

Inventory Accounting System Design for Management of Merchandise Inventory at Polymart in Manado

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Abstract : This research was carried out at the Polimart business, which is a trading business that buys and sells merchandise located within the Manado State Polytechnic campus. Merchandise inventory is one of the resources owned by the company, therefore inventory must be managed as well as possible because without inventory the company cannot carry out sales activities. Based on the initial interview with the manager, the inventory accounting records made are only for every Purchases of merchandise as inventory are recorded/inputted on the computer. For goods sold for cash, it can be seen in the sales report recorded in the cash register, for those sold on credit, it is recorded in the accounts receivable report. In this regard, this is the aim. Research is designing inventory accounting system for managing merchandise inventory. The research method is using qualitative research. The data collection technique is through interviews with Polimart employees and literature studies regarding inventory material. Data analysis is carried out using data reduction, data presentation, and conclusion drawing stages. The research results show that the inventory accounting system design consists of inventory purchasing system and sales system.

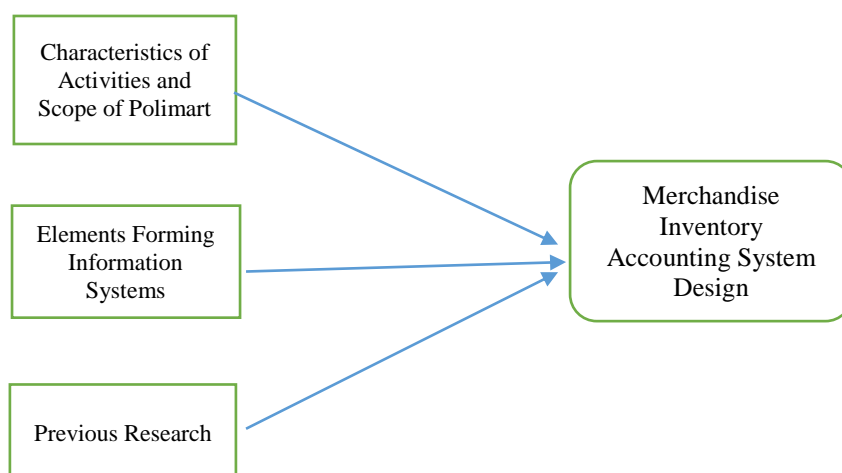
Keywords: Design, Accounting System, Inventory

I. INTRODUCTION

The Polimart business is a trading business that buys and sells merchandise located within the Manado State Polytechnic campus. Based on the initial interview with the manager, the inventory accounting records that are made are only every purchase of merchandise as inventory is recorded/inputted on the computer for goods sold in cash, which can be seen in the sales report recorded in the cash register, for those sold credit is recorded in the accounts receivable report. Inventory is merchandise that is purchased and then stored for sale in the company's normal operations so that the company always pays great attention to inventory. Inventory is a company's assets that are quite large or even the largest when compared to other current assets. And inventory is also the element that uses the most financial resources of the company which needs to be provided so that the company can operate properly as it should. Merchandise inventory is also one of the resources owned by the company, therefore inventory must be managed as well as possible without inventory the company cannot carry out sales activities. According to Hery in the book Basic Accounting 1&2 (2018:236) that internal control over inventory is absolutely necessary considering that this asset is classified as quite current, the main purpose of implementing internal control is to secure or prevent company assets (inventory) from acts of theft, misappropriation, misuse and riots as well as ensuring the accuracy (accuracy) of inventory presentation in financial reports. Previous research explains the importance of designing a merchandise inventory accounting system, including (Ika Prayanti; Feras Al-Hawari, 2017, Endang Satyawati & Mujiyono, 2018, Limpele et al, 2023) who have analyzed the inventory accounting system and designed an accounting information system and internal control which includes the main accounting system, namely the reporting system, and supporting accounting systems, namely the company's cash receipt and disbursement system as well as designing an accounting information system for the purchasing and sales cycle for trading companies. According to Anastasia Diana in her book Intermediate Financial Accounting (2017: 179), inventory includes assets available for sale in ordinary business activities, in the production process for sale or in the form of materials or equipment used in the production process or providing services, inventory in generally constitutes the largest current asset of a trading company. In connection with this, it is necessary to manage and control the inventory of goods. An accounting system is an organization of forms, records and reports that are coordinated in such a way as to provide the financial information needed by management to facilitate company management

(Mulyadi, 2014: 3). An accounting information system is an organizational component that collects, classifies, processes, analyzes and communicates financial information and relevant decision making to parties outside the company, such as the tax office, investors and creditors, and internal parties, especially management. According to Mulyadi (2016) the inventory accounting system is a group of elements that aims to record mutations for each type of inventory stored in the warehouse. This system is closely related to the sales system, returns system, sales system, purchasing system and production cost accounting system. The research framework is as shown in the picture below:

Figure 1: Research Thinking Framework



The picture above shows that to design a merchandise inventory accounting system, data on business activities and business scope of the polimart, elements forming an information system, and previous research are needed.

II. RESEARCH METHODS

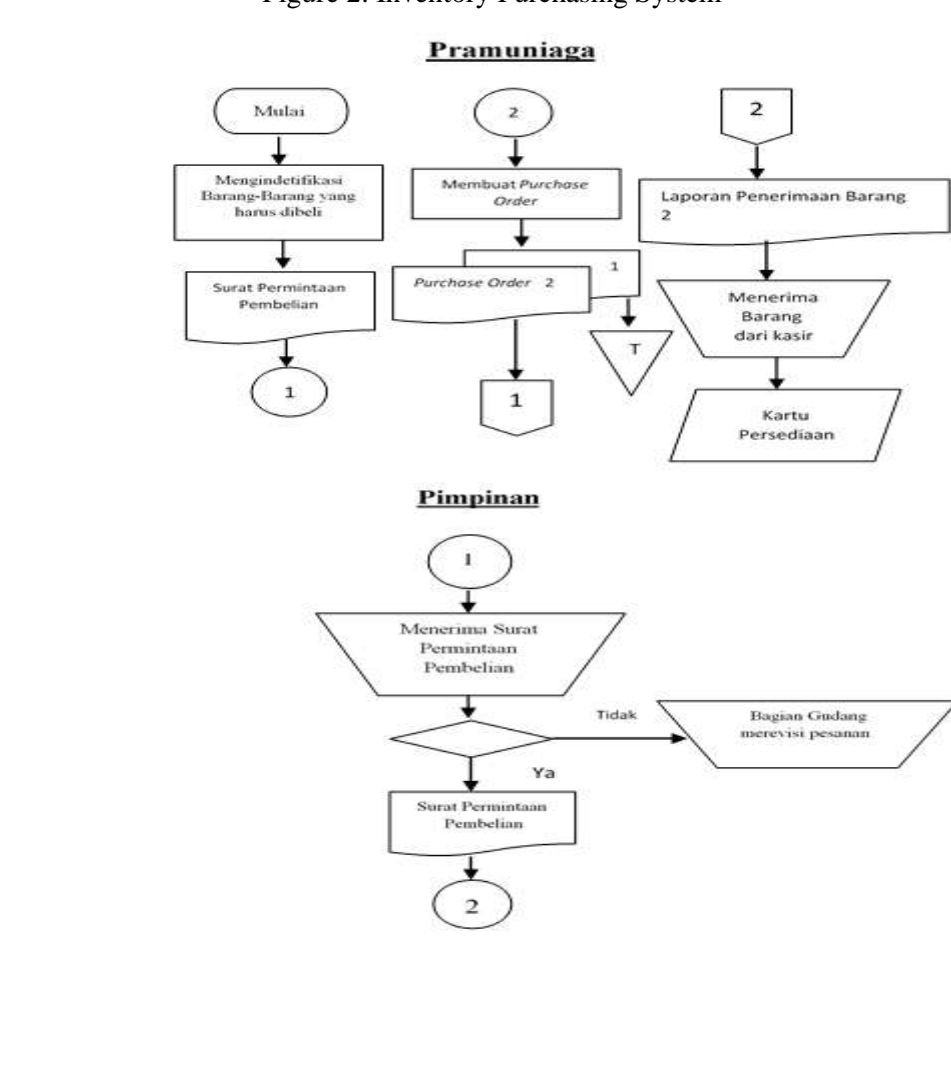
This research uses a qualitative descriptive method. According to Umar (2014), descriptive qualitative research aims to highlight the facts, circumstances, variables and phenomena that occurred during the research and the present as they really are. Data collection was carried out through interviews with Polimart managers and employees, related to activities and business scope, existing conditions of inventory accounting records as well as identifying Polimart transaction activities and identifying system-forming elements. At this stage the researcher also determines the data collection techniques that will be used. Researchers conducted field research to collect data through interviews and document studies. The document study is intended to obtain documents related to inventory accounting activities and records as well as financial reporting. Based on this data, the researcher presents data that will be used to design an inventory accounting system

III. RESEARCH RESULT

From the results of interviews with Polimart managers and employees and the results of the literature review, a design for an inventory accounting system was created consisting of an inventory purchasing system and a sales system to fulfill the internal control system for merchandise inventory as follows:

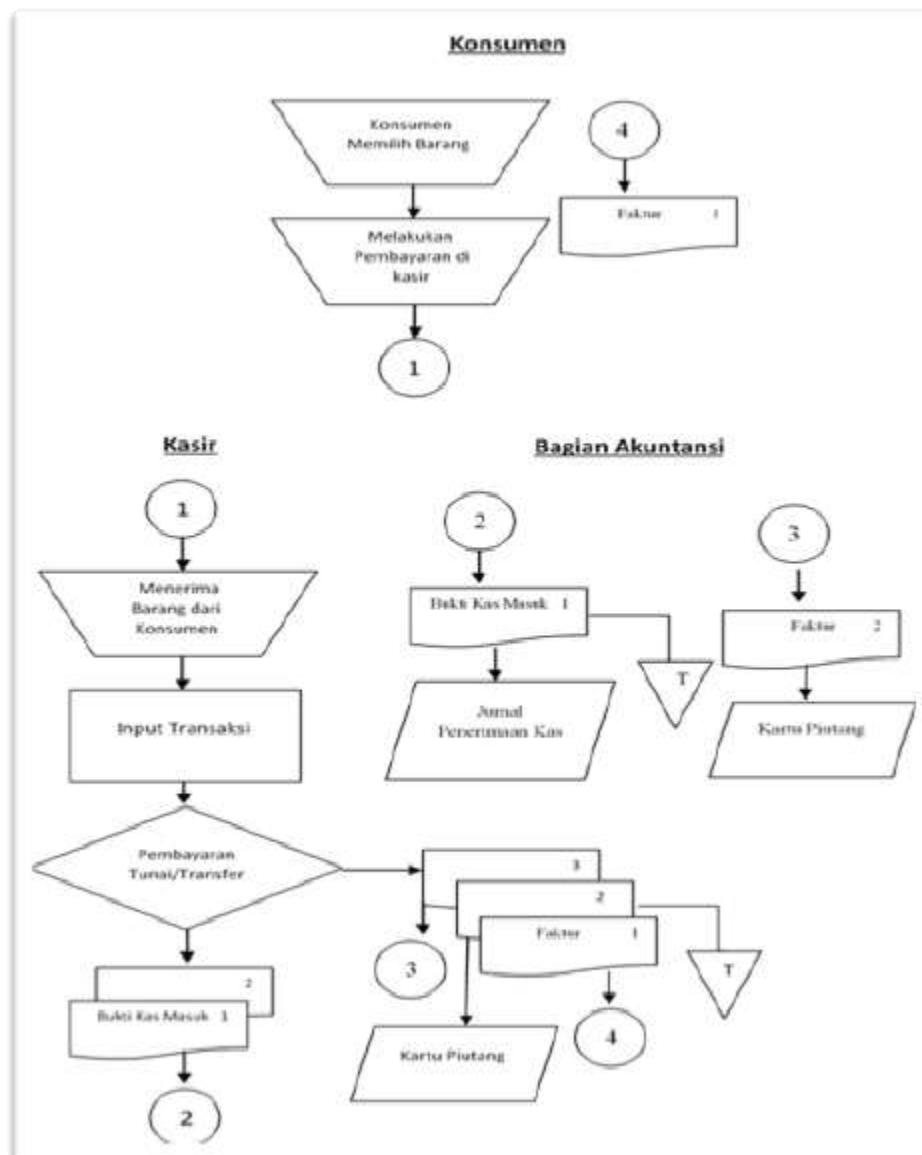
1. Inventory Purchasing System

Figure 2: Inventory Purchasing System



2. Sales system

Figure 3 Sales System



Source: Processed Results 2024

Based on the flowchart above, the inventory system at Polimart Manado consists of inventory purchasing and sales activities.

1. Purchase

- The salesperson will identify inventory that is empty and must be purchased, then create a purchase request letter and submit it to the management.
- The leadership will then receive the purchase request letter and will make a decision whether the letter will be authorized or must be revised. If authorized, the purchase request letter will be signed.
- The salesperson will receive the signed purchase request letter again, then create a purchase order and submit it to the cashier.
- The cashier receives the purchase order from the salesperson. The cashier will then order the goods from the supplier.
- The supplier receives the order from the cashier and submits an invoice to the cashier.
- The cashier receives the invoice and makes payment. The cashier will print the cash out receipt in 3 copies, where the original will be handed over to the supplier, then the second copy will be handed over to the accounting department, and the third copy will be archived by the cashier.
- The supplier hands over the goods to the cashier.

- h. The Accounting Department receives proof of cash out and records it in the cash out journal
- i. The cashier receives the goods and inputs the inventory into the system and receives two copies of the goods receipt report from the supplier, where the original is handed over to the salesperson while the second copy will be archived. The cashier then hands the inventory to the salesperson.
- j. The salesperson receives the goods and the goods receipt report and records it on the inventory card.

2. Sales

- a. Consumers choose goods and make payment at the cashier
- b. The cashier receives the goods and inputs the transaction into the system.
- c. If payment is made on credit, the cashier will issue an invoice in 3 copies, the original document for the consumer, the second copy for the cashier, and the third copy for the accounting department. Next, the cashier will record the transaction on the accounts receivable card. If payment is made in cash, the cashier will issue 2 copies of the cash receipt, the first copy for the cashier and the second copy for the accounting department.
- d. The Accounting Department will record cash sales transactions when receiving proof of cash incoming in the cash receipts journal, while credit sales will be recorded after receiving the invoice in the sales journal and accounts receivable subsidiary book.

IV. CONCLUSION

Polimart is a trading business located within the Manado State Polytechnic area. The internal control system at Polimart is not yet effective, because there are still elements of internal control that have not been fully implemented, including the placement of functions to regulate the purchase of inventory and sales. This research is to create a design. Goods Inventory Accounting System in the context of managing merchandise inventory at Polimart in Manado, as well as evaluating its performance for the sake of business sustainability.

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THANK-YOU NOTE

Thank you to the Manado State Polytechnic through the Center for Research and Community Service (P3M) for funding research under the 2024 Study Program Leading Research scheme