

**ANALYSIS OF EFFECTIVENESS OF INTERNAL CONTROL SYSTEM
AND ACCOUNTING TREATMENT FOR MERCHANDISE INVENTORY
IN PERUM BULOG DIVRE LAMPUNG**

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ABSTRACT

The objective of the study was to prove the effectiveness of the internal control system and the accounting treatment of merchandise inventory in the Lampung Bulog Divre. This research was conducted because Bulog had a problem with inventory that could have occurred due to the internal control over inventory that was less effective. Therefore, this type of research was a case study. The techniques used were observation, interview, and documentation. The technique used to answer the problem raised in the study was the descriptive analysis. The results showed that the application of internal control and accounting treatment of merchandise inventory by the Lampung Logistics Bureau was partly in accordance with the provisions of the company's operational standards and was in the effective category. The components with some parts that were not appropriate or were not implemented by SOP (company operational standards) were weighing, maintenance, release of goods, receipt of goods, and storage. As for the information and communication component, it was appropriate.

Keywords: internal control, accounting treatment, and merchandise inventory.

