



Evaluation of implementation of accounting systems in an effort to minimize uncollective accounts

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ABSTRACT

This research was conducted to know the Accounting System for Doubtful Accounts at KSU Tandangsari and the efforts made by KSU Tandangsari to utilize Accounting Information in minimizing Uncollectible Receivables. In this study, the authors use qualitative research. Data collection techniques used in this study were interviews and documentation. Interviews by holding direct questions and answers to the head of the accounts receivable section. Documentation by asking directly for the data used in this study. The results of this study that the KSU Tandangsari cooperative regarding the accounting information system on the treatment of bad debts is to use a direct write-off, which can be seen from the balance sheet that there is no position or reserve account for bad debts in terms of assets or assets, but the losses from bad debts are in cooperatives are not immediately abolished but this cooperative hopes member who borrow money to return it immediately, but it's just that in the report it is not written as a loss or uncollectible account. Based on the results of the analysis that has been carried out, it can be concluded by the author that in the application of the accounting information system in this cooperative, especially in the post uncollectible accounts, it is good to confirm before making a bill to the members. In contrast, the application of the accounting information system on uncollectible charges turns out to be cooperative. This has not taken any follow up on this problem, so this cooperative does not yet have a rule regarding bad debts, but the cooperative management only hopes that members of the cooperative can still pay the bad debts.



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INTRODUCTION

The development of information technology currently affects various aspects of life in general and Indonesia in particular. In line with this, information technology covering multiple fields, including the economic, social, political and security, has experienced such a sophisticated development. The use of technology that can provide speed, convenience, and timeliness is necessary. One of the advantages of using a computer-based information system is the speed and accuracy in processing data. So in this era of government, it is necessary to have a system that can accommodate the need for fast, effective and efficient services.

According to Susanto (2017) an information system is a collection of sub-systems, both physical and non-physical, interconnected with each other and work together in harmony to achieve a goal, namely managing data into useful information. According to Hansiadi (2012) a management accounting information system is an administrative control mechanism. It is an effective tool in providing helpful information to predict the consequences of the activities carried out. Meanwhile, Mowen et al. (2015) describe a management accounting information system as an information system that produces output using inputs and several processes needed to meet management objectives.

Judging from the system that is running at the KSU Tandangsari cooperative, especially in the field of savings and loans, it is still not practical because there are still problems such as the difficulty of managing data, both in the form of member data, loan data and instalment data that are still stored in the form of a ledger. In the process, the data is sometimes lost and damaged, errors in recording the sum of both loans and deposits occur, and there are delays in making reports. That's all because the system still uses records in the general ledger.

Fahmi (2017) states that financial statements describe a company's financial condition, which can be used as a picture of the company's economic performance. According to Kasmir (2014), in general, financial statements aim to provide a company's financial information, either at a particular time or a specific period. Financial reports can also be prepared suddenly according to company decisions or periodically.

Receivables are company claims for money, goods, or services to other parties due to past transactions. Almost all entities have receivables from other parties related to sales/revenue transactions or are receivables originating from other transactions. The entity's type of business influences the category of receivables. In trading and manufacturing companies, the receivables that appear are trade receivables and other receivables Radiant (2012:210).

Therefore, to simplify the savings and loan system at the KSU Tandangsari cooperative, a savings and loan system application was made using a simple program so that the information provided could provide effective and efficient results.

RESEARCH METHODS

With the research method, the author intends to collect data and observe certain aspects related to the problem under study to obtain data that support the preparation of research reports. In this study, the authors use qualitative research. Qualitative research methods are often called natural methods because the research is carried out in natural conditions (natural settings), also known as the ethnographic method. After all, initially, this method was used more for research in cultural anthropology, which was referred to as a qualitative method because the data collected and analyzed were more comprehensive. It is qualitative, data collection techniques used in this study were interviews and documentation. Interviews by holding direct questions and answers to the head of the accounts receivable section. Documentation by asking directly for the data used in this study (Sugiyono, 2013).

RESULTS AND DISCUSSION

How are the Uncollectible Accounts Receivable Accounting Information System at KSU Tandangsari

Table 1 Recapitulation of Receivables

No	Year	Accounts	Amount Receivable	Uncollectible	(%)
1	2015	Rp. 256.514.000,00	Rp .136.674.000,00	Rp. 119.867.000,00	46,73%
2	2016	Rp.2.425.666.000,00	Rp.1.050.850.000,00	Rp.1.374.816.000,00	56,68%
3	2017	Rp.3.422.228.000,00	Rp.1.821.437.000,00	Rp.1.600.791.000,00	46,78%
4	2018	Rp.2.841.505.099,00	Rp.1.428.901.000,00	Rp.1.412.604.099,00	49,71%
5	2019	Rp.2.365.072.453,50	Rp. 847.561.000,00	Rp.1.517.511.453,05	64,16%

Source: KSU Tandangsari Financial Report

Based on the data above, the receivables each year have increased and decreased in proportion to the total receivables that can be collected and those that are not collectable each year have increased and reduced. Receivables internal control is essential because, without supervision, the cooperative will bear the risks in receivable transactions. To avoid or minimize the risks that may be faced or minimize the risks that will arise, it is necessary to supervise receivables.

The existing policy at the Tadangsari cooperative ksu cooperative is based on the results of interviews with suitable employees that do not yet have official regulations regarding borrowing receivables, especially those receivable loans with an enormous nominal value, based on the results of services and interviews with cooperative employees, the maximum loan is fifty million rupiah, here why the management stipulates so that the management can also provide additional policies, namely the application of guarantees such as BPKB, KTP, and other ownership certificates which may be deemed appropriate or proportional to the amount of money given to members on loans, because even if it is through instalments of receivables by cutting salaries or making payments cash and or members have savings in this cooperative does not rule out the possibility of arrears if members do not pay the receivables, so with this guarantee can minimize the loss of bad debts.

KSU Tandang Sari Cooperative needs to add a policy to write off bad debts. The write-off of receivables arises because of uncollectible receivables by the cooperative. To determine that the receivables are no longer collectable are as follows:

- Members who borrowed or are concerned are no longer able to pay
- Members die or run away

Especially for cooperative members who died, this cooperative already has reserve funds and protection funds that will be used if one of the members borrows but dies. These funds are managed by themselves so that the cooperative does not need to look for heirs.

The following is a system or flow chart of members in applying for loans to cooperatives:

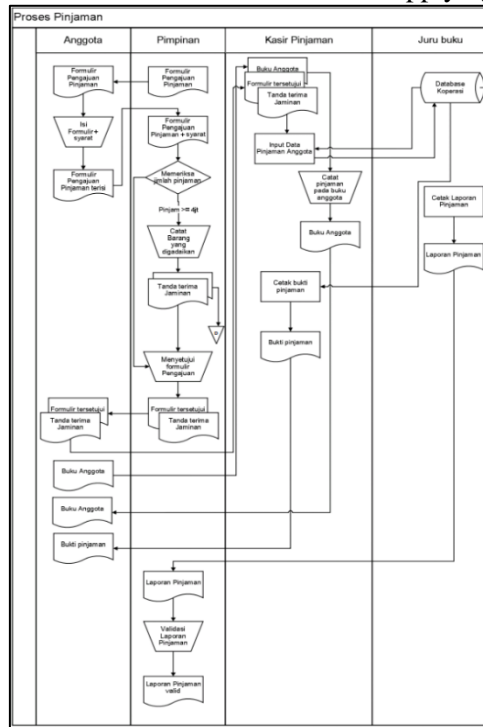


Figure 1 Cooperative loan application flowchart

To what extent is the accounting system for bad debts at KSU Tandangsari?

The existing receivables system at the KSU Tandangsari Cooperative is good enough. However, the procedures can still not explain in detail what functions are involved in the submission of receivables. The steps and work instructions have not been described in detail, so it is necessary to improve procedures so that the procedures applied in cooperatives can be used effectively and efficiently following the principles and objectives of the accounting information system. Procedures must include the preparation of inputs, transaction processing, error detection and correction, supervision or control. In general, procedures are in the form of a system manual and as implementation instructions for users to minimize bad debts. Reasonable procedures in Mulyadi (2015) have the following characteristics: 1. Procedures can create good supervision and use minimal costs 2. Procedures show logical and simple sequences 3. Procedures support the achievement of organizational goals 4. Procedures indicate that there are no obstacles or delays 5. Procedures show that there are decisions and responsibilities. Reasonable procedures will produce precise and accurate information.

Based on the results of an interview with one of the employees of the Ksu Tandangsari cooperative regarding the accounting information system on the treatment of bad debts is to use a direct write-off as seen from the balance sheet, there is no position or reserve account for bad debts in terms of assets or assets, but losses from bad debts This collectable from the cooperative is not immediately abolished, but this cooperative hopes that members who borrow money to return it immediately, but it's just that in the report it is not written as a loss or uncollectible account.

The following is a flow chart for the KSU Tandangsari cooperative in loan instalments to minimize uncollectible receivables:

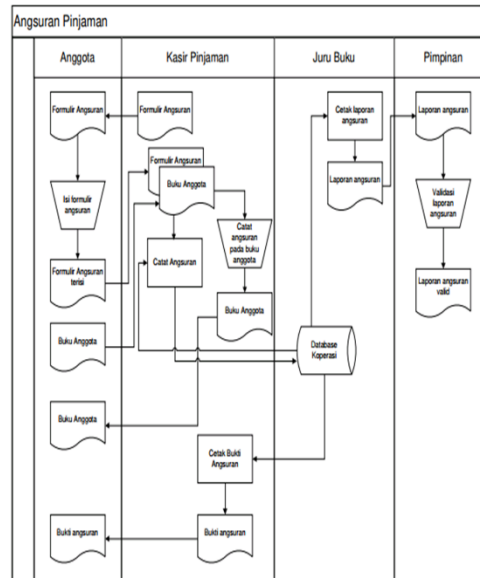


Figure 2 Flowchart of loan instalments to minimize bad debts

What Efforts Ksu Tandangsari Did To Utilize Accounting Information to Minimize Doubtful Accounts

Procedures for handling bad debts need to be made to anticipate the occurrence of bad debts because even though the instalments of receivables are through salary deductions, sometimes members borrow funds that exceed their savings and the amount of salary they have, such as borrowing funds to open a business or repay housing. The parties involved in the procedure for handling bad debts are:

- a) Members/debtors as parties who borrow funds from cooperatives
- b) Treasurer II, who is responsible for the savings and loan unit

1. Documents required:

- List of member receivables (soft file)
- Warning letter
- Receipt/cash in

2. Procedure for Handling Doubtful Accounts:

Treasurer II

- Request a list of credit cards at the cashier
- Checking the data of members who are in arrears
- Make a warning letter of accounts receivable in 3 copies for members. The second copy is for the cashier, and in three copies for the archives
- If the member pays off the receivables, it will be recorded in the daily cash book/incoming cash
- Make a triple receipt for the second duplicate member for
- Cashier and 3 copies for Treasurer I

Member/debtor

- Received a warning letter from the management/treasurer II
- Members come directly to the cooperative to pay off receivables
- USP Cashier
- Provide credit card data to Treasurer II. Record payment of members' receivables in member's credit card data. Based on credit agreement documents and receipts.

Accounts Receivable Write-off Procedure

Stakeholders :

- Treasurer II as the party responsible for the Savings and Loans unit
 - a. At the Annual Members Meeting (RAT), the Treasurer asks for approval to write off bad debts
 - b. Record write-off of accounts receivable
- Member Council as the highest authority in the Cooperative
 - a. Decide / Approve the write-off of receivables based on data Data obtained by the Treasurer that the member is no longer possible to pay receivables

- The cooperative's collection officer is tasked with surveying members who are unable to pay off their receivables from the cooperative
 - a. Surveying members based on existing data in the cooperative, namely Letter of Credit Agreement and Letter of Warning
 - b. If a member has been confirmed to have gone bankrupt or his whereabouts have not been found, confirm with the Treasurer
- Required documents:
- a. Warning letter
 - b. Credit agreement letter
 - c. Member Accounts Receivable List

CONCLUSION

Based on the analysis that the author has carried out that in the application of the accounting information system in this cooperative, especially in post uncollectible accounts, it is good to confirm before making bills to members and also to record the activity itself in reports and the operation of this cooperative accounting information system. Has used a computer system so that in inputting and reporting the final results in the form of financial reports that can be made and done efficiently, only in the development of the accounting process it is not following cooperative accounting in general. On applying the accounting information system to uncollectible accounts, it turns out that this cooperative has not taken any action. Further to this problem, so this cooperative does not yet have regulations regarding uncollectible activities, but the administrators initially started the movement. Furthermore, this cooperative can make efforts in dealing with the problem of bad debts by engaging directly with members to collect receivables. Various matters, namely to the members who died.

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