



## Implementation of Internal Control System in the Purchasing Accounting System at PT. Berkah Anugerah Plastik Nganjuk – East Java

Latifatul Fauziyah\*, Deva Anzelia, Firyal I'zaaz Aisy, Muhammad Aldri Kurniawan, Elsa Sahita, Maria Angela Primaningtias

Department of Accounting, Faculty of Economics and Business, Universitas Pembangunan Nasional Veteran Jawa Timur, Jl. Rungkut Madya, Gn. Anyar, Gn. Anyar District, Surabaya, East Java 60294, Indonesia

DOI: <https://doi.org/10.61656/ijospat.v3i1.320>.

### ABSTRACT:

**Purpose:** This study aims to evaluate the implementation of the internal control system within the purchasing accounting system at PT Berkah Anugerah Plastik Nganjuk. The objective is to identify the effectiveness and reliability of internal controls in supporting accurate and secure purchasing transactions.

**Methods:** The research uses a descriptive qualitative approach. Data were primarily collected through interviews with individuals directly involved in the company's purchasing and financial administration processes. Informants include family members of the owner who hold operational roles across different company locations, such as Nganjuk, Krian, and Balongbendo, East Java.

**Findings:** The findings indicate that the internal control system at PT Berkah Anugerah Plastik is strongly influenced by familial relationships, with key positions in finance, procurement, and operations held by trusted family members. While this structure enhances trust and coordination, it also poses risks related to accountability and segregation of duties. Some control procedures are in place, but they are not well-documented or standardized, making consistent application across branches difficult.

**Implication:** The study highlights the need to formalize and document internal control procedures to strengthen accountability and transparency. Clearly defining role boundaries and establishing standard operating procedures can enhance the company's risk management and decision-making processes.

**Originality:** This research offers a unique perspective by examining an internal control system shaped by family-based management. It contributes to the broader discourse on corporate governance in small and medium-sized family-owned enterprises in Indonesia.

**Keywords:** accounting information system, family business management, internal control system, purchasing procedures, qualitative descriptive method, transaction accountability

**Article info:** Received: 12 May 2025; Revised: 25 May 2025; Accepted: 27 May 2025

### Correspondence:

\*Latifatul Fauziyah and Email: [fauziyahlatifatul782@gmail.com](mailto:fauziyahlatifatul782@gmail.com)

### Recommended citation:

Fauziyah, L., Anzelia, D., Aisy, F. I., Kurniawan, M. A., Sahita, E., & Primaningtias, M. A. (2025). Implementation of Internal Control System in the Purchasing Accounting System at PT. Berkah Anugerah Plastik Nganjuk – East Java, *Indonesian Journal of Sustainability Policy and Technology*, 3 (1), pp 11-21.

## INTRODUCTION

In an increasingly complex and ever-evolving world of business, manufacturing companies are required not only to produce high-quality products but also to ensure that internal processes are efficient and adequately controlled. One of the key aspects of operational activities is the purchasing or procurement process, which plays a crucial role in ensuring smooth production and effective inventory management (Matas et al., 2025). Effective inventory management helps maintain raw material availability, minimizes stockouts, and reduces waste or losses (Panigrahi et al., 2021). The internal control system in purchasing accounting is a crucial aspect in maintaining transparency and operational efficiency of the company. Good internal control can help companies manage risks, ensure the accuracy of transaction recording, and prevent fraud or abuse of authority. According to previous studies, an effective internal control system should include separation of functions, transaction authorization, and clear reporting



mechanisms. In the manufacturing industry, especially in medium-sized companies, challenges in implementing this system are often related to limited resources, a lack of technology utilization, and organizational structures that are still traditional.

The purchasing accounting system plays an important role in ensuring the smooth running of the procurement process for raw materials and merchandise. An uncontrolled purchasing process can cause stock imbalances, budget waste, and inefficiencies in company operations. Therefore, the implementation of a structured internal control system is an urgent need for companies that want to increase their competitiveness in the market. Previous studies have shown that companies that implement a good internal control system tend to have a higher level of efficiency and are able to reduce operational risk significantly (Indarryanti et al., 2023).

PT Berkas Anugerah Plastik, a family-owned company based in Nganjuk that specializes in the production of plastic furniture, faces challenges in optimizing its procurement process. The question that arises is: Is the SPI applied to purchase activities in real-world companies, especially PT Berkas Anugerah Plastik, the same as the SPI in theory? Although the company has implemented a purchasing accounting system (Mulyadi, 2016), preliminary observations indicate that internal control practices are not yet fully effective. Notably, there is a lack of clear separation between key functions such as authorization, recording, and inventory storage, which may lead to disorganization in transaction monitoring and documentation.

Weaknesses in the accounting process can pose significant risks to a company's financial health. When cash inflows and outflows are not carefully monitored, the company may suffer financial losses (Rahmansyah & Darwis, 2020). Therefore, a robust and well-functioning internal control system is essential to ensure the accuracy of both financial and operational information. According to Mursyida & Maulina (2023), internal control plays a major role in the reliability of financial reporting, as it provides a structured mechanism for recording and gathering information on business transactions. Internal control systems are defined as frameworks designed to help organizations achieve their objectives, improve efficiency, and prevent irregularities (Nqala & Musikavanhu, 2023; Igbojiyibo, 2024). Mulyadi (2016) emphasizes that internal control must be supported by a well-defined organizational structure, consistent procedures for authorization and documentation, and sound operating practices to be implemented effectively and sustainably (Mulyadi, 2016).

However, in practice especially among small and medium-sized enterprises internal control implementation often encounters various obstacles. Many companies focus solely on formal administrative compliance while overlooking the importance of consistent execution and the competence of involved personnel. Yet, accurate and timely accounting information is critical for sound decision-making (Andhaniwati, 2022; Yemisi, 2024). Therefore, evaluating the effectiveness of internal control in the purchasing accounting process becomes a strategic necessity. Such evaluation aims not only to strengthen the existing system but also to enhance the company's transparency, efficiency, and accountability in managing procurement activities.

With this background, this study aims to evaluate the implementation of internal control systems in the purchasing accounting system at PT Berkas Anugerah Plastik Nganjuk. Internal control implemented in this company is the main focus in understanding the effectiveness and reliability of the system in supporting accurate and safe purchasing transactions. Although many studies have discussed internal control systems in various sectors, there is still a gap in studies that specifically highlight the implementation of this system in the plastics industry, especially in medium-scale companies such as PT Berkas Anugerah Plastik Nganjuk. Most studies focus more on large companies with standardized systems, while companies with family ownership structures often face unique challenges in implementing effective internal control. Therefore, this study seeks to fill this gap by exploring and answering a research question (RQ):

**RQ:** How internal control systems are implemented in the purchasing accounting system at PT Berkas Anugerah Plastik Nganjuk, East Java?

By answering the research questions, the novelty of this study lies in the approach used to evaluate the internal control system, namely by combining qualitative descriptive analysis with direct interviews of individuals involved in the company's purchasing and financial administration processes. This approach enables a deeper understanding of the factors that influence the effectiveness of internal control, including aspects of employee compliance, the utilization of information technology, and reporting and transaction authorization mechanisms. Thus, this study not only provides an overview of

the internal control system, but also offers practical insights for companies in improving operational efficiency and transparency.

## LITERATURE REVIEW

An accounting system is a series of procedures and tools designed to collect, record, classify, and report financial information relevant to company management. [Mulyadi \(2016\)](#) defines an accounting system as an organization of forms, records, and reports that are coordinated in such a way as to provide financial information needed for managing the company. According to [Kodu \(2022\)](#) and [Rahmaniar & Khairita \(2023\)](#), an accounting system involves the integration of various elements such as documents, technology, and human resources, which aim to ensure the accuracy of the information produced and support control and decision-making within the organization. One important subsystem in the accounting system is the purchasing accounting system, which functions to regulate the process of procuring goods or services needed by the company. This process is not only related to operational efficiency but is also closely tied to internal control as a safeguard for transactions.

Internal control plays a crucial role in supporting the effectiveness of the purchasing accounting system. According to [Mulyadi \(2016\)](#), internal control is a series of activities that are designed, implemented, and utilized by authorized parties to achieve organizational objectives in accordance with established policies. The main objectives of this system are to safeguard assets, ensure the accuracy of accounting data, and enhance operational efficiency ([Sujarweni, 2015](#); [Wahida & Suryaningrum, 2023](#)). In the purchasing process, internal control becomes especially important due to the high potential for fraud, inefficiency, and transaction errors. The main elements of internal control include a clear organizational structure with the separation of key functions, adequate authorization and recording systems, and operational practices that adhere to standards. The effectiveness of the internal control system is a critical aspect in maintaining operational continuity, asset protection, fraud prevention, regulatory compliance, and the confidentiality of the information produced ([Kalumata et al., 2017](#); [Bhat, 2023](#)).

Several previous studies support the importance of implementing internal control in the purchasing cycle. [Zaneta \(2024\)](#) emphasized that effective internal control can significantly reduce errors, prevent waste, and lower the risk of fraud, thereby strengthening financial accountability. They also note that the absence of a reliable purchasing information system can result in inaccurate transactions and weaken oversight of cash flows. [Katan & Ratih \(2023\)](#) showed that the implementation of fully documented purchasing procedures, systematic recording, and clear task separation can enhance the effectiveness of internal control. Meanwhile, [Zaneta \(2024\)](#) found that organizational weaknesses such as unclear task delegation, poor documentation, and the absence of a structured archiving system can reduce the reliability of internal control within the purchasing function. [Andhaniwati \(2022\)](#) also shows that internal control in the purchasing cycle, which is carried out in accordance with procedures can improve the company's operational effectiveness. [Yanti et al. \(2020\)](#) and [Rachmawati & Sunani \(2023\)](#) emphasized that the success of the internal control system in purchasing is influenced by continuous evaluation of procedure implementation and the capability of the human resources operating the system.

These studies share a common focus on the importance of structural and procedural discipline in ensuring the success of internal control. While [Zaneta \(2024\)](#) emphasized compliance with formal procedures, [DeFond & Zhang \(2023\)](#) highlighted deeper structural issues that can undermine control effectiveness even when documentation is available. This confirms that the effectiveness of internal control does not depend solely on written systems and procedures, but also on the application and management of an appropriate organizational structure.

## RESEARCH METHOD

This study employs a descriptive qualitative research design, which is deemed appropriate for exploring and understanding the complexities of internal control implementation in a real-world, context-specific setting. The qualitative approach enables an in-depth examination of processes, behaviors, and perceptions surrounding the purchasing accounting system at PT Berkat Anugerah Plastik Nganjuk. Given that the research aims to assess how internal control mechanisms are practiced within a family-

run enterprise, this method provides the flexibility to capture detailed insights that quantitative methods may overlook.

The participants in this study were selected using purposive sampling, focusing on individuals directly involved in the company's purchasing and financial administration processes. These included family members of the owner who occupy key roles across various branches of the company, specifically in Nganjuk, Krian, and Balongbendo. The participants held responsibilities in finance, procurement, and factory operations, and were chosen for their deep involvement and knowledge of the company's internal practices. Although the exact number of participants was limited due to the company's family-based management structure, the selected individuals represented the core of the organization's purchasing function.

Data collection was conducted primarily through interviews. This method allowed for open-ended responses, enabling participants to elaborate on their experiences and perceptions regarding the internal control system. Interviews were guided by a set of predefined questions but remained flexible to allow the exploration of emerging themes. The data were collected manually, with notes and voice recordings made during each session to ensure accuracy and comprehensiveness. The interview sessions were conducted in settings familiar to the participants to ensure comfort and encourage openness.

Ethical considerations were carefully addressed throughout the research process. All participants were informed of the study's purpose and provided verbal consent prior to participation. Anonymity and confidentiality were ensured by withholding identifiable information and focusing analysis on role-based insights rather than individual identities. The researcher also maintained neutrality to avoid bias during interviews and analysis.

Despite its strengths, this research method has several limitations. The reliance on qualitative data and a small, non-random sample means that the findings may not be generalizable to all family-owned businesses or manufacturing firms. The strong involvement of family members in the company may have also influenced participants' openness, potentially leading to biased or overly positive responses. Moreover, the lack of formal documentation within the organization posed a challenge in verifying some of the information shared during interviews.

## RESULTS AND DISCUSSION

### Purchasing Procedures

An effective internal control system (ICS), as outlined by [Mulyadi \(2016, Chapter 9\)](#), emphasizes the importance of a structured network of procedures in the purchasing accounting system. These procedures include purchase requisition, supplier selection, purchase authorization, goods receiving, and accounting processes. Each step should involve clearly separated roles to prevent any one individual or department from gaining full control over a transaction, thus reducing the risk of errors and fraud.

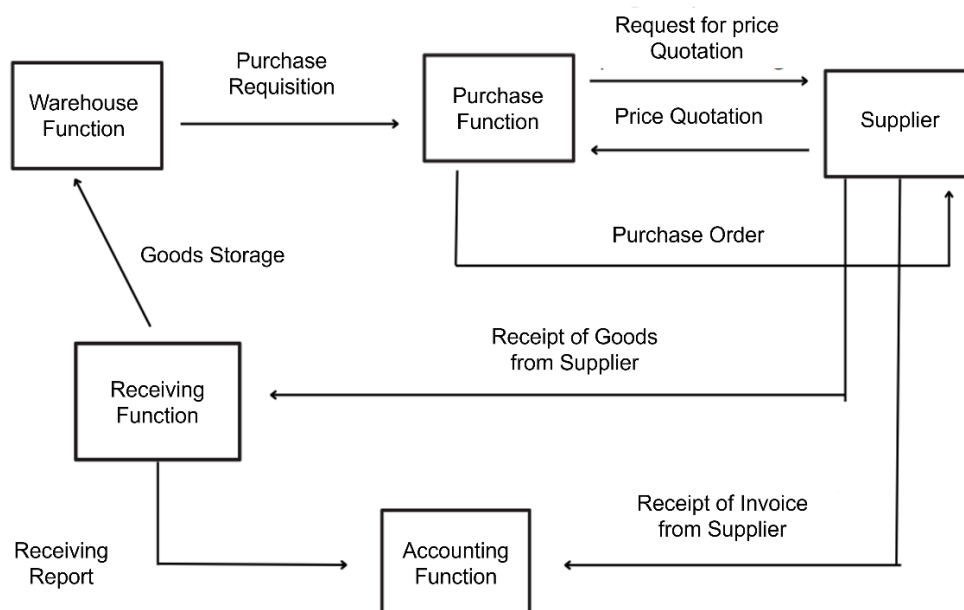
Based on [Figure 1](#), the purchasing procedure begins when the warehouse function submits a purchase request to the purchasing function due to the need for inventory or other goods. After receiving the request, the purchasing function requests a Price quote from several suppliers that they have selected, after the supplier is selected, the purchasing function sends a PO (Purchase Order) to the supplier. The invoice from the supplier received by the purchasing function is submitted to the accounting function for archiving. When the goods arrive, the goods are checked by the receiving function regarding the type, quality, and quantity of the goods, whether they are in accordance with the order or not. After going through the checking stage and the goods are in accordance, the goods are stored in the warehouse. If the goods are not in accordance, the goods will be returned to the supplier.

At PT Berkah Anugerah Plastik, several of these procedures are already implemented, though not always in full accordance with [Mulyadi \(2016\)](#) recommended separation of duties (see [Figure 1](#)). The company's purchasing accounting system functions as follows:

### Purchase Requisition

The purchase process begins with requests initiated by the production or warehouse department when raw material levels approach the minimum threshold. This process is conducted regularly every four to five days to support uninterrupted production. Requested items may include both finished goods and internally processed raw materials such as cleaned plastic waste, which helps lower costs.

*"We make purchase orders every 4 or 5 days. The purchases can be for finished goods or for raw materials that haven't been processed yet."* (Branch Manager)



**Figure 1.** Network of Procedures in The Purchasing Accounting System  
 Source: Mulyadi (2016)

### **Request for Quotation (RFQ)**

Suppliers are contacted to provide price quotations. This step allows the company to compare prices and material quality. While price is a consideration, PT Berkah Anugerah Plastik often prioritizes suppliers that can deliver in large quantities, even at slightly higher costs, due to the operational advantage of maintaining larger stock levels.

*"Sometimes suppliers offer 5 to 10 tons of material at a higher price and others offer just 1 or 2 tons at a cheaper price, but we usually choose the 5 to 10 tons because they last longer due to larger stock."* (Branch Manager)

### **Purchase Order (PO)**

After selecting a supplier and agreeing on the terms, the purchasing department issues a purchase order (PO) to formalize the transaction. A two-way matching system is used, comparing the PO against the supplier's invoice to verify price and quantity before goods are received.

*"Usually, before buying anything, we create a PO first, and then we match it with the invoice from the supplier. If everything matches, then we accept the goods."* (Head of Financial Administration and the Raw Material Purchasing Section)

### **Receiving and Inspection of Goods**

Upon delivery, the warehouse department inspects the goods to ensure they meet the specified quantity and quality. Items that pass inspection are stored and become available for production. This step is crucial for detecting delivery discrepancies and maintaining inventory accuracy.

### **Accounts Payable Recording**

The accounting department records all accounts payable related to the purchase and performs regular reconciliations. This ensures that financial reports remain accurate and up to date.



*"For accounts payable, we are the ones who record and reconcile everything to keep the books neat."* (Branch Manager)

### **Purchase Distribution**

Once the production process is complete, the finished goods are distributed to customers. This distribution is handled by the warehouse team based on incoming customer orders.

*"The production system will send the goods to the customer."* (Branch Manager)

Although PT Berkah Anugerah Plastik follows the core procedural framework recommended by Mulyadi (2016), some elements of internal control, particularly the separation of duties have not been fully realized. The subsequent sections will explore these weaknesses more deeply, especially in relation to the overlapping roles in purchasing, accounting, and warehousing functions. Addressing these gaps is crucial for strengthening internal control, improving accountability, and safeguarding the integrity of financial reporting.

### **Separation of Key Functions**

A closer examination of the internal control elements within PT Berkah Anugerah Plastik reveals several weaknesses, particularly in the segregation of duties. According to Mulyadi (2016: Chapter 9), the separation of functions is a crucial component of an effective internal control system especially in the areas of purchasing, receiving, warehousing, and accounting.

However, at PT Berkah Anugerah Plastik, overlapping responsibilities remain. For instance, the Head of Administration also oversees both purchasing and financial recording. This was confirmed in an interview with the Head of Financial Administration, who stated:

*"As the Head of Financial Administration and the Raw Material Purchasing Section, I manage finances and make purchase orders related to the purchase of raw materials by looking for suppliers based on the decision of the President Director, who selects the supplier. The purchasing department staff handles their regular duties. If I cannot negotiate or handle supplier-related matters, my staff manages them except for the creation and archiving of purchase order letters (PO), which I handle. The employees then send the PO to the supplier."* (Head of Financial Administration and the Raw Material Purchasing Section)

This centralization of duties significantly undermines the effectiveness of internal controls. Without proper separation, there is an increased risk of fraud, particularly in supplier selection, goods receipt, and transaction recording, due to the absence of independent verification or oversight. In addition, the receiving function which should verify goods against purchase orders is not clearly or consistently implemented. This raises the risk of delivery errors or mismatches going undetected. Similarly, the warehousing function lacks systematic procedures and proper documentation, compromising the security and accountability of physical inventory.

Overall, PT Berkah Anugerah Plastik's internal control system does not yet align with the standards outlined by Mulyadi (2016). The lack of clear separation of key functions exposes the company to the risk of undetected errors and fraudulent activities. To address this, the company needs to restructure its organizational system so that each function purchasing, receiving, warehousing, and accounting is handled independently with clearly defined roles. Mulyadi (2016) emphasizes that such segregation prevents any single individual or department from having complete control over all aspects of a transaction. This reduces the potential for errors and abuse and helps maintain the reliability of financial reporting. According to Dirani et al. (2024), top management support, user participation, and user communication positively affect user satisfaction in using the systems.

Despite this, internal practices at PT Berkah Anugerah Plastik suggest that the principle of separation of duties has not been fully implemented. As illustrated in the earlier quote, responsibilities that should be distributed across departments are concentrated within one role, weakening the control environment. Management at the Nganjuk branch acknowledged that an internal control system (SPI) has been in place since the company's inception, albeit not comprehensively. According to the Head of the Nganjuk Branch:

*"This company has been using SPI since its inception, although it has not been fully adopted. Company operations are currently running optimally, so we feel no need to change the system"*

*for now. Sudden changes could disrupt operations, as many employees are not yet accustomed to a new system. Since our activities move quickly, any disruption could lead to a decline in turnover, which would be problematic. Therefore, the timing for system changes must be carefully considered to minimize obstacles.” (Branch Manager)*

This statement reflects a cautious stance on reform, prioritizing operational continuity and employee adaptation. However, it also highlights that existing controls remain vulnerable due to incomplete implementation and overlapping roles. As stated by [Kusnadi & Kirana \(2023\)](#), the implementation of internal control must still be fully optimized to assist the company's internal auditing activities.

### **The Authorization and Recording Processes**

According to [Mulyadi \(2016\)](#), a purchase order must be authorized by the purchasing function or a higher official. This principle is implemented at PT Berkah Anugerah Plastik, where the CEO is responsible for issuing purchase authorizations. When raw materials in the warehouse begin to run low, the warehouse staff report this to the CEO, who then decides whether a purchase is necessary. Only after receiving approval from the CEO can the purchasing process proceed. This reflects adherence to Mulyadi's (2016) principle that an official with appropriate authority must grant purchase authorization.

The accounting function has also adopted Mulyadi's principle that cash disbursements must be authorized by a higher official and recorded by the accounting department. In practice, this means that, once the CEO approves a purchase, the accounting department records the transaction. Although the authorization and recording processes are formally separated, the full segregation of cash handling responsibilities is not yet clearly evident. As noted by the Branch Manager:

*“For authorization, every purchase of materials or equipment requires approval from the CEO first. If approved, the materials can be purchased. For example, if warehouse stock is running low, we ask the CEO whether restocking is necessary. Then we inform the accounting department because they are responsible for recording all financial activities.” (Branch Manager)*

In terms of reconciliation, the company compares incoming goods with the supplier's invoice to ensure the quantity and quality match the purchase details. This practice is consistent with internal control principles, which recommend verifying physical receipts against purchasing documents to detect discrepancies and prevent fraud.

*“At PT Berkah Anugerah Plastik, reconciliation is carried out by comparing incoming goods with the invoice to check for any shortages or inconsistencies.” (Branch Manager)*

Regarding organizational structure, PT Berkah Anugerah Plastik relies heavily on family members and trusted individuals to handle key functions. While this approach allows for internal control within a close-knit team, it also presents risks due to overlapping responsibilities. The CEO serves as the primary decision-maker, the accounting department records transactions, and the warehouse receives and stores goods. Although these functions are somewhat distinct, the overlap between warehouse and purchasing responsibilities remains a significant issue.

Specifically, the warehouse staff initiates purchase requests when inventory is low, which conflicts with [Mulyadi's \(2016\)](#) emphasis on separating the purchasing and warehouse functions. This overlap creates a potential control weakness, as it bypasses the principle of checks and balances that internal control systems are meant to enforce.

*“For the separation of duties, positions at PT Berkah Plastik are held by family members and trusted individuals.” (Branch Manager)*

Additionally, the company uses what it refers to as a “two-way system” in its purchasing process, allowing for goods to be checked upon arrival and returned if they do not meet expectations. While this system helps detect delivery issues, it does not replace the need for a properly segregated internal control structure.

*“For the purchasing system, we use a two-way system. If there are discrepancies in the goods received, we simply return them. This method has worked well for us.” (Branch Management)*

Based on the interviews, observations, and documentation acquired during the research, PT Berkah Plastik has implemented certain separation functions in the operationalization of the purchase and procurement process.

### Healthy Practices

In accordance with [Mulyadi's \(2016\)](#) principles of internal control, a sound purchasing accounting system requires not only a clear separation of duties and structured documentation flow but also the consistent application of healthy practices aimed at safeguarding company assets and ensuring the accuracy of financial reporting. These healthy practices include strict control over documents, proper supplier evaluation, thorough goods inspection, and careful verification of payments.

At PT Berkah Anugerah Plastik, some of these practices have been implemented effectively. For instance, the warehouse department uses printed and pre-numbered purchase requisition forms, which helps maintain systematic documentation and traceability of purchase requests. In the financial process, supplier invoices are carefully reviewed before being approved for payment. This verification includes checking the accuracy of prices, confirming the agreed terms, and recalculating totals to avoid errors such as overpayment due to miscalculations.

As part of its disciplined approach to cash management, the company schedules supplier payments in accordance with agreed payment terms. This not only helps maintain positive relationships with suppliers but also enables the company to take advantage of early payment discounts whenever possible. According to staff at the branch finance division, this strategy is regularly followed to ensure financial efficiency.

Further reinforcing financial control, the accounts payable sub-ledgers are reconciled periodically with the general ledger control account. This reconciliation helps maintain consistency in financial records and ensures that discrepancies are identified and addressed promptly. Additionally, once payments are processed, related supporting documents, including payment vouchers, are stamped "Paid" by the cash disbursement function to prevent duplicate payments and maintain clear records.

Despite these strengths, several internal control measures recommended by [Mulyadi \(2016\)](#) have not yet been fully adopted. While the purchase requisition forms are pre-numbered, purchase orders and goods receipt reports are not consistently tracked using pre-numbered documents. This weakens accountability in procurement and receiving activities. Similarly, although quotations are requested from suppliers, the final selection often prioritizes quantity availability over a structured assessment of pricing, quality, and terms. As a result, opportunities for cost savings and improved supplier performance may be missed.

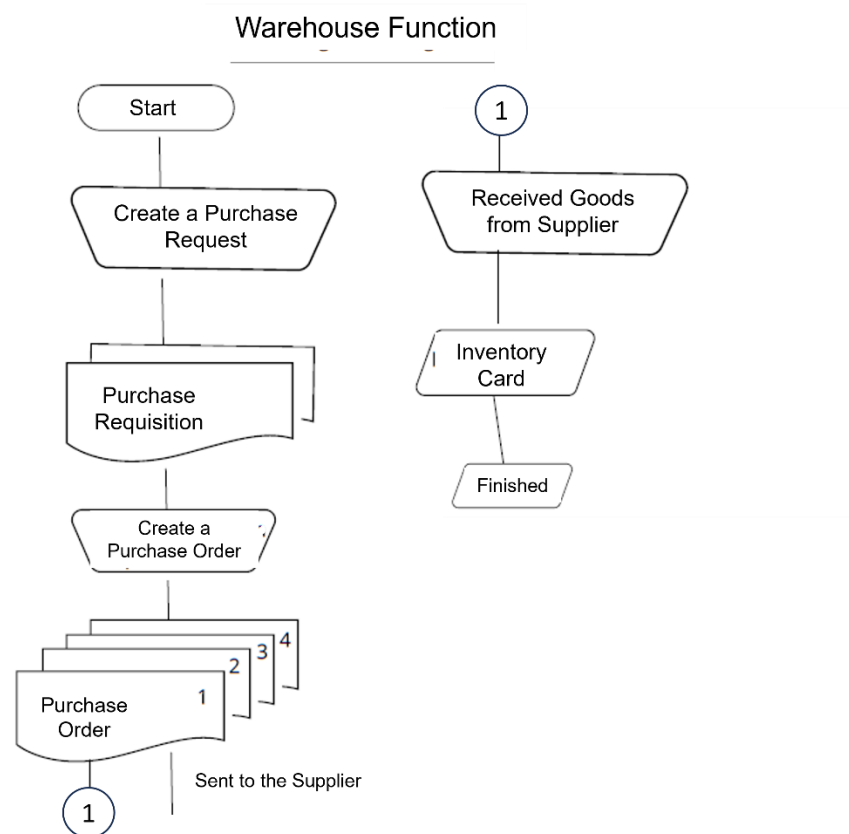
In terms of goods receipt procedures, the receiving department does not consistently receive a copy of the original purchase order prior to accepting deliveries. Without this reference, it becomes difficult to verify whether incoming goods match the order specifications. Moreover, while basic inspections are conducted upon receipt, there is no standardized process requiring the receiving function to carry out a detailed check against the purchase order in terms of quantity and product specifications.

Overall, PT Berkah Anugerah Plastik has demonstrated commendable efforts in implementing several key elements of internal control within its purchasing and accounting systems. However, further improvements, particularly in areas such as document control, supplier selection, and goods verification, would strengthen the overall internal control environment. By fully adopting these practices, the company can enhance accuracy, reduce risk, and build a more resilient and accountable operational framework.

### Purchasing Procedures at the Company

The purchasing system used at PT. Berkah Anugerah Plastik is a Two-Way System, with the document flow chart in [Figure 2](#). This flowchart illustrates the warehouse function in the goods procurement process. The process begins when the warehouse identifies the need for goods and initiates a Purchase Requisition. This requisition is then forwarded to the purchasing department, which processes it into a Purchase Order (PO). The PO is prepared in four copies: one is sent to the supplier, one is archived by the purchasing department, one is sent to the warehouse, and the last copy is forwarded to the accounting or finance department.





**Figure 2. Procedures in The Purchasing Accounting System at PT Berkat Anugerah Plastik**

Source: Interviews, observations, and documentation of PT Berkat Anugerah Plastik – Processed 2025

Once the PO is sent to the supplier, the ordered goods are delivered to the warehouse. Upon receipt, the warehouse checks the goods to ensure they match the items listed in the PO. After verification, the received goods are recorded in the Warehouse Card to update the inventory records. This marks the completion of the procurement process from the warehouse's perspective.

## CONCLUSION

Internal control is a crucial element in maintaining operational effectiveness and the reliability of a company's financial reporting. According to Mulyadi (2016), one of the core principles of an internal control system is the segregation of duties among the purchasing, receiving, storage, and accounting functions to minimize the risk of errors and fraud.

In practice, PT Berkah Anugrah Plastik has implemented an internal control system; however, there are notable weaknesses. The segregation of functions is not fully optimized, as several key roles are held by the same individual such as the Head of Administration, who is also responsible for purchasing and financial recording. This reduces the effectiveness of internal controls due to the lack of independent cross-checking between functions.

The company's purchase authorization process aligns with Mulyadi's principle, where every purchase must be approved by the CEO as the highest-ranking official. In addition, reconciliation of goods received with purchase invoices is routinely conducted by the warehouse and accounting departments to ensure the accuracy of quantities and product specifications. However, the warehouse department also initiates purchase requests when inventory is low, which contradicts the principle of separating purchasing and storage responsibilities. The distribution of responsibilities within the company is largely handled by family members and trusted individuals, which can limit objectivity and reduce the overall effectiveness of internal control mechanisms.

Overall, PT Berkah Anugrah Plastik has implemented numerous internal control procedures in accordance with established theory. However, overlapping roles still exist, posing risks of errors, irregularities, and fraud. Therefore, the company needs to restructure its organizational functions to ensure a clear separation of duties and strengthen supervision mechanisms, thereby safeguarding assets and maintaining accurate financial reporting.

### Acknowledgment

We would like to express our deepest gratitude to the owner and management of PT Berkah Anugrah Plastik, Nganjuk - East Java, who have provided an opportunity for UPN Veteran Jatim students to learn to apply accounting systems in the real world. This experience has enabled the research team to better understand the importance of internal control systems, particularly in purchasing accounting systems.

### Abbreviations

RQ (Research Question), CEO (Chief Executive Officer), RFQ (Request for Quotation), PO (Purchase Order), AP (Accounts Payable), and PT (Perseroan Terbatas).

### Authors' Contribution

All authors contributed equally to the research and writing of the manuscript.

### Authors' Information

Muhammad Aldri Kurniawan ([aldrikurniawan23@gmail.com](mailto:aldrikurniawan23@gmail.com)), Latifatul Fauziyah ([fauziyahlatifatul782@gmail.com](mailto:fauziyahlatifatul782@gmail.com)), Deva Anzelia ([devaanzelia@gmail.com](mailto:devaanzelia@gmail.com)), Elsa Sahita ([elsasahita12@gmail.com](mailto:elsasahita12@gmail.com)), Firyal I'zaaz Aisy ([izaazyall@gmail.com](mailto:izaazyall@gmail.com)), and Maria Angela Primaningtias ([ella.one1717@gmail.com](mailto:ella.one1717@gmail.com)) are students of the Accounting Program, Faculty of Economics and Business, Universitas Pembangunan Nasional Veteran Jawa Timur. This article was written as a requirement for Accounting Systems courses.

### Conflict of Interest

The authors declare no competing interests.

### Funding

This research received no external funding.

### Availability of data and materials

The data and materials might be requested via email to the corresponding author.

## REFERENCES

- Andhaniwati, E. (2022). Analisis Sistem Pengendalian Internal Atas Siklus Pendapatan (Studi Kasus Perusahaan Distributor Kelistrikan di Surabaya). *Small Business Accounting Management and Entrepreneurship Review*, 2(1), 1-13. <https://doi.org/10.61656/sbamer.v2i1.67>
- Bhat, S. (2023). The Effectiveness of Internal Controls in Preventing Fraud and Financial Misconduct. *Journal of Law and Sustainable Development*, 11(5), e1178. <https://doi.org/10.55908/sdgs.v11i5.1178>
- DeFond, M. & Zhang, J. (2014). A review of archival auditing research, *Journal of Accounting and Economics*, Volume 58, Issues 2–3, 275-326. <https://doi.org/10.1016/j.jacceco.2014.09.002>.
- Dirani, A., Saputro, A. A., & Handoyo, V. S. (2024). Development of PT SIER Accounting Information Systems: The Importance of User Participation and Satisfaction. *Indonesian Journal of Sustainability Policy and Technology*, 2(2), 101-115. <https://doi.org/10.61656/ijospat.v2i2.239>
- Igbojoyibo, R. P. (2024). The Impact of Internal Control Systems on Asset Protection and Financial Reporting Accuracy in SMEs. *Asian Journal of Economics, Business and Accounting*, Vol. 24. 65-80. <https://doi.org/10.9734/ajeba/2024/v24i121592>.
- Indaryanti, H, Nerwindra, W.H., Alimustofa, I., & Efendi, S. N. (2023). Sistem Penerimaan Kas Retribusi Tera Atau Tera Ulang pada Bidang Metrologi Dinas Perundistrian dan Perdagangan Kabupaten Blitar. *Akuntabilitas: Jurnal Ilmiah Ilmu-Ilmu Ekonomi*, 14(2), 83–98. <https://doi.org/10.35457/akuntabilitas.v14i2.2701>

- Kalumata, N., Nangoi, G. B., & Lambey, R. (2017). Evaluasi Pengendalian Internal Sistem Informasi Akuntansi Penjualan dan Penerimaan Kas Pada PT. Hasjrat Abadi Cabang Malalayang Manado. *Going Concern: Jurnal Riset Akuntansi*, 12(2). Retrieved from <https://ejournal.unsrat.ac.id/v3/index.php/gc/article/view/18650>
- Katan, F., & Ratih, S. (2023). Analisis Sistem Pengendalian Internal Pembelian untuk Meminimalisir Risiko Kecurangan (Studi Pada Salah Satu Manufaktur Kelapa di Surabaya). *Journal of Innovation Research and Knowledge*, 3(4), 813–822. <https://doi.org/10.53625/jirk.v3i4.6542>
- Kodu, A. R., Saragih, K., Sitorus, F., & Silvanita, K. (2022). The Influence of Internal Control, User Capability and Information Technology on the Quality of the of the Accounting Information System. *International Journal of Research and Innovation in Social Science*, Vol. 6 (5). <https://dx.doi.org/10.47772/IJRISS.2023.7012015>
- Kusnadi, S.-S. N., & Kirana, N. W. I. (2023). The Influence of Blueprints on Internal Audit Monitoring System (IAMS) Application Development. *Sustainable Business Accounting and Management Review*, 5(3), 1-10. <https://doi.org/10.61656/sbamr.v5i3.111>
- Matas, S., Oplotnik, Ž. J., & Jagrič, T. (2025). Can We Have Both? The Challenges of Efficiency Outcomes in a Public Procurement System and Reaching the Strategic Goals of Procurement. *Sustainability*, 17(6), 2475. <https://doi.org/10.3390/su17062475>
- Mulyadi. (2016). Sistem akuntansi (Edisi ke-4). Jakarta: Salemba Empat.
- Mursyida, I., & Maulina, R. (2023). The Role of Internal Audit and Internal Control on the Quality of Financial Reports at PT. ABC. *Jurnal Ilmiah Manajemen Kesatuan*, 11(3), 695–702. <https://doi.org/10.37641/jimkes.v11i3.2163>
- Nqala, L. & Musikavanhu, T.B., (2023). Using Internal Control Systems for Small and Medium Enterprise Sustainability in a Developing Nation. *Expert Journal of Business and Management*, 11(1), pp.60-65. <https://business.expertjournals.com/23446781-1105/>
- Panigrahi, R. R., Jena, D., Tandon, D., Meher, J. R., Mishra, P. C., & Sahoo, A. (2021). Inventory Management and Performance of Manufacturing Firms. *International Journal of Value Chain Management*, 12(2): 149-170. [https://www.researchgate.net/publication/342706324\\_Inventory\\_Management\\_and\\_Performance\\_of\\_Manufacturing\\_Firms](https://www.researchgate.net/publication/342706324_Inventory_Management_and_Performance_of_Manufacturing_Firms)
- Rachmawati, D. I. & Sunani, A. (2023). Analisis Sistem Pengendalian Internal atas Pendapatan dan Penerimaan Kas Pada Vasa Hotel Surabaya. *Seminar Nasional Akuntansi Dan Call for Paper (Senapan)*, 3(1), 237–244. <https://doi.org/10.33005/senapan.v3i1.298>
- Rahmaniar, R., & Khairita. H. (2023). Pemanfaatan Teknologi Informasi dan Penerapan Pengendalian Intern Kas. *HEI EMA: Jurnal Riset Hukum, Ekonomi Islam, Ekonomi, Manajemen dan Akuntansi*, 2(2), 43–53. <https://doi.org/10.61393/heiema.v2i2.173>
- Rahmansyah, A. I. & Darwis, D. (2020). Sistem Informasi Akuntansi Pengendalian Internal Terhadap Penjualan (Studi Kasus: CV. Anugrah PS). *Jurnal Teknologi dan Sistem Informasi*, 1(2), 42 - 49. <https://doi.org/10.33365/jtsi.v1i2.388>
- Sujarweni, V. W. (2015). *Sistem Akuntansi*. Pustaka Baru Pres: Jl. Wonosari No.Km. 6, Kalangan, Baturetno, Kec. Banguntapan, Kabupaten Bantul, Daerah Istimewa Yogyakarta 55197.
- Wahida, P. F. & Suryaningrum, D. H. (2023). Pengaruh Sistem Pengendalian Internal terhadap Intensitas Inovasi dan Kinerja Organisasi Sektor Publik di Surabaya dengan Kepemimpinan Transformasional sebagai Variabel Moderasi, *Costing*, 7(1), <https://doi.org/10.31539/costing.v7i1.6620>.
- Yanti, R. P., Purnamawati, G. A., & Marvilanti, E. D. (2020). Analisis Pengendalian Internal Dan Upaya Pencegahan. *Jurnal Ilmiah Mahasiswa Akuntansi Universitas Pendidikan Ganesha*, Vol. 11 No 1. <https://ejournal.undiksha.ac.id/index.php/S1ak/article/view/24673>.
- Yemisi, Y. (2024). *The Role of Effective Internal Control Systems in the Decision-Making Process*. Retrieved on June 1, 2025, from <https://innerkonsult.com/the-role-of-effective-internal-control-systems-in-the-decision-making-process/>
- Zaneta, J. A. (2024). Membangun Sistem Pengendalian Internal untuk Menanggulangi Resiko Fraud di Perusahaan. *Majelis: Jurnal Hukum Indonesia*, 1(4), 33–41. <https://doi.org/10.62383/majelis.v1i4.261>