

ACKNOWLEDGEMENTS

First and above all, I praise God, the Lord Jesus Christ, for giving me blessings and opportunities so that the researcher is able to finish this thesis on the right time and properly.

This thesis, which is called “AUDIT OF SALES AND COLLECTION CYCLE OF PT. SARIMAS BAHTERA SUKSES”, was written to fulfill one of the academic requirements for achieving a Bachelor of Economic degree in Accounting from the University of Pelita Harapan.

Apart from the efforts of the researcher, the success of this thesis depends largely on the encouragement and guidelines of many others. I take this opportunity to express my gratitude to the people who have been instrumental in the successful completion of this thesis. I would like to show my greatest appreciation and thank to:

- 1) Dr. Kim Sung Suk as the Dean of Business School
- 2) Dr. Antonius Herusetya, Ak., MM as the Head of Accounting Department.
- 3) Mr. Sahat M Simanjuntak, BA., MBA as the Deputy Head of Accounting Department.
- 4) Dr. Tanggor Sihombing. MBA as the Thesis Supervisor.
- 5) All the lecturers in Universitas Pelita Harapan who have taught researcher everything that the researcher needs to know and made researcher who she is today.

- 6) All the staff of Business School that have helped researcher in administrative activities.
- 7) All the library staff that have helped researcher until the graduation.
- 8) Huge thanks to Dad, Mom, Florencia Marcelin Tunggono, Antonius Felix Tunggono, and researcher's big family who always support researcher in process of finishing this thesis.
- 9) All of researcher's friends in Accounting class A batch 2009 for the friendship that shared throughout these years and for being there for each other.
- 10) All the staffs in PT. Sarimas Bahtera Sukses that has helped a lot by giving opportunities and providing information needed especially: Ms. Eva Weena, Mr. Naoming, Ms. Tjia Sicilia Magdalena Tjahyadi, and all the other staffs who give support and guidance to the researcher.
- 11) Other people that researcher cannot mention one by one.

Finally, researcher realizes that this thesis is far from perfection. Because of that, the researcher welcomes any critiques and suggestions from readers. In addition, the researcher hopes that this thesis could be useful for readers.

Karawaci, December 2012

Researcher

TABLE OF CONTENTS

COVER PAGE

STATEMENTS OF THESIS ORIGINALITY

THESIS SUPERVISOR APPROVAL

THESIS EXAMINING LECTURERS APPROVAL

ABSTRACT.....iv

ACKNOWLEDGEMENT v

LIST OF FIGURES x

LIST OF TABLESxi

LIST OF APPENDICESxii

CHAPTER I INTRODUCTION

1.1 Background 1

1.2 Research Problem 4

1.3 Research Purpose 5

1.4 Benefits of Research 5

1.5 Systematics of Writing 6

CHAPTER II SUPPORTING THEORIES

2.1 Auditing 8

2.1.1 Definition of Auditing 8

2.1.2 Types of Auditing 9

2.2 Audit Objectives11

2.2.1 Transaction-Related Audit Objectives12

2.2.2 Balance-Related Audit Objectives14

2.2.3 Presentation and Disclosure Related Audit Objectives16

| | | |
|-------|---|----|
| 2.3 | Sarbanes-Oxley Act of 2002 | 16 |
| 2.4 | Internal Control | 19 |
| 2.4.1 | Definition of Internal Control | 19 |
| 2.4.2 | Management and Auditor Responsibilities for Internal Control | 20 |
| 2.5 | Internal Auditing | 20 |
| 2.6 | Financial Auditing | 26 |
| 2.6.1 | Financial Auditing Versus Operational Auditing | 26 |
| 2.6.2 | Information Source of Financial Auditing | 28 |
| 2.6.3 | Stages in Doing Financial Auditing | 28 |
| 2.7 | Sales and Collection Cycle | 31 |
| 2.7.1 | Definition of Sales and Collection Cycle | 31 |
| 2.7.2 | Accounts Related of Sales and Collection Cycle | 31 |

CHAPTER III RESEARCH METHODOLOGY

| | | |
|-------|--|----|
| 3.1 | Case Study Object | 33 |
| 3.1.1 | Company History and Activities | 33 |
| 3.1.2 | Organizational Structure | 34 |
| 3.1.3 | Business Process of PT. Sarimas Bahtera Sukses | 36 |
| 3.1.4 | Adjustment of PT. Sarimas Bahtera Sukses | 37 |
| 3.2 | Case Study Steps | 38 |
| 3.3 | Data Collection Techniques | 40 |
| 3.4 | Analysis Techniques | 40 |

CHAPTER IV RESULT AND DISCUSSION

| | |
|--|----|
| 4.1 Audit Planning | 42 |
| 4.1.1 Preliminary Survey | 42 |
| 4.1.2 Assess Client Business Risk | 43 |
| 4.1.3 Set Materiality | 45 |
| 4.1.4 Understand Internal Control | 49 |
| 4.1.5 Gather Information to Assess Fraud Risks | 53 |
| 4.2 Test of Controls | 54 |
| 4.3 Audit Sampling | 56 |
| 4.4 Substantive Test of Transactions | 57 |
| 4.5 Subsequent Test | 58 |
| 4.6 Analytical Procedures | 59 |
| 4.6.1 Results of Analytical Procedures | 61 |
| 4.7 Aging Test | 66 |
| 4.8 Test of Details of Balances | 67 |
| 4.9 Management Letter | 71 |

CHAPTER V CONCLUSION AND SUGGESTION

| | |
|----------------|----|
| 5.1 Conclusion | 72 |
| 5.2 Suggestion | 72 |

| | |
|---------------------|-----------|
| BIBLIOGRAPHY | 73 |
|---------------------|-----------|