

ABSTRACT

THE AUDIT IMPLEMENTATION OF PURCHASE AND PAYMENT CYCLE IN PT LK YEAR 2015 BY KAP DBSD&A BANDUNG

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This Final Project Paper is explain about auditing process of purchase and payment cycle especially purchase and payment cycle of property, machine, and equipment in PT LK for year 2015. Auditing process of purchase and payment cycle of property, machine and equipment need to describe in this final project paper because in year 2015 There is a large increase of assets. The auditing process explained in this final project paper based on ISA based auditing standards (*International Standar on Auditing*) happened in Indonesia. Audit process consists of tests of controls, substantive transaction testing group, testing of analytical procedures, a detailed test of the balance, and presentation testing & disclosure. Testing control is performed for get an understanding of the company's internal controls. Testing controls conducted by the audior is by understanding the company's SOP, make observations, and conducting interviews to employees. Substantive testing of classes of transactions conducted to test whether the proof of the transaction has been recorded and classified into the correct and correct account. Substantive testing of classes of transactions conducted by the auditor is by selecting some sample evidence of the transaction to then be traced to the appropriate financial records. Analytical procedures are performed by the auditor to compare increase and expenditure of fixed assets this year with the previous year, to then assess whether the addition and expenditure are still within normal limits or not. In the detailed test procedures of the balance The auditor performs by checking the list of fixed assets of the company. Auditors study and recalculate the depreciation of fixed assets. The auditor also conducts an examination of the revaluation of fixed assets carried out by PT LK. The last procedure performed by the auditor is the testing and disclosure of fixed assets. This procedure is performed by comparing the presentation and disclosure of property and equipment to the company's financial statements whether it is in compliance with the provisions in the Financial Accounting Standards of Non-Public Accounting Entities.

Keywords: Fixed Asset Purchase and Payment Cycle, Revaluation of Fixed Assets