Analysis of Accounting Data Mutation at Company Closing Times Listed in IDX of 2018

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ABSTRACT

Listed companies on the Indonesia Stock Exchange (IDX) are required to submit financial statement reporting annually to the IDX in accordance with the stipulated provisions. Companies made cut off period to close the book (closing), but there will be a lot of mutations of the accounts contained in the accounting financial statement of the company concerned. With the help of accounting systems (software) that exist today, the mutation of data can be detected based on the amount of data to see how these mutations was occur in several companies that are already listed on the IDX. Accounting system software helps us to expect that the transfer of data at the end of the financial statements is not significant. This research was conducted to see the magnitude of mutations that occur in companies that use the SAP system. The results of this study illustrate that the mutations made by the company at the end period of 2018 show some data mutations that can be explained as quantities that should be eliminated as small as possible if the transaction data input process is carried out properly controlled and free from some interests that usually accompany the accounting closing process a company

Keywords: accounting financial statement, data mutation, accounting software

Introduction

The accounting system of a company is very useful for internal and external parties of the company. According to Mulyadi (2013: 19), the accounting system must be developed with the following objectives:

1. Provide information for the management of new business activities. Accounting system development needs occur if a new company is established or a company creates a new business that is different from the business that has been run so far.
2. Improve information produced by existing systems. Sometimes the prevailing accounting system cannot meet management needs, both in terms of quality, accuracy of presentation, and the structure of information contained in the report. This is likely due to the development of the company's business, thus demanding an accounting system for its presentation, with a better and more appropriate information structure, with an information structure that is in line with the demands of management's needs.
3. Accounting controls and internal checks, accounting is an organizational responsibility tool. The development of accounting systems is often intended to improve the protection of organizational wealth so that accountability for users of organizational wealth can be carried out properly. The development of accounting systems can also be aimed at improving internal checks so that information produced by the system can be trusted.
4. Reduce the clerical costs in administering accounting records. The development of accounting systems is often intended to save costs. Information is an economic item to obtain it requires the sacrifice of other economic sources. Therefore, in producing information, it is necessary to consider the magnitude of the benefits derived from the sacrifice made. If the sacrifice to obtain financial information is calculated to be greater than the benefits obtained, the existing system needs to be redesigned to reduce the sacrifice of resources for the provision of information. From the objectives of the accounting system above, it can be concluded that the purpose of the accounting system is to provide information for internal or external parties about company activities and improve information generated by the existing system whether or not it is in line with a good internal control system and to reduce errors in taking notes
SAP System

SAP system consists of common functions that are normally required by small to medium sized companies. SAP system is inter-section, while the performance spectrum of SAP system covers the Management and Opportunity Analysis (CRM) with these functions, companies can manage contacts directly and are composed of telephone calls or customer contact methods that companies do. Administration (Customizing) Function is managed by the administrator and also includes general functions within the system, such as user administration, system initialization, workflow definitions and others. Then the financial made the preparation and management of accounts, such as general budget management, journal entry and others, these activities are managed with this function. Sales / Order Processing, sales offers, customer orders, master records and structure of discounts, returns, and other functions are in the feature. Purchase procurement activities also managed by these functions, the buyer can track the order process, and good receipts and incoming invoices. Business Partner, on this feature is a variety of structures for the company’s business partners, as well as regular customer information and who will be prospects. For example, only certain data fields that will be visible to the sales and purchasing departments will be adjusted to certain business conditions. Cost accounting / Cost calculation, with this function can create the profit center based on the existing cost structure. The profit center also evaluated and tracked according to the profit and loss statement. For Inventory management, master management of goods (raw materials, finished goods and semi-finished goods), management of goods, price list of goods, and also transactions carried out on goods (goods issue, receipt and transfer of posts and others) are managed in this function. The production functions are defining the billing of material, apply order product and check the material availability and guarantee it. Invoicing / Payment for electronic payment transactions are managed in this function. Foreign and domestic payment transactions are also support in this function. The Material Resources Planning (MRP) calculates all requirements for high-level bill of materials, which also correspond to sales orders and forecast results on demand; Booking recommendations are scheduled according to the specified lead time. On service area, these functions optimizing the potential in the sales and service department, including service contract management and planning, tracking customer interactions, customer support, and sales opportunity management.

Financial Statement

Financial statements provide periodically by the company. Generally, they are released annually. The company issues financial statements, they made by the accounting department and is submitted to the parties concerned whom have an interest in using them, such as the government, shareholders, creditors, and the management. These parties will carry out extensive calculations by processing data sourced from financial statements (Maith, 2013). The calculation aims to determine the extent to which the company has reached the minimum level of performance according to the requirements or not. In accordance with PSAK No. 1 (Revised 2009) concerning the presentation of financial statements consisting of five components, namely: "Statements of financial position at the end of the period, statements of comprehensive income during the period, statements of changes in equity during the period, statements of cash flows during the period, and notes to the financial statements." Through these five components, company management and other users of financial statements can find out the total number of assets, debts, cash flow, and company profits in a certain period (Hidayat, 2014). In addition, the development of a company from the past to the present can be seen from the components above. The information which is used as a communication tool is expected to provide benefits for users of external and internal financial statements for decision-making and is the basis of accountability by management (Mas’ud & Srengga, 2011).

The financial performance of company can be defined by using financial statement analysis. Interpretation or analysis of company financial statement data is useful to see the situation about the development of company performance (Noviandri, 2014). Analysis of financial statements has a meaning derived from two words, analysis and financial statements. That is, an explanation of a problem and the relationship between its components will be continued to
gain an overall understanding of the presentation of the position and financial performance of a company (Maith, 2013). Financial analysis that is generally used by readers of financial statements is the analysis of financial ratios (Noviandri, 2014). According to Munawir (2002), measurement of financial performance has four objectives that are specified for liquidity, solvency, profitability, and stability level. The level of liquidity is the ability of the company to pay the bill when financial liabilities come due, that is the first objective. For the second, the level of solvency shows the ability of company to liquid assets to pay their financial liabilities, including short-term and long-term liabilities. The third goal, the level of profitability shows company's ability to profit during a certain period. Finally, to find out stability level, the company has ability to run the company stably, making the company's ability to pay dividends regularly to shareholders without any constraints” (Orniati, 2009). Measurement of the company's financial performance can also be seen from the activity ratio, which is often referred to as the operating capacity ratio, which is used to "measure the company's capability to use its assets efficiently and effectively to obtain sales” (Atika, 2012; Hidayat, 2014).

**Closing Processing in Financial Accounting**

Accounting financial closing process describes a company's ability to complete its accounting cycles and produce financial statements for internal management and external legal reporting working (and potential resource) pressures. While this research concentrates on preparing financial reports, many companies today also prepare non-financial reports such as timely sustainability and corporate responsibility that may have some elements of traditional financial closing process.

Closing processing in Financial Accounting is a recurring process with known input sources and predefined outputs. While most recurring processes have deployed technology to achieve efficiency, quality, repeatability, and capture of performance metrics, many companies today still rely on a highly manual work process to perform the necessary financial close tasks (Clark, 2010; Zubizarreta 2013). The process can be taking some longer time especially in ‘pencil down’ situations where one department must wait for another department before completing their duties (Adams, 2002).

Accountants often distinguish between three types of financial closing processes. First, the hard-close process focuses on accuracy and results in GAAP/SEC financial statements at quarter or fiscal year end. Second, in contrast, the soft close process occurs on interim months between quarter-end and produces financial data to be used for internal management reporting. Third, some executives periodically demand a virtual close that reflects on-demand availability of vital management reporting (Morrow, 2008: O'Leary, 2012). Further, some executives require their accounting staff to estimate consolidated income statement numbers before the fiscal period end.

**Methodology**

This study uses quantitative descriptive analysis based on Accounting financial closing process by SAP system. Researchers conducted primary and secondary data collection. Primary data comes from field surveys conducted on several manufacture companies that have been listed on the IDX.

Secondary data in the form of document reviews (Capture Data) obtained from SAP data provider companies as supporting existing data and as a literature review of data that has been successfully collected and processed together with stakeholders. The data continues to be "coding" given the confidentiality of data from companies that do not want the company name published. The process of collecting data is done within a period of two weeks (December, 20, 2018 to January, 3, 2019)

**Description of Data**

The data used are financial statement data (balance sheet and income statement) that can be captured based on the download date from the SAP system in several companies. The selection of data capture that is limited to the balance sheet and income statement is based on the data download that can be captured is very limited, because of this, the researchers only use the data in this study.
Data capture of 40 companies that can be captured accounting financial statement (Balance sheet and Income statement only) every day (starting December, 20, 2018 until January, 3, 2019), the progress of data changes based on the amount of data (in Bytes) can be seen in the figure 1 to 10. Grouping of four companies based on alphabetical order of company coding made by SAP system providers in order to make it easier to see changes in data from each company based on mutations that can be described in the data loaded every day and then can be depicted in grouping graphical as below.

Figure 1. (AT60 ; AL03 ; AJ36 ; AGP13)

Figure 2. (AM26 ; AJ52 ; BM28 ; BRE22)

Figure 3. (CT14 ; CIN24 ; DPS31 ; DTS49)

Figure 4. (EG40 ; FN33 ; FS06 ; FYA23)

Figure 5. (GRA25 ; HEI39 ; IG20 ; JK10)

Figure 6. (KT41 ; KA21 ; LUC31 ; LSL68)

Figure 7. (MM45 ; MA54 ; MIL19 ; MS46)

Figure 8. (MLY70 ; NRR55 ; NI57 ; P29)

Figure 9. (RG73 ; RYA63 ; SJH32 ; SK72)

Figure 10. (STE51 ; STL64 ; SW58 ; SUK09)

Addition to the description of changes in data content from the data of 40 companies listed on the Indonesia Stock Exchange (IDX) in 2018 (Table 1), the researchers conducted data processing for each company to be able to find out the average amount of percentage data mutation (Table 2) changes made by giving a figure that further strengthens the results of this study how mutations of financial statements are carried out very dynamically before and after the closing period of the report.
Table 1. Companies Code List
Table 2. Average Percentage Data Mutation

| AVG : 34.32 |

Conclusion

This research lead to several conclusions related to closing process of financial accounting reports for the past 2018 period on 40 sample data of manufacturing companies that have been listed on the Indonesia Stock Exchange (IDX) to be able to add insight into the scientific field and for information for readers of this paper.
First, the figure shown can be seen from the very dynamic movement of data during the period of December 20, 2018 to January 03, 2019, where every company with various interests mutated in each of its financial statements. This can be determined based on the data content that can be captured during the study period.
Second, variations of mutation data during the closing accounting data process to be able to produce financial statements in 2018, in general can be seen at 34.32%. This means that all companies that carry out the process of closing accounting data generally change their accounting data with an average of this amount and there is not one company that does not do mutation accounting data in the final period of 2018.
Third, for regulators in Indonesia, the results of this study can be used as an illustration to be able to issue more precise rules for reporting financial statements of companies that have been listed on IDX so that the financial statements can be better and trusted by stakeholders so that the information contained in the financial statements meet the expectations of the community and institutions that have an interest in the financial statements.
Fourth, the limitation of this research is that only 40 companies listing on IDX and only capturing from companies that use the SAP system, open the possibility for further research development in other fields of companies that have also been listed on IDX as well as companies that use systems (software) other than SAP. This is certainly a reinforcement and refinement of the results of this study.