

## The Evaluation of Company X Internal Control Based on Coso

Atria Putri<sup>1</sup>, Tubagus M. Yusuf Khudri<sup>2</sup>

<sup>1,2</sup>Faculty of Economics and Business, Universitas Indonesia

atria.putri01@ui.ac.id

### Abstract

As many as 27.6% of the 370 MSMEs that showed an increase in sales during the COVID-19 pandemic were those who were able to implement digitalization. Online shopping is now the leading choice and the number has been increasing by around 30% in Indonesia. One of the shops that experienced an increase in sales during the pandemic is Company X, engaged in the beauty industry. Running this shop for more than four years, Company X's finance division only consists of the owner who has a medical background. Therefore, the purpose of this study is to help the company improve risk mitigation, internal control, and the performance of its revenue cycle. The approach uses a case study method, analyzed by collecting data through semi-structured interviews about the revenue cycle and then evaluated based on 17 COSO 2013 principles. The results of this study indicate that the company has carried out control efforts informally, but it is not adequate because it is not in accordance with COSO 2013 and SAK EMKM. Company X must establish written and formal documents related to SOPs, risk management, evidence of the results of actions, and conduct customer satisfaction surveys.

### Keywords

internal control; COSO 2013; MSMEs; accounting information system; revenue cycle



## I. Introduction

The COVID-19 pandemic that has entered Indonesia has limited people's movement to shop for the desired product directly. Some business sectors experienced an increase in sales. Other sectors experienced a decline in sales due to the difficulty accessing the required resources, such as human resources who had to work in the field or the slow distribution due to social restrictions. The results of the Bank Indonesia survey (2021) showed that only 12.5% or 370 of the total 2,970 MSMEs in Indonesia were not affected by the COVID-19 pandemic. Based on the numbers that managed to survive during the pandemic, namely 370 MSMEs, there were 27.6% which showed an increase in sales, and 72.4% were stable (Bisnis.com, 2021). These MSMEs are able to apply digitalization in their sales (Widiarto, 2021). Shopping online is the leading choice, and online shopping activities in Indonesia have increased by around 30% (YLKI, 2021).

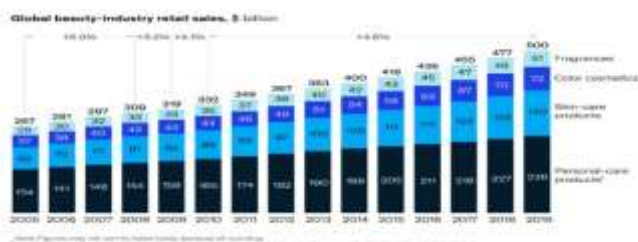
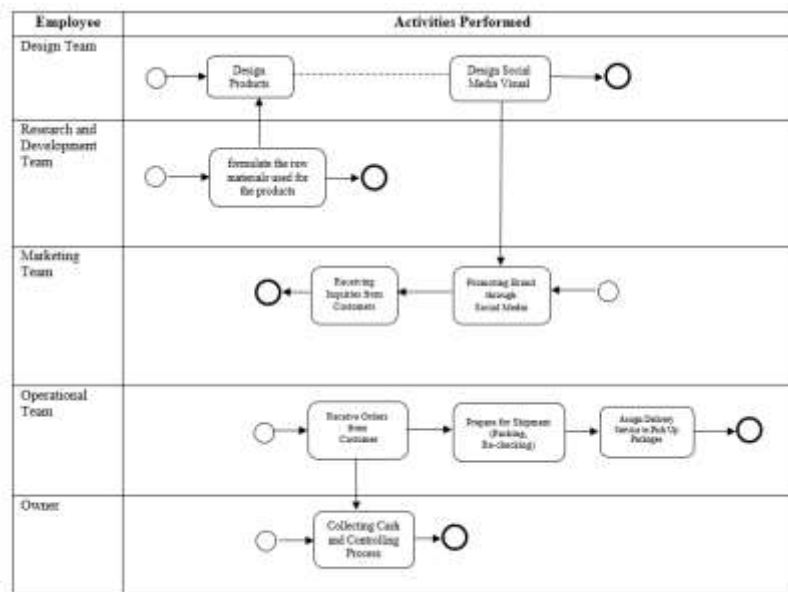


Figure 1. Global Beauty Industry Sales Trend 2005-2019  
 Source: <https://www.mckinsey.com/> Accessed 25th June 2021

One of the industries that experienced demand increases even during a pandemic is the Cosmetics Industry. Figure 1 shows a graph of the sales growth of the cosmetics industry from 2005-2019, which continues to increase. The Association of Indonesian Cosmetics Companies and Associations (PPAK Indonesia) projects that cosmetic sales in 2021 will increase by seven percent compared to 2020 (Anjani, 2021). One of them is Company X, an online-based company that experienced an increase in sales during the COVID-19 pandemic.



**Figure 2. Business Process at Company X**  
Source: Company X Internal Data

Company X's business processes focus on the product sales process. Based on Figure 2, the initial stage of making a product begins with the design and formulation of raw materials, then developed according to the results of studies related to ingredients carried out by the Product Development division. The finished product design is then given to the factory to make the finished product. The final product is sent from the factory to the warehouse of Company X after both parties approve the results of the product samples and the distribution permit is obtained by the Indonesian Food and Drug Supervisory Agency (BPOM RI). After receiving orders from a customer, the products sold are then sent with the help of selected shipping services to the customer's address based on their order. The company's owner will collect cash when the customer receives their items. Company X cooperates with distributor PT Y to develop its market and does not have a physical store. Social media is the only product marketing platform. Company X's office located in West Jakarta is only used as a warehouse for packing and meetings between employees.

Company X does not apply standards in carrying out internal control over its revenue cycle. Company X's accounting and finances are managed by one person, namely the company's owner with a medical background. Company X uses accounting software called Jurnal.id. According to Company X, there have never been any problems related to its revenue cycle because the company only relies on the software it uses. Adequate internal controls can increase competitive advantage even during the COVID-19 pandemic. The control framework used is COSO 2013 (Nurazizah & Novita, 2021). One of the objectives of implementing the 2013 COSO framework is the company's compliance with the law, which

is reflected in one of the COSO components, namely the Risk Assessment (Deloitte, 2013). Studies prove that compliance with accounting standards affects the quality of financial reports (Dalimunthe & Pane, 2021). Therefore, it is necessary to review whether the company's accounting and financial activities have followed the appropriate Financial Accounting Standards (SAK), namely SAK Entitas Mikro Kecil dan Menengah (SAK EMKM). SAK EMKM is specially designed for MSMEs because of its simple structure, which contains a statement of financial position, income statement, and notes to financial statements (IAI, 2016).

Micro, Small, and Medium Enterprises (MSMEs) do not have an absolute definition because each country has a different definition, whether based on the size of the human resources involved or on financial factors such as returns or assets. (Roberto, 2008). According to the UU Republik Indonesia No 20 Tahun 2008 about Micro, Small and Medium Enterprises, the definition of MSMEs divides the criteria for MSMEs into three subcategories based on net worth, excluding land and buildings for business premises or annual sales results. Meanwhile, Statistics Indonesia (BPS) defines MSMEs, which are grouped based on the number of workers, namely micro-enterprises consisting of 1-4 people, small businesses consisting of 5-19 people, and medium or medium-sized enterprises consisting of 20-99 employees. (BPS, 2021). To assist MSMEs in compiling adequate and standardized financial reports, Ikatan Akuntan Indonesia (IAI) made Financial Accounting Standards specifically for Micro, Small, Medium Entities (SAK EMKM). SAK EMKM has three basic assumptions, including the basis for accruals, going concern, and the concept of a business entity. However, entrepreneurs often do not understand SAK EMKM and have never heard of it. Earlier study results show that only 3.125% of the 32 selected MSMEs in Malang have knowledge of SAK EMKM (Devindasari, 2018). There is MSME that has international markets but does not understand SAK EMKM. The company only does simple profit reports containing sales, expenses, and profits (Putri & Nugroho, 2020). The increase in the value of the company's shares, the higher the company value, the higher it will be (Katharina, 2021). In the current economic development, manufacturing companies are required to be able to compete in the industrial world (Afiezan, 2020). The existence of the company can grow and be sustainable and the company gets a positive image from the wider community (Saleh, 2019).

The contribution of this research is to evaluate Company X's internal control and its compliance to the 2013 COSO Internal Control Framework, helping the company improve its internal control and accounting information system performance, and to help the company improve risk mitigation based on the 2013 COSO internal control framework. This study will conduct an analysis related to the implementation of internal control in Company X that is actively selling its products online during the COVID-19 pandemic, to provide solutions that can be done to improve the effectiveness of their performance. The results of this study are an evaluation of the company's internal control related to its revenue cycle compared to the 2013 COSO Framework.

Company X does not have a written Standard Operating Procedure, so even though the owner admits there is no problem, the effectiveness of its internal control needs to be reviewed. One of the implementations of internal control is the existence of Standard Operating Procedures (SOP) and company compliance with standards (COSO, 2013). Based on previous research, quality and standardized internal control have a significant positive effect on the growth of MSMEs (Yang & Li, 2019). However, many MSMEs still have SOPs only in oral form, while written SOPs are still not considered necessary for MSMEs (Wirawan, Djajadikerta, & Setiawan, 2021).

Internal control is a process influenced by the company's board of directors, management, and other personnel, designed to provide reasonable assurance about achieving

a company's objectives related to operations, reporting, and compliance. (COSO, 2013). Some of the internal control principles are designed to help achieve one or more objectives from several categories that are operational, reporting, and compliance is a process consisting of ongoing tasks and activities, influenced by people, able to provide reasonable assurance, and can be adapted to the entity structure, making it flexible to apply. Another definition of internal control is an action taken by management, the board, and other members to manage risk and increase the likelihood of achieving the entity's objectives (Rivera-Alsing, 2014). Management plans, develops, and directs adequate actions to provide reasonable assurance that the entity's goals and objectives can be achieved. The increase in internal control activities within the company can also improve the quality of the financial reports produced. One way that can be done by management is to check the accounting records periodically. The method of disclosure needs to be considered because every company must present financial statements following applicable accounting standards in presenting accounting information (Dalimunthe & Pane, 2021).

Committee of Sponsoring Organizations of the Treadway Commission (COSO) develops thought leadership that improves internal control, risk management, governance, and fraud prevention (COSO, 2021). In 2013, COSO developed a new internal control framework to enable the company to better adapt to the company's business processes and technology developments. This revised internal control framework contains guidelines that contain the five components and 17 principles that underpin the concept. Each component has two to five main principles (McNally, 2013). The 2013 COSO framework and the principles it contains can be seen in Figure 3 as follows.



**Figure 3. COSO Internal Framework 2013**

Source: Committee of Sponsoring Organizations

The five components include:

1. Control Environment

This component is the basis of the other components. The principles contained include a commitment to integrity and ethics, oversight of internal control by the board of directors and independent management, structure and responsibilities that have been created by management, commitment to building individual competencies in line with company goals, and holding individuals responsible for internal control.

2. Risk Assessment

Organizations must be able to identify, analyze, and manage risks that can become obstacles in achieving company goals. The principles contained include, among others,

determining the risk objectives clearly, identifying and analyzing risks, considering the potential for fraud, and identifying changes that can have a significant impact on internal controls.

### 3. Control Activities

This component is applied at all levels of business processes and technology, which are policies and procedures that can ensure that the actions taken by management to manage risk and help achieve organizational goals are effective. The principles contained include selecting and developing controls that can mitigate risks to an acceptable level, selecting and developing general controls over technology, and deploying control measures as specified in the relevant policies and procedures.

### 4. Information and Communication

Communication and Information receive and disseminate necessary information, which is managed, and controlling the organization's operations. Communication must be done internally and externally to provide adequate information. All personnel must know their responsibilities. The principles included obtaining relevant and high-quality information to support internal control, communicating information internally regarding objectives and responsibilities, and communicating information related to internal controls that are relevant to external parties.

### 5. Monitoring

The entire internal control process should be monitored. After that, any necessary modifications should be made promptly, so then any deficiencies should be communicated promptly to senior management and the board. The principles included selecting, developing, and evaluating each component of internal control and evaluating and communicating deficiencies to the responsible party so that corrective action can be taken immediately.

An accounting information system (AIS) is a system that collects, records, stores, and processes data into information that is useful for making decisions. (Romney & Steinbart, 2018). There are six components of an accounting information system, including people who use the system, procedures, and instructions used to collect, process, and store data, data about the organization and its business activities, software used to process data, information technology (IT) infrastructure and internal controls, and security that protect AIS data. A good AIS will add value to the organization by improving the quality and saving costs of production or services, increasing efficiency, sharing knowledge, increasing the efficiency and effectiveness of the supply chain, improving internal control structures, and improving decision-making abilities. (Romney & Steinbart, 2018). High-quality AIS can also provide valuable data for assessing the performance and soundness of a business. It aims to create transparency and reduce information asymmetry (Yusuf & Kanji, 2020).

The revenue cycle involves delivering goods and services to customers and then collecting cash for sales. The revenue cycle consists of four major activities: sales order entry, shipping, billing, and cash collections. The revenue cycle has the primary goal of providing the right product at the right place and at the right time at the right price. Management must make several critical decisions regarding customer needs and wants, the amount of inventory and where to store it, and how the product should be delivered to the customer. In addition, management must consider the threats and controls required in the revenue cycle. These threats can be in the form of data errors, loss of data and customers, fraud, invalid orders, inappropriate amounts of inventory, delivery errors, billing errors, and others. Examples of controls that can be carried out related to these threats are data

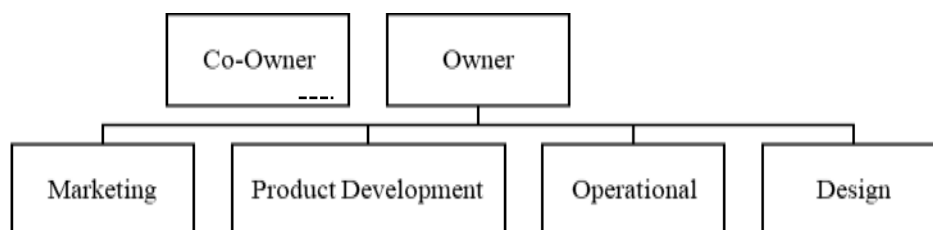
encryption, data backup, control over data authorization, segregation of duties, reconciliation, and many more. (Romney & Steinbart, 2018).

## II. Research Methods

The research method used is a case study approach. The research analysis uses a qualitative approach by collecting data through interviews with company management, which is the owner of the company. Data was collected through semi-structured in-depth interviews. This method uses a guide in the form of several questions asked. However, it does not rule out the possibility that the interviewer will add and improvise questions during the interview to be flexible (Fontana & Frey, 2000). Interviews were conducted with research sources, namely the owner of Company X, three times and one hour each session. The results of the interviews were then recorded as each respondent gave answers and re-confirmed the truth. The data collected from the interviews is an overview of the organization, revenue cycle, business model, and corporate governance. Data analysis carried out in this study is a descriptive analysis based on data from interviews and then processed based on previous theories and literature in the form of paragraphs, tables, and flowcharts (Agoes (2004) in Wicaksono, (2013)). The data is then processed based on previous studies and literature to analyze the company's internal controls and their compliance with COSO 2013 so that improvements can be made to improve company performance. The difficulty in obtaining information from the company is that Company X is unwilling to provide copies of the document related to the revenue cycle. Hence, the researcher needed to ask many questions to provide the required information. Therefore, interviews were conducted repeatedly due to the limited information obtained in each session.

## III. Discussion

Company X is an online-based small business domiciled in Jakarta, Indonesia, involved in the beauty industry sector. Company X was founded in 2017 in Jakarta. Based on the interviews, it is known that Company X is in the form of CV and non-PKP. The initial formation of this company was when the owner wanted to make high-quality products at reasonable and affordable prices. Company X's turnover has continuously increased during its four years, especially during the COVID-19 pandemic. The products sold are varied, ranging from facial treatments to cosmetics and supporting equipment, such as makeup tools and storage bags. Currently, Company X has more than 100,000 followers on social media. Since 2018 on one of the marketplaces used, it appears that more than 41,700 customers have provided ratings, with an average rating of 4.9/5. Company X has employees with a range of 7-11 people. The following Figure 4 illustrates the organizational structure of Company X.



**Figure 4.** Illustration of Company X's Organizational Structure in 2021

Source: Company X Internal Data



To explain the duties of each division in Company X, the following Table 1 contains the positions and responsibilities of employees in Company X.

**Table 1.** Company X’s divisions and responsibilities

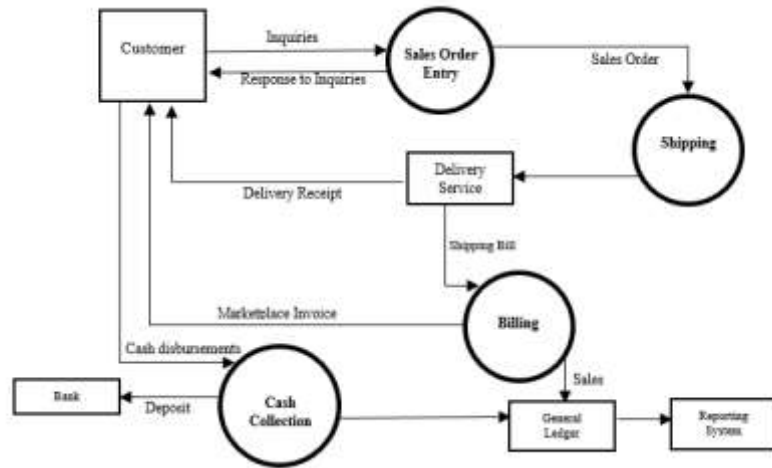
<b>Position</b>	<b>Responsibility</b>
Owner	Holds full responsibility for all operations of Company X.
Marketing	Responsible for all marketing of Company X, which currently only focuses on promotion through social media.
Product Development	Responsible for all manufacturing processes for Company X's products, starting from raw material research and product development assisted by the selected toll manufacturing service.
Operational	Responsible for everything related to receiving orders to sending products to customers
Design	Responsible for tasks related to the visual appearance of Company X's products and promotions on social media

Source: Company X Internal Data

The company accepts orders through the marketplace and submits the billing system entirely to the relevant marketplace system. After the customer's order is recapitulated, the Operational Team will do the packing, record the remaining inventory, and check the product quality if any packaging is damaged or there is a typo. The company implements a pre-order sales system to sell only when production is completed and sent to the warehouse. Before the product runs out completely, the company re-orders the product to the factory about one month in advance. There is no specific planning related to product sales and inventory management. The company only carries out a strategy in discounts or product bundles so that inventory decreases or runs out. Inventories of products with an expiration date of less than one month will be destroyed.

The Operational Team then prints the delivery receipt and packs the product. All packages ready to be sent are re-checked by them, consisting of two people. Therefore, the company felt overwhelmed and planned to use the services of a third party to help with packing at a cost per pack. Suppose there is a product that is damaged, other shipping-related problems. In that case, the company will help ask for compensation missorted from the expedition and offer the option of compensation in the form of money or goods.

The company's billing cycle depends entirely on the marketplace. The marketplace will bill customers for orders directly. Company X also often does not have to pay shipping costs because they only need to write or print the delivery receipt number, and after that, the marketplace will bear the shipping costs. After that, the funds will be disbursed by the marketplace after the customer clicks “order received” on the application. The company has been using a paid software called Jurnal.id for more than a year to view expenses, income, budget, and inventory stock. Financial reports are helpful for internal parties and shareholders. The company has no way of anticipating a discrepancy between actual cash inflows and recorded ones and this has never happened. The following Figure 5 illustrates the revenue cycle of Company X.



**Figure 5. Illustration of Company X's Revenue Cycle**  
 Source: Company X Internal Data

Data from interviews with the company owner, the company's internal control implementation was then compared with the 2013 COSO control framework. There are still many principles from the five components of the 2013 COSO internal control framework that the company has not implemented. The following are the details of the evaluation results of internal control that have been compared with the five COSO 2013 principles.

### 3.1 Control Environment

Company X does not apply formal and written standards of behavior, which is the Standard Operating Procedure (SOP), in running its business and does not have a sales target. Company X also does not carry out special supervision related to its internal control, does not have a written company structure, and only makes it a work team with different divisions. The recruited employees have expertise in their fields, except for the finance division, due to limited resources. The company provides a reimbursement system for employees who want to improve their abilities in their fields, such as design courses, photography, and others. Sometimes company provides rewards in the form of incentives to their employees if they have an increase in sales. The company does not have a succession plan.

**Table 2. Implementation of the Company's Internal Control with Control Environment**

<b>COSO Component</b>	<b>Principle</b>	<b>Yes/No</b>
Control Environment	Commitment to integrity and corporate ethics	No
	Oversight of internal control by the board of directors and independent management	No
	Establishment of appropriate structures, reporting lines, and responsibilities by management to achieve objectives and then overseen by the board	No
	Commitment to attract, build, and retain competent individuals who align with goals	Yes
	Holding individuals responsible for their respective internal controls to achieve goals	Yes



### 3.2 Risk Assessment

The company does not yet have targeted and formal risk management both in general and for its information technology. Problem-solving is only done after the problem occurs. There is no specific anticipatory plan. The company has also never designed specific risk management related to fraud. Data related to financial statements is stored in *Google Drive* to avoid data loss. One of the focus points of this component is the company's compliance with applicable laws and regulations. Company X uses software to perform bookkeeping and financial reports. However, the company's accounting activities are not following SAK EMKM because the recording is not done when the transaction occurs but on the same day. In addition, Company X does not have a Note to the Financial Statements. Based on the information obtained, the company has an income statement. However, the company is not willing to provide a copy of its financial statement document so that further evaluation cannot be done.

**Table 3.** Implementation of the Company's Internal Control with Risk Assessment

<b>COSO Component</b>	<b>Principle</b>	<b>Yes/No</b>
Risk Assessment	Define goals clearly so that it can be identified and assessed	No
	Identify and analyze risks to determine how they are managed	Yes
	Considering the potential for fraud	No
	Identification and assessment of changes that could significantly affect the internal control system	No

### 3.3 Control Activities

Company X has not implemented any internal control standards. Inventory of the number of goods out with shipping invoices is only done randomly based on the customer's name. When products are received from the factory, quality control activities are not supported by documents as evidence that the checks have been carried out. The company has a form containing the total number of packages received by the shipping service and then signed. However, the company does not issue documents related to checking product quality and quantity also stock-taking activities. There are no adequate control activities on cash collections. The recording of cash inflows for transactions is not done in real-time but every day. Cash collections and recording are carried out by the same person, in this case, the owner of the company. There is no specific control over its employees. Therefore, each team head reports it to the owner every time there is a problem. The company does not yet have written risk management, both in general and for its information technology. Problem-solving is only done after the problem occurs. There is no specific anticipatory plan. Except in the finance division, Company X performs the segregation of duties, where employees are divided according to the relevant team to carry out their respective duties. There is no control over the information technology aspect.

**Table 4.** Implementation of Company Internal Control with Control Activity

<b>COSO Component</b>	<b>Principle</b>	<b>Yes/No</b>
Control Activities	Select and develop controls that can mitigate risks to an acceptable level	No
	Select and develop control activities related to technology in general	Yes
	Implement control activities as specified in the relevant policies and procedures	No

### 3.4 Information and Communication

The company has not sought information and knowledge about internal control. Management communicates the division's plans and responsibilities internally, both directly and online. Meetings are held weekly and at certain times deemed necessary. During the COVID-19 pandemic, Company X held a meeting via online video conference. Some employees know things related to finance, then have discussions with company owners. Every time they create a new concept or product, the company will hold meetings and discussions. There is no separate reporting line or communication to external parties. The company has also never made a customer satisfaction survey that can be useful for objectively assessing the company's performance.

**Table 5.** Implementation of Company Internal Control with Information and Communication

<b>COSO Component</b>	<b>Principle</b>	<b>Yes/No</b>
Information and Communication	Obtain high quality and relevant information to support internal control	Not
	Communicating information internally, including goals and responsibilities	Yes
	Communicating issues related to internal control to external parties	No

### 3.5 Monitoring

Adjustments are made every week to several data such as the amount of inventory, the number of sales, the number of goods sent with the delivery receipt. However, adjustments to the balances listed in the financial statements with sales entries are only made by the company's owner each month. Employees must also report sales activities carried out during the week via *e-mail*, especially the Operational Team, regarding the amount of inventory, receipts, and obstacles encountered. There has been no evaluation through separate communication channels.

**Table 6.** Implementation of Company Internal Control with Monitoring

<b>COSO Component</b>	<b>Principle</b>	<b>Yes/No</b>
Monitoring	Select, develop, and evaluate internal control which is carried out separately or continuously	No
	Evaluate and communicate deficiencies to those in charge (including senior management and the board of directors) so that corrective action can be taken	Yes

## V. Conclusion

Company X has carried out several internal controls informally despite not implementing the 2013 COSO-based internal framework. The analysis results show that there are still many 2013 COSO principles that have not been implemented. This can occur due to a lack of understanding of risk management and internal control, a lack of resources, and the absence of a separate financial division. Regarding the company's short-term and long-term plans, the findings of this study are expected to help the company improve its internal controls so that risks related to company goals can be adequately managed. The evaluation results can help achieve goals and increase the effectiveness and efficiency of company performance, for achieving company goals, helping the company improve their risk assessment capabilities, helping the company improve their internal controls by applying standards according to COSO 2013 and SAK EMKM, and related to investor-related needs so that Company X can provide excellent and credible financial reports.

### Recommendations

Based on the results of research analysis on the evaluation of COSO-based internal control on the revenue cycle of Company X, several recommendations given to the company are summarized in Table 7, which is:

**Table 7.** Implementation of Company Internal Control with Monitoring

<b>COSO Components</b>	<b>Recommendations For Company X</b>
Control Environment	Establish written Standard Operating Procedures (SOP) formally
	Make a formal company structure
	Recruit accounting staff
Risk Assessment	Must be able to identify and mitigate risks, before and after they occurred
	Establish written documents related to risk management
Control Activities	Implement an internal control framework
	Performing segregation of duties in accounting and finance functions
	Establish documents that support control activities, such as inventory slips, stock-taking records, proof of receiving products
Information and Communication	Increase knowledge and information related to the implementation of internal control
	Conduct customer satisfaction surveys, apart from marketplace assessment
Monitoring	Create separate and anonymous and independent lines of internal communication

## References

- Afiezana, A., et.al. (2020). The Effect of Free Cash Flow, Company Size, Profitability and Liquidity on Debt Policy for Manufacturing Companies Listed on IDX in 2016-2019 Periods. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* Vol 3 (4): 4005-4018.
- Agoes, S. (2004). *Auditing (Pemeriksaan Akuntan) oleh Kantor Akuntan Publik*. Edisi Ketiga. Jakarta: Fakultas Ekonomi Universitas Indonesia.
- Anjani, K. I. (2021) *Industri Kosmetika Diproyeksi Tumbuh 7 Persen Tahun Ini*. *Bisnis Indonesia*, *Bisnis.com*.
- Bisnis.com*. (2021). *Survei BI : 87,5 Persen UMKM Indonesia Terdampak Pandemi Covid-19*. *Bisnis Indonesia*.
- BPS, B. P. S. (2021). Retrieved from <https://www.bps.go.id/>
- COSO. (2013). *Executive Summary | Internal Control-Integrated Framework*.
- COSO. (2021). *Welcome to COSO*. Retrieved from <https://www.coso.org/>
- Dalimunthe, H., & Pane, A. A. (2021). The Effect of Internal Control and Compliance with Accounting Rules on the Quality of Financial Statements at PT. Bank of North Sumatra Medan. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(1), 966-975.
- Deloitte. (2013). *COSO 2013 Framework on Internal Control: Prepare for the changes*. Retrieved from [https://chapters.theiia.org/los-angeles/Events/Documents/FinalPlacemat\\_COSO\\_OC.pdf](https://chapters.theiia.org/los-angeles/Events/Documents/FinalPlacemat_COSO_OC.pdf)
- Devindasari, R. L. (2018). Kesiapan Usaha Mikro, Kecil, dan Menengah (UMKM) dalam Mengimplementasikan Standar Akuntansi Keuangan Entitas Mikro, Kecil, dan Menengah (SAK-EMKM) untuk Meningkatkan Akses Modal Perbankan dan Lembaga Lain di Kota Malang. *Jurnal Ilmiah Mahasiswa FEB*, 7(1).
- Fontana, A., & Frey, J. H. (2000). The interview: From structured questions to negotiated text. *Handbook of qualitative research*, 2(6), 645-672.
- IAI. (2016). *SAK EMKM*(pp. 72). Retrieved from <http://iaiglobal.or.id/v03/standar-akuntansi-keuangan/emkm>
- Katharina, N., et.al. (2021). Influence Capital Structure, Liquidity, Size the Company, Debt Policy and Profitability towards Corporate Value on Property Company, Real Estate and Building Construction Listed on the Stock Exchange Indonesia Period 2016-2019. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* Vol 4 (2): 2241-2256.
- McNally, J. S. (2013). The 2013 COSO Framework & SOX Compliance: One approach to an effective transition. *Strategic Finance*, 6(1), 1-8.
- Nurazizah, A., & Novita, N. (2021). Healthtech Startups Internal Control to Increase Competitive Advantage in the New Normal Era. *Jurnal Akuntansi*, 11(2), 105-122.
- Putri, R. A., & Nugroho, P. I. (2020). SAK-EMKM Implementation of Medium Enterprise Financial Statement in Salatiga (Case Study of Medium Enterprise XZY in Salatiga). *International Journal of Social Science and Business*, 4(2), 242-250.
- Rivera-Alsing, F. (2014). *COSO/Internal Control*. Paper presented at the *The Basics of Internal Auditing*, Tallahassee.
- Roberto, Z. (2008). *Financing Technology Entrepreneurs and SMEs in Developing Countries*. World Bank, Washington DC, available at: <http://www.infodev.org>.
- Romney, M. B., & Steinbart, P. J. (2018). *Accounting Information Systems*. Fourteenth. In: New York: Pearson.

- Saleh, A., Dalimunthe, A.H., and Lubis, F.H. (2019). Development of Banking CSR Model for Community Empowerment Slum Area in Medan City. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 2 (3)*: 39-50.
- Wicaksono, A. (2013). Evaluasi Sistem Akuntansi Siklus Pendapatan pada PT. Unilab Perdana. *Binus Business Review*, 4(1), 197-206.
- Widiarto, B. (2021). KATADATA, Pelatihan Wartawan BI kuartal I 2021.
- Wirawan, S., Djajadikerta, H., & Setiawan, A. (2021). Penerapan Pengendalian Intern pada 13 UMKM di Bandung. *Jurnal Administrasi Bisnis*, 10(1), 33-44.
- Yang, X., & Li, B. (2019). Research on the Influence of Internal Control Quality on the Growth of SMEs. Paper presented at the 2019 3rd International Conference on Education, Economics and Management Research (ICEEMR 2019).
- YLKI. (2021, January 14). [Kontan.co.id](https://www.kontan.co.id).
- Yusuf, M., & Kanji, L. (2020). Effect of internal audit and accounting information system on the effectiveness of internal control. *ATESTASI: Jurnal Ilmiah Akuntansi*, 3(2), 120-125.