



PT Tata Makmur Sejahtera's Petty Cash Report Analysis

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Abstract

Companies in the distribution sector cannot be separated from operational activities. These activities incur small nominal costs, requiring a petty cash report. PT. Tata Makmur Sejahtera is one of the companies engaged in this field related to the ability to cover current debts. The company's ability is measured by calculating the ratio using the current ratio and cash ratio. The analysis results show that in January, the current ratio is 0.9616, in February, it is 1.1933, in March, it is 0.8917, and in April, it is 1.0566, and the company's cash ratio is 1.0169. From the calculation of the ratio carried out, it can be concluded that the ability of PT. Tata Makmur Sejahtera covers current debts differently each month. However, the ability to cover current debt during the period studied indicates that the company can cover the current debt.

Keywords: PT Tata Makmur Sejahtera, Petty Cash, current ratio, cash ratio

1. Introduction

Priari & Wulandari (2019) said that the company's shareholders own a limited liability company (PT). Along with the times, the number and types of companies are increasing. The types of companies develop according to consumer demand and the area's location, such as companies engaged in manufacturing, agriculture, distribution, and other fields.

PT Tata Makmur Sejahtera is a company engaged in the distribution of goods. As a company engaged in the distribution of goods, activities related to operations, consumption funds, or other matters that involve small nominal expenditures often occur. Therefore, the company provides a small amount of cash to pay expenses because if payments are made by check, it becomes uneconomical, also known as petty cash (Singh, 2019; Anwar et al., 2016).

Based on the background above, an analysis is carried out on a comparison between cash and company liabilities every month. An analysis of the company's cash capacity to cover current debts during the period under study was also carried out. By going through petty cash recap data, the analysis results are only able to discuss the company's ability to operate, consumption funds, and liabilities related to petty cash.

2. Materials and Methods

2.1. Materials

The data used is a recap of petty cash from PT Tata Makmur Sejahtera from January until April 2012. Furthermore, an analysis was carried out based on the current ratio and cash ratio using Excel 2016 software.

2.2. Methods

The data used in this research is secondary data because it uses data that has been collected or is in the company. The data in question is in the form of petty cash recap data obtained from collecting evidence of expenses made by the company (Pratama et al., 2022). Company expenses can be used as a reference for petty cash funding provided weekly. Before funding petty cash, it is necessary to submit a letter first. Based on the data obtained, a comparison analysis of cash and liabilities is carried out each month with the formula (Singh & Sahin, 2015; Wahyudi et al., 2022),

$$\text{Current Ratio} = \frac{\text{Current Active}}{\text{Current Debt}} \quad (1)$$

In analyzing the company's ability to cover current debt during the period studied, the formula is used,

$$\text{Cash Ratio} = \frac{\text{Cash}}{\text{Current Debt}} \quad (2)$$

3. Results and Discussion

3.1. Generated Financial Statements

3.1.1. Petty Cash Data

Data collection was carried out by the company PT Tata Makmur Sejahtera by calculating the total debits and credits each month which are given in Table 1.

Table 1: Total Debits and Credits of PT Tata Makmur Sejahtera

Month	Debit	Credit
January	IDR 34,936,865.00	IDR 36,332,860.00
February	IDR 34,617,159.00	IDR 29,010,133.00
March	IDR 31,311,811.00	IDR 35,114,432.00
April	IDR 34,573,754.00	IDR 32,722,588.00
Total	IDR 135,439,589.00	IDR 133,180,013.00

3.1.2. Ratio Analysis

3.1.2.1. Current Ratio

Current Ratio bulan Januari:

$$\text{Current Ratio}_{\text{Januari}} = \frac{34936865}{36332860} = 0,9616$$

February Current Ratio:

$$\text{Current Ratio}_{\text{Februari}} = \frac{34617159}{29010133} = 1,1933$$

March Current Ratio:

$$\text{Current Ratio}_{\text{Maret}} = \frac{31311811}{35114432} = 0,8917$$

April Current Ratio:

$$\text{Current Ratio}_{\text{April}} = \frac{34573754}{32722588} = 1,0566$$

3.1.2.2. Cash Ratio

Cash Ratio January to April:

$$\text{Cash Ratio} = \frac{135439589}{133180013} = 1,0169$$

3.2. Discussion

As is well known, the cash ratio illustrates a company's liquidity position as measured using cash and cash equivalents to guarantee current liabilities. A high cash ratio value indicates that the company's cash and cash equivalents are greater than its total short-term debt, resulting in better guarantees for creditors.

However, on the other hand, a cash ratio that is too high can indicate the company's inability to maximize current assets in the form of cash, which is then converted into profit or productive assets that will generate profits. Too much of the cash balance that has settled (unemployed) is feared to have the potential for fraud by personal management or internal companies.

Based on the ratio calculation, each company will maintain a value of at least 1 because it ensures that at least the company can cover current debts. If the value of the ratio is below 1, then the company's cash is less than its current debt and vice versa.

4. Conclusion

In analyzing PT Tata Makmur Sejahtera's ability to cover current debt by calculating the current ratio and cash ratio, it can be concluded that the company's ability to cover well with the current ratio each month. Even though in several months, the value is less than 1. However, these results are still close to 1. It can also be seen that the results of the company's cash ratio are above 1. Based on the analysis results, there is still room for development by collecting more complete data.

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