Abstract

Objective. The thesis is to analyze the compliance of COSO frameworks with current system in PT Pupuk Kujang towards inventory cycle and find the benefits of implementing of COSO framework

Method. The five COSO frameworks guidance was used in order to check the internal control in PT Pupuk Kujang regarding inventory cycle. Frameworks used were: Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring.

Results. After observing the current system in PT Pupuk Kujang with five COSO frameworks, there were some elements that had already been implied and some are not.

Conclusion. Even with good corporate governance, PT Pupuk Kujang has to consider on implementing COSO frameworks as a tool to implement internal control assessment in the company as well, especially in inventory cycle.

Key words: The Committee of Sponsoring Organization of the Treadway Commission (COSO), Internal control (IC), Inventory cycle,
PREFACE

The author would like to thank his Lord, ALLAH SWT for listening to his prayers and for giving him such endless blessing in his thesis completion. Prophet Mohammad SAW, may peace be upon HIM. This thesis, entitled as “The Implementation of COSO Framework in Inventory Cycle Case Study: PT Pupuk Kujang”, was prepared to fulfill the requirements to complete undergraduate degree in Binus University International.

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