, archives and records owned by PT Mitrahasil Dagang. The use of the triangulation method aims to compare the data obtained through the interview process with the document data owned by PT Mitra Prestasi Dagang, so the data obtained by the researcher is accurate and can be accounted for.

4.2 Inventory Receipt Accounting Information System Design PT Mitra Produk Dagang

PT Mitrahasil Dagang does not yet have a flowchart related to the receipt of merchandise inventory. The design of the inventory accounting information system is illustrated through a flowchart design so that it can help PT Mitrahasil Dagang understand the chart well, the following is a series of accounting information system designs for receiving merchandise inventory for PT Mitrahasil Dagang, namely:

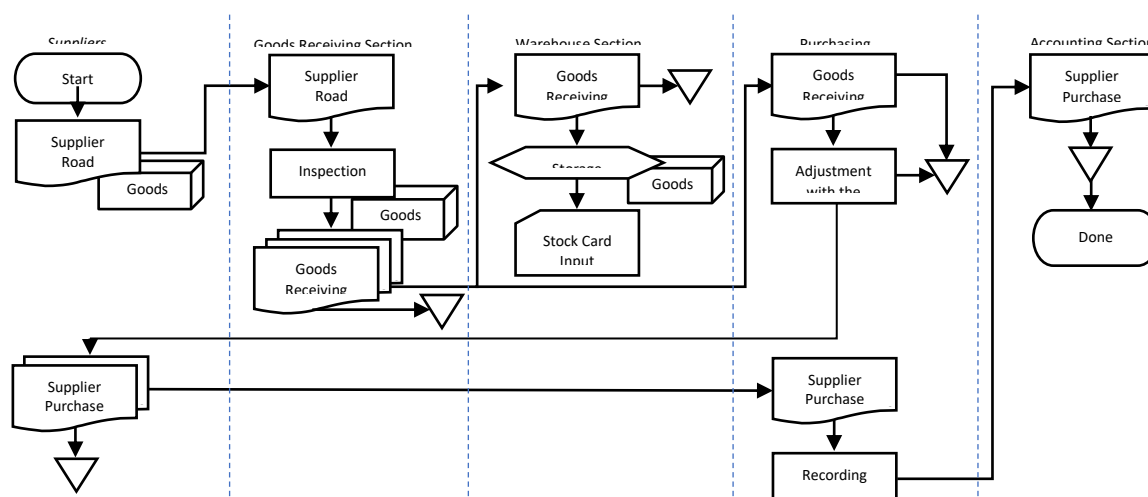


Figure 1. Flow chart Receipt of Inventory PT Mitra Produk Dagang

4.3 Inventory Expenditure Accounting Information System Design PT Mitra Produk Dagang

PT Mitrahasil Dagang does not yet have a flowchart related to the expenditure of merchandise inventory. The design of the inventory accounting information system which is illustrated through a flowchart design so that it can help PT Mitrahasil Dagang understand the chart well, the following is a series of accounting information system designs for the expenditure of merchandise inventory for PT Mitrahasil Dagang, namely:

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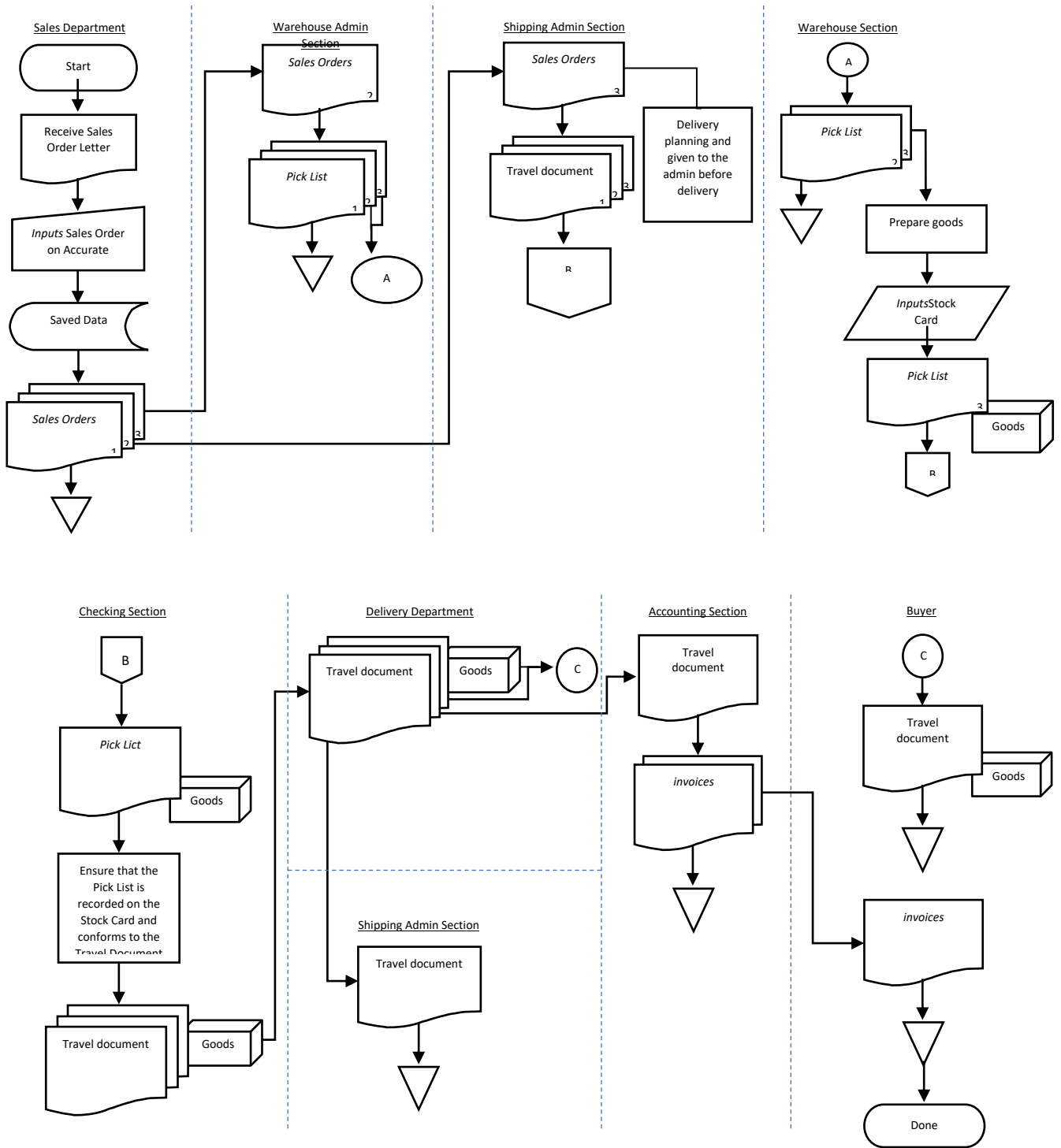


Figure 2. Flow chart Expenditure of Inventory PT Mitra Produk Dagang

4.4 Design of Accounting Information System Stock Taking Inventory PT Mitra Produk Dagang

PT Mitrahasil Dagang does not yet have procedures related to stock taking of merchandise inventory. Flowchart design so that it can help PT Mitrahasil Dagang in understanding the chart well, the following is a series of stock taking accounting information system designs for merchandise inventory for PT Mitra Produk Dagang, namely:

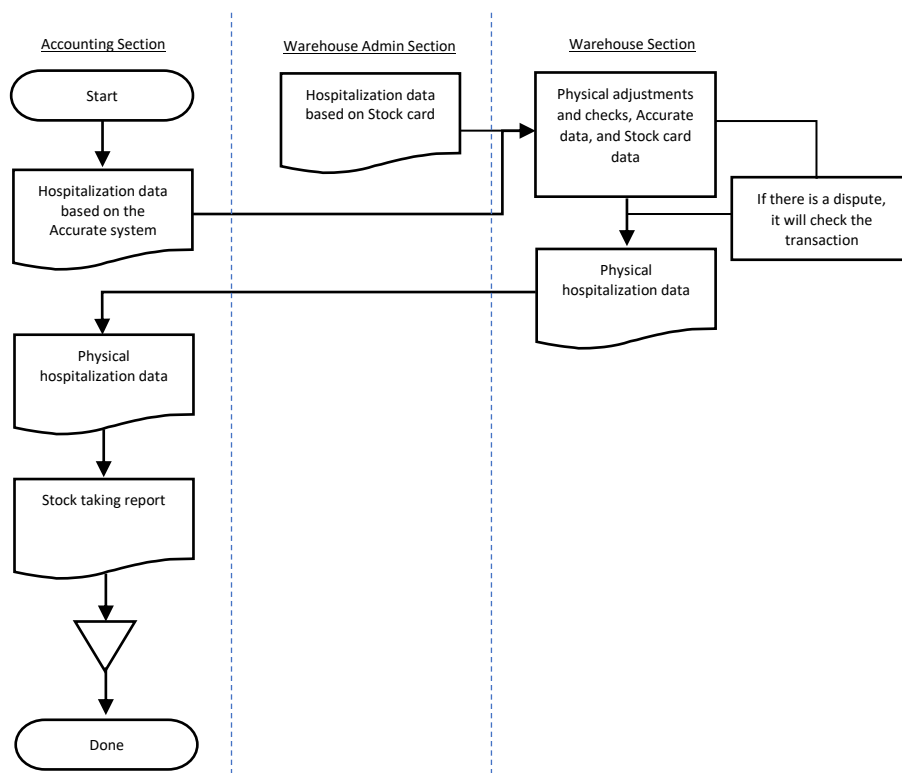


Figure 3. Flow chart Inventory takingInventory of PT Mitra Produk Dagang

V. DISCUSSION

In the flowchart of the accounting information system for receiving inventory at PT Mitrahasil Dagang which is shown in Figure 1, it explains that the procedure for receiving inventory begins with the supplier sending a letter of passage of suppliers and goods to PT Mitra Produk Dagang which is received by the receiving department. The receiving department will carry out an inspection, then the receiving department will make 3 copies of the receiving report which will be distributed to the purchasing department, the warehouse department, and will become an archive for the goods receiving department. The warehouse department will receive a report on the receipt of goods along with the merchandise, the warehouse department will check the conformity of the goods with the goods receipt report, and then the goods will be stored and recorded on the stock card of inventory items. The purchasing department will receive a goods receipt report and will confirm to the supplier that the goods have been received. Next, the supplier will create two copies of purchase invoices which will be given to PT Mitrahasil Dagang and as supplier archives. Recipients of purchase invoices from suppliers have a purchasing department, the purchasing department will adjust the purchase invoice with the purchase order letter and goods receiving report, after appropriate, the purchasing department will provide a purchase invoice to the accounting department. The accounting department will check and supplier purchase invoices will become archives. Recipients of purchase invoices from suppliers have a purchasing department, the purchasing department will adjust the purchase invoice with the purchase order letter and goods receiving report, after appropriate, the purchasing department will provide a purchase invoice to the accounting department. The accounting department will check and supplier purchase invoices will become archives. Recipients of purchase invoices from suppliers have a purchasing department, the purchasing department will adjust the purchase invoice with the purchase order letter and goods receiving report, after appropriate, the purchasing department will provide a purchase invoice to the accounting department. The accounting department will check and supplier purchase invoices will become archives.

Figure 2 provides an explanation related to the flowchart series of procedures for releasing goods and inventory for PT Mitra Produk Dagang. The procedure will begin with the sales admin section getting a sales order letter from the buyer, the sales admin section will input data into the Accurate accounting system and produce a sales order printed in 3 copies of which 2

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copies will be given to the shipping admin section and 1 copy along with the order letter will be become an archive sales admin section. The delivery admin section will make a delivery plan like a delivery schedule, the delivery admin section will provide sales orders to the warehouse section so that the warehouse section can make a pick list regarding what merchandise will be sent. After the shipping admin section makes a delivery schedule and provides this information to the shipping department, the shipping admin section will make a travel document printed in 3 copies which will be given to the checking department. The warehouse admin section will create a pick list based on sales orders. The pick list will be made in 3 copies where 1 copy will serve as an archive and 2 copies will be given to the warehouse department. The warehouse department receives 2 copies of the pick list where one is used as an archive and one is the basis for preparing the type and amount of goods to be sent, then the warehouse department will input stock cards. After that, the pick list and the items will be given to the checking department, the checking department will ensure that the type and quantity of goods has been entered into the stock card. The checking department will adjust the pick list with the travel document, if the goods and travel document are ready, they will be given to the shipping department. The shipping department will deliver the merchandise to the buyer, in addition to handing over the goods the shipping department will also ask the buyer to fill in the receipt of the goods on the delivery document and one copy of the travel document will be given to the buyer, after that the shipping department will provide 2 copies of the travel document to each of them. accounting department and delivery admin section. The accounting department will process the travel documents into invoices and will be sent back to the buyer. In addition to handing over the goods, the delivery section also asks the buyer to fill in the receipt of the goods on the delivery document and one copy of the delivery document will be given to the buyer, after that the delivery department will provide 2 copies of the travel document to each of the accounting department and the delivery admin section. The accounting department will process the travel documents into invoices and will be sent back to the buyer. In addition to handing over the goods, the delivery section also asks the buyer to fill in the receipt of the goods on the delivery document and one copy of the delivery document will be given to the buyer, after that the delivery department will provide 2 copies of the travel document to each of the accounting department and the delivery admin section. The accounting department will process the travel documents into invoices and will be sent back to the buyer. The stock taking accounting information system for merchandise inventory that has been designed in Figure 3 can be started by the accounting department printing the inventory data contained in the Accurate accounting system that PT Mitrahasil Dagang uses and in the warehouse admin section providing the data contained on the stock card. The warehouse department will check the physical inventory with the data contained in the Accurate system and the stock card, if there is a discrepancy, the warehouse department and the accounting department will re-check the transactions that have been made by the company. if appropriate, the warehouse department will provide physical hospitalization data to the accounting department, and the accounting department will complete the procedure by making a stock taking report.

VI. CONCLUSION

Based on the discussion, there is a research conclusion that PT Mitrahasil Dagang does not have an accounting information system for inventory of merchandise, this causes PT Mitrahasil Dagang not to have accurate inventory information. merchandise, insufficient human resources, and incomplete documents. So this research resulted in a series of merchandise inventory accounting information systems including procedures for receiving, disbursing and stock taking. In the accounting information system for receipt of merchandise inventory, there is a separation of functions in the logistics manager section into the receiving section and the warehouse section. There are additional documents such as goods receipt reports, stock cards and supplier purchase invoices. In the accounting information system for expending merchandise inventory, there is a separation of functions in the logistics manager section into additional functions for the warehouse admin section, delivery admin section, warehouse section, checking section, and shipping section. There are additional documents such as sales orders, pick lists, travel documents, and stock cards. In the stock taking inventory accounting information system there is an accounting section, a warehouse admin section, and a warehouse section with documents such as inventory data on Accurate, stock cards, physical taking data, and stock taking reports.

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