# Computer Assistant Substantive Test Model In Audit Of Government Institution Financial Statements

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*Abstract - This study aims to determine how big of a substantive test role in improving the quality of audit financial report of government agency (state university). Substantive testing can improve the perceived quality of the audit. The research method used in the preparation of this thesis is applied research. The type of research is R&D/Research and Development. This study uses secondary data that has research data sources from financial databases at State University which contains activity expenditure components. The data collection method used in this study is the documentation method. Results of this study indicate that substantive testing can improve the quality of audit based on procedures that have been done in the field from processing the SAS and BMN databases then run through the ACL application.*

*Keywords - audit quality, databases, substantive test*

## I. INTRODUCTION

Arens, et al. (2014, p. 235) have asserted that the audit is a process of evidence collection and evaluation regarding to particular information which is aimed to determine and report regarding the suitability of an information due to the predetermined criteria. The audit does not only function to detect fraud and error, but it is also a significant factor to fulfill the needs of shareholders, government, financial analyst, banker, investor, and community in order to value the quality of management operational result and achievement of organizational goals. To perform auditor tasks, one of testing methods in audit action by the auditor is a substantive testing. The substantive testing is a procedure arranged to examine monetary misstatement (rupiah or dollar) which affect directly on the condition of financial statement balance (Arens, et al., 2017, p. 441). The substantive testing is exerted by the auditor to minimize the possibilities of fraud corruption involving company cash.

According to a research done by Widuri (in Cahyani, 2021, p. 222), the implementation of computer-based audit technique in Indonesia is still limited. This condition is due to the auditor limitation and qualification on the ability in information technology system. This problem may be found in small companies and small-medium public accounting firms, because they have cost limitation to adopt computerization system and IT training for the auditor. Therefore, it is hoped that the future auditor qualification should not only be competent in audit field, but the auditor should also have other competences, especially in the field of information technology (IT).

Praktiyasa & Widhiyani (2016) have demonstrated that the development of information technology has influenced every step of audit process. The suitability of work with technology affects to the improvement of auditor performance which can be identified from the ability to acquire better information for decision making and time efficiency for audit step accomplishment in order to achieve the quality audit results.

In this context, CAATT is an instrument which works to ease and facilitate the auditor during task performance. The Computer Assisted Audit Technique Tool (CAATT) will support the execution of auditor tasks to detect fraud and error. Based on the Auditing Standard Statement 59th (SA 327) on Computer Assisted Audit Technique Tool, the implementation of procedures may require the auditor to consider computerization techniques as an audit tool. There are a lot of computer uses in audit task, and one of those terms is called as Computer Assisted Audit Technique.

In the industrial revolution era 4.0, the use of CAATT is becoming more popular among auditors to perform the duty. CAATT is taken into consideration or play role as an important component in every audit activity. CAATT is used as a medium or tool for the auditor to help executing substantive test. Through the advantages of CAATT in computerization-based, all auditor works in the context of substantive testing will definitely be easier and efficient from the aspect of time.

From a variety of accounting software packages that have been developed and practiced and also interrelated for the purpose of financial reporting, then, the implementation of audit substantive test by exerting CAATT is the right choice.

Based on the previous researches on the effects of computer assisted audit technique tool to the audit quality that have been accomplished by Januraga & Budhiarta (2015), JB (2015), and Muhayoca & Ariani (2017), the computer assisted audit technique tool can affect the quality of audit, the existence of CAATT is very helpful for the auditor to execute and accomplish the examination easier and faster.

This research is a development formula of audit activities that will produce the output of computerized auditing business process model. This model of process is a flowchart of realization of financial report auditing as the form of audit activity development.

## II. METHODS

The research object was database as a vital component in the activity of financial statement arrangement performed in the State University through the application of accrual-based accounting system (SAIBA). The research method in this thesis was applied research. The applied research was defined as a research which was conducted through certain regulations and specific aims to solve problems in particular situations (Sekaran & Bougie, 2016, p. 150). The research type was research and development. The research and development method was a research method that was aimed to result certain products and examine the product effectiveness (Sugiyono, 2010, p. 297). According to Hanafi (2017, p. 66) in the educational field, the research and development (R&D) was a research method that was used to develop or validate products in

the teaching and learning. This research used secondary data containing data source from financial database in a State University in which there would be a component of expenditure activity. The secondary data was the data that has been collected by the other party for purposes other than the purposes of recent research. There are many secondary data sources as statistics bulletin, government publication, published or non-published information that were available either from company internal or external, company website, and internet (Sekaran & Bougie, 2016, p. 152). The method of data collection in this research was documentation method. According to Sugiyono (2015, p. 145), the documentation was explained as a method that was used to collect data and information in the forms of book, archive, document, number and picture which was contained of report and explanation that could support a research. The research analysis was based on the data, information, and specifically the comprehension on processes relating to the arrangement of financial statement through the application of accrual-based accounting system (SAIBA). Based on the database, the next step was to arrange the auditing procedures by exerting software that could run the auditing function with computer assistance.

## III. RESULT AND DISCUSSION

The definition of State Property in Law no. 1 of 2004 article 1 point 1, and PP 27 of 2014 article 1 number 1 is the same, namely all goods purchased or obtained at the expense of the State Budget or derived from other legitimate acquisitions, namely: (a) goods obtained from grants/donations/similar, (b) obtained as the implementation of agreements/contracts, (c) obtained based on laws and regulations, and (d) obtained based on court decisions that have obtained permanent legal force. This State Property is part of government assets which are managed by the Government itself or by other parties. One example of State Property is Fixed Assets.
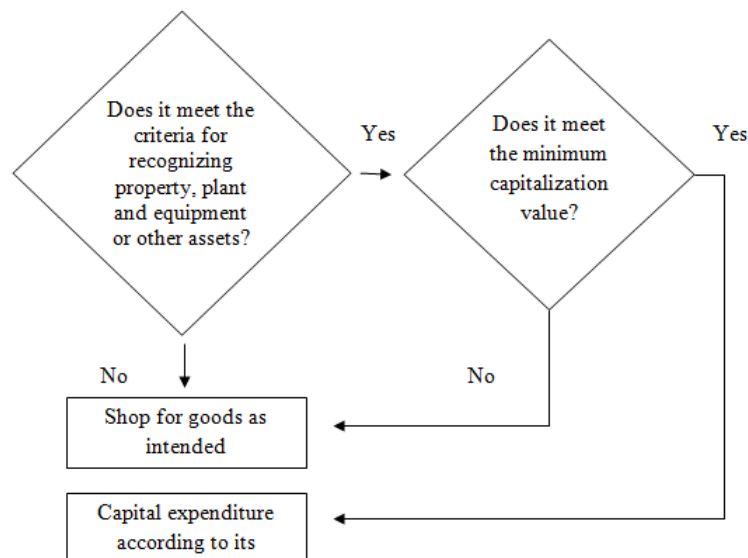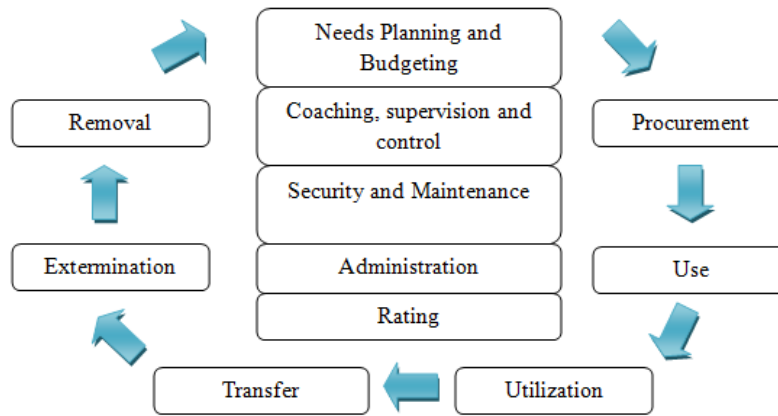


**Figure 1. Application of Recognition Criteria**

**Figure 2. State Property Management Cycle**

The use of BMN that is not in accordance with applicable regulations can, among other things, result in (a) Waste in operational and maintenance costs; (b) BMN quickly damaged; (c) BMN can be lost. Determination of usage status absolutely must be carried out because it is one of the initial management processes before other management is carried out such as utilization, transfer, and deletion. At the time of managing the determination of the status of BMN, the Property User must attach evidence of BMN ownership so that the Property User/Proxy of the Property User must take care of the necessary evidence. Goods users are required to monitor and evaluate the optimization of the use of BMN. In the Decree on the Determination of the Status of Use of BMN, it is stated that all costs of securing and maintaining BMN used by the ministry are the responsibility of the ministry concerned.
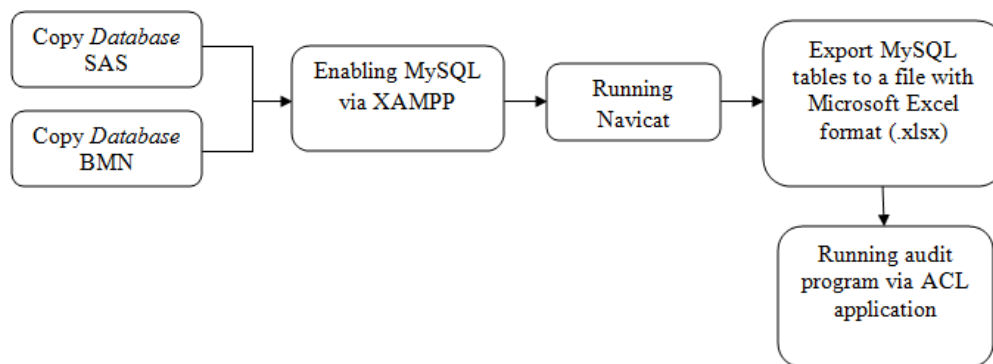


**Figure 3. Model Design**

1) XAMPP Control Panel functions as a stand-alone server (localhost), which includes a MySQL database. In this case, MySQL is used as a database for the Satker Accounting

System (SAS) application and the State Property Accounting Management Information System (SIMAK-BMN).

2) Navicat Premium is a multi-connection tool for database administration that allows you to connect to MySQL, SQL Server, SQLite, Oracle and PostgreSQL databases simultaneously in one application. Other features of Navicat Premium are Import/Export Wizard, Query Builder, Report Builder, Data Synchronization, Backup and Job Scheduler. With regard to auditing tasks that are carried out electronically, Navicat Premium supports the work of the Internal Supervisory Unit (SPI) auditors of State Universitie in preparing electronic files that are the object of the audit, namely by exporting MySQL database files generated by Satker Accounting System (SAS) and State Property Accounting Management Information System (SIMAK-BMN) into MS-Excel format (.xlsx or .xls).

3) The Work Unit Accounting System (SAS) database is generated by the Work Unit Accounting System (SAS) application which is used to record all cash/expenditure transactions for the implementation of activities. The database used to store all transaction records of cash disbursements/expenditures for these activities is MySQL. Auditors of the Internal Supervisory Unit (SPI) of State Universities (PTN) can obtain the database from the SAS application operator in their respective work unit (PTN) in a folder with the name SAS Database. In order for the database to be read as a MySQL file via Navicat, the database folder must be copied to a folder in the C:\xampp\mysql\data directory.

4) After the initial steps have been taken (XAMPP installation, Navicat installation, and Copy of the SAS Database folder), the next step is to run Navicat and export the MySQL table file to a file with Microsoft Excel format (.xlsx). This activity consists of a series of steps: a) Enabling MySQL via XAMPP; b) Run Navicat, and c) Export the MySQL table file to a file with Microsoft Excel format (.xlsx).

5) After the initial steps have been taken (XAMPP installation, Navicat installation, and Copy of the SAS database folder), the next step is to run Navicat and export MySQL tables to Microsoft Excel (.xlsx) format files. This activity consists of the following series of steps: a) Enabling MySQL via XAMPP; b) Run Navicat, and c) Export MySQL tables to a file with Microsoft Excel format (.xlsx).

6) Audit Command Language (ACL) is audit software specially developed to analyze an institution's electronic data and help prepare audit reports easily and interactively. Audits and analysis of electronic databases (eg electronic databases on finance) using ACL can be carried out on the entire database so that the audits carried out are comprehensive.

## IV. CONCLUSION

CAATT is a computerized program which is functioned for audit activity, so this program can automate or simplify the audit process. CAATT is defined as a vital instrument for auditor in auditing several types of financial examination, so it can ease the auditor task more effective and efficient. CAATT does not only ease the analysis process of auditing, but it is also able to improve the effectiveness and efficiency of time, cost, and human resource. Moreover, CAATT can ease the access of many electronic types of file and do a comprehensive operation,

so it will prevent fraud or error. The advantages certainly affect the audit quality which performed by the auditor to state the opinion over financial statement.

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