

ABSTRACT

This research is done because Ardhana still experiences problems in handling cash management, these includes misstatements in bookkeeping, fraudulent cash activities and the lack of cash flow diagram. Cash is one of the important accounts for a company in carrying out its operational activities. To maintain the sustainability of a company, management needs to pay attention to its cash balance, both in cash receipts and cash disbursements. To achieve this, Adequate and effective internal control is needed over the activities of the company. This study aims to evaluate the adequacy and effectiveness of internal control at Ardhana (Human Development and Communication Training). The research was conducted using a qualitative method using the case study approach. Data collection techniques were carried out through interviews, observations, and document inspection. Interviews were conducted based on Internal Control Questionnaire (ICQ) with the company owner and the financial administrator. Observations were carried out by observing the activities of the employees and comparing it with Standard Operating Procedures (SOP). Inspection carried out on the relevant related documents. The results of the analysis show that Ardhana has implemented five control components of COSO Integrated Framework internal control framework which are control environment, risk assessment, control activities, information and communication, and monitoring. The research shows that internal control at Ardhana is sufficient and adequate but not functioning effectively.

Key Words: internal control, sufficient, effective, fraud, service company