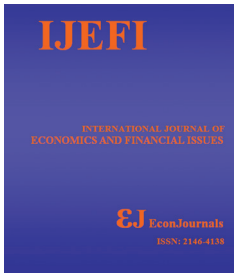

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The Influence of Scrap Material to Cost Pricing and Inventory Value Ceramics Creative Product at Bureau for Technology of Ceramics Creative Industry-Indonesia

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ABSTRACT

The aims of the research about scrap material analysis ceramic creative product were: (1) To know the cost price and inventory before calculate scrap material; (2) to determine the value of scrap material; and (3) to know the influence of scrap material to cost of goods manufactured, cost price, and inventory. The research results shew that: (1) The cost price each unit of ceramic creative product at Bureau for Technology of Ceramics Creative Industry (BTCCI) before calculate scrap material were IDR 83,558.30 for mythical bird statue (l8.0-w6.0-h20.0), IDR 351,517.29 for cleanse water place (d32.0-h32.0), and IDR 18,918.79 for incense place (ud4.0-md5.0-dd10.0-h8.0); (2) production process of ceramic creative product at BTCCI create scrap material, that is: Castle mass BPC-1 for mythical bird statue, body mass BL-1 for cleanse water place, and body mass BSK-1 for incense place; and (3) the scrap material of castle mass BPC-1 was not influence of cost of goods manufactured, cost price, and inventory mythical bird statue, but it increase actual manufacturing overhead cost. Cost of goods manufactured, cost price, and ending inventory mythical bird statue before and after calculate scrap material were IDR 64,275.62, IDR 83,558.30, and IDR 3,856,537.14. Cost of goods manufactured cleanse water place base scrap material of BL-1 decrease IDR 5,957.92 from IDR 270,397.92 to IDR 264,440.00, cost price decrease IDR 7,745.29 from IDR 351,517.29 to IDR 343,772.00, and ending inventory decrease IDR 214,485.00 from 9,734,325.05 to IDR 9,519,840.05. Cost of goods manufactured incense place base scrap material of BSK-1 increase IDR 52.61 from IDR 14,552.92 to IDR 14,605.53, cost price increase IDR 68.40 from IDR 18,918.79 to IDR 18,987.19, and ending inventory increase IDR 3,156.89 from IDR 873,174.99 to IDR 876,331.88.

Keywords: Scrap Material, Cost Price, Inventory, Ceramic Creative Product
JEL Classification: G3

1. INTRODUCTION

Company performance is a showing about financial condition of a company that analized by financial analysis tools, so it can knew its good and bad a financial of company which reflect work achievement in a period (Artatik and Rupa, 2014. p. 9). The success or not a company is remarked by management ability to see opportunity in future that is short time and long time. The main mean of the company is maximalize owners prosperity by increase of compny value (Kheriswawati et al., 2016. p. 132). The profit level will influence of dividen payment level which is divided to stockholders (Idawati and Sudiartha, 2014). This is be main attention for investor into measure return on investment which be acted (Kaddumi and Al-Kiani, 2015). Martusa and Jennie (2010) be of a certain opinion that the compny must face and win a competition, because it has be duty a company not to still produce and exchange its product, but judge about its big and small cost which will be expend so its cost effective and efisien. If the acual input used is high thrift, so the efficiency level is high, but the actual input used is low thrift, so the efficiency is low (Wijaya and Kanca, 2014. p. 86).

In Indonesia, since 2009 the government proclaimed as creative industry year and set sector 14, with the three big sector be mainstay, that is: Fashion, handricraft, and design (Sudana, 2014. p. 164). Bali has big potency to develop creative economy, because it has creative human resources with various culture and availability raw material (Astiti, 2014. p. 47). The quality is a matching level measurable of good and services with the standard seted, so the quality has uniform characteristic, because it has seted control range up and down (Normal, 2014. p. 128). Ceramics industry be industry which very important to business development in time, because product it has produced very useful for society life as arts good, religious good, and others need good which its technical time is long relatively and its quality is not be doubtful again (Normal and Mahanavami, 2015:37) (Normal and Mahanavami, 2015. p. 37). Production process need technic or method produce exactly so results good output (Gumi and Normal, 2015. p. 269).

Bureau for Technology of Ceramics Creative Industry (BTCCI) is a nondepartemental government institution which under of Agency for the Assessment and Application of Technology with basic duty is act the research and development activities, assessment and engineering, and services of ceramic creative products. On sector of technology services, BTCCI execute activity which results income (Non Tax Public Income) from technology services of ceramic design. On 2018, BTCCI produced many design of ceramic creative products, that is: Bird statue with carving decorated (l8.0-w6.0-h20.0) which raw material of castle mass BPC-1, cleanse water place with nawasanga weapon (d32.0-h32.0) which raw material of body mass BL-1, and incense place with adhering decorated (ud4.0-md5.0-dd10.0-h8.0) which body mass BSK-1.

The using castle mass BPC-1 into produce mythical bird statue usually create scrap material average 8.00% from raw materal used, normal characteristics, not applicable for sold, and it need annihilation cost IDR 450.00 each liter. There is same on produce cleanse water place, it create scrap material average 15.00% from raw material used, specific characteristic because its product characterstic, applicable for sold with price IDR 3,500.00 each kg, and it was not need annihilation cost. The same as that too, on production of incense place create scrap material average 10.00% from raw material used, specific characteristic because its product characterstic, not applicable for sold, and need annihilation cost IDR 1,000.00 each kg. There are scrap material create accounting problem in industry company, mainly its scrap material treatment. This condition cause disturbed its production process, unmatching of selling recognize, and cost loading not accurately. The scrap material which not applicable for sold need cost to annihilinate, so it is not disturb company. All of them relate raw material cost which main element into cost of good manufactured for ceramic creative product. The average annual scrap material of ceramic creative product at BTCCI shown in Table 1.

Table 1 shown that average annual value of scrap material for three ceramic creatif product at BTCCI are IDR 3,300,718.08. That amount follow by: a) castle mass BPC-1 (raw material of mythical bird statue), create scrap material 1. each unit bird statue or 23.56 L each year with value IDR 154,161.56 each year; b) stoneware BL-1 (raw material of cleanse water place), create scrap material 1.6950 kg each unit cleanse water place or 428.97 kg each year with value IDR 2,500,633.40 each year; and c) stoneware BSK-1 (raw material of incense place), create scrap material 0.0300 kg each unit incense place or 119.06 kg each year with value IDR 645,923.12 each year.

Basic problems on this research are: (1) How many cost of good manufactured for ceramic creative product without calculate scrap material?; (2) how do the accounting treatment for its creation of scrap material?; and (3) what do the influence of scrap material to cost of good manufactured, cost price, and inventory? The aims of the research are: (1) to know the cost of good manufactured without calculate scrap material; (2) to record the accounting treatment of scrap material; and (3) to assess the influence of scrap material to cost of goods manufactured, cost price, and inventory.

The scrap material is a material which scraped or material which damaged in production process of product or storge and it is not use back in company (Supriyono, 2014. p. 103). Its creation of scrap material is caused by raw material characteristic or production process characteristic or raw material storage too long. Horngren and Foster (2015. p. 261) said that scrap material is a material which left when the production process of product, it is low price value compare with product selling value. Halim (2012. p. 60) said that scrap material is a material which scraped from production process and it is not followed back in production process according to early goal, but it may use to production process for other goal or sold. According to selling condition of scrap material, scrap material can classified by two ways, that is: Scrap material which applicable to sold and scrap material which not applicable to sold (Supriyono, 2014. p. 103). The fusion of direct raw material cost, direct labor cost, and manufacturing overhead cost make cost production (Rudianto, 2013. p. 95). The good which has finished for a period is called cost of goods manufactured for finished good or cost of goods manufactured (Soemarso, 2014. p. 295).

The setting cost price of product need many integrated judgement (Rudianto, 2013. p. 127). It start from production cost, operating expense, expected profit that wanted by company, society purchasing power, cost price of competitor, general economy condition, product price elasticity, and others. The setting method of cost price according to Mulyadi (2013. p. 350) are: Normal cost price setting, cost-type contract cost price setting, special order cost price setting, and governmental cost price setting.

Inventory is goods that had by company on certain time, there is mean for sold back directly or via production process into normal operation cycles, on this mean include work in process goods or wait for used (Jusup, 2014. p. 122). Inventory is main element of working capital, because its big amount in the company (Wiagustini, 2014. p. 168). Profitability is capability of the company to get profit in relate of sales, asset total or equity (Astiti, 2015). Rentability ratio often called operating profitability (Kasmir, 2014. p. 234). Stoneware is material is used to ceramic body that match on firing with high temperature around 1.200–1.300°C. Stoneware which is researched on this research

Table 1: The average annual scrap material of ceramic creative product at BTCCI

No.	Name of ceramic creative product	Name of scrap material	Scrap material (…./unit product)	Scrap material (…/year)	Scrap material (IDR/year)
1.	Mythical bird statue with carving decorated (l8.0–w6.0–h20.0)	BPC-1	0.0320 l	23.56 l	154,161.56
2.	Cleanse water place with nawasanga weapon (d32.0-h32.0)	BL-1	1.6950 kg	428.97 kg	2,500,633.40
3.	Incense place with adhering decorated (ud4.0-md5.0-dd10.0-h8.0)	BSK-1	0.0300 kg	119.06 kg	645,923.12
-		-	-	-	3,300,718.08

BTCCI: Bureau for Technology of Ceramics Creative Industry

are: Castle mass BPC-1, body mass BL-1, and body mass BSK-1 which be scrap material of mythical bird statue, cleanse water place, and incense place.

Last time research that relate are: (1) Mangerongkonda et al. (2014. p. 245) in their research at CV Maloso Jaya Tomohon result that scrap material in production process of wooddust which sold back to decrease financial loss into production process, althought its selling value is small relatively as decreation of raw material cost; (2) Normal (2014. p. 1134) in his research at UPT PSTKP Bali-BPPT result that scrap material cleaning cost can increase cost of good manufactured from IDR 123,954.08 to IDR 124,054.08 each unit, profit margin from IDR 17,363.27 to IDR 17,372.08 each unit; (3) Ticoalu and Pinatik (2014. p. 463) in his research at PT Delta Pasific Indotuna result that scrap material in production process which produced back, it can be income of the company and decrease raw material cost; (4) Normal and Gumi (2015. p. 52) carefully examined about accounting of scrap material BSK-4 on production of brown astray (d11.0–h5.5 cm), it result that cost of good manufactured increase IDR 18.00 from IDR 19,801.35 to IDR 19,819.35 each unit, profit margin increase IDR 4.12 from IDR 2,780.44 to IDR 2,784.56 each unit; and (5) Tebae et al. (2016. p. 1431) in their research at PT Multi Nabati Sulawesi result that scrap material that is COPEX (Copra Expeller) can be by-product as livestock food is called bungkil, and its treated as nonoperating income or other income.

This research different from last research about: (1) The time of research that is acted in 2018; (2) the scope of research consist of scrap material, cost price, and inventory; (3) the object of research consist of scrap material: Castle mass BPC-1, body mass BL-1, and body mass BSK-1; (4) the accounting treatment of this research are: (a) BPC-1 that normal characteristic, not applicable to sold, and it is need cleaning cost, (b) BL-1 that specific characteristic because product order, applicable to sold, and it is need cleaning cost, and (c) BSK-1 that specific characteristic because product order, not applicable to sold, and it is need cleaning cost; (5) the research problem relate to the influence of scrap material to cost price and profitability about three creative product; and (6) the research analysis technic use standard cost systems, cost-plus pricing, adjustment journal, and inventory physical method.

2. MATERIALS AND METHODS

Material is used in this research are scrap material that create on production process of ceramic creative product, consist of: Castle mass BPC-1 in production process of mythical bird statue, body mass BL-1 in production process of cleanse water place, and body mass BSK-1 in production process of incense place. Data kinds is used are: (1) Qualitative data, that is: Fixed asset, organization structure, basic function, job description, production process, and raw material used to produce bird statue, cleanse water place, and incense place; and (2) quantitative data, that is: Fixed asset depreciation cost, material quantity, material cost, electrical cost, telephone cost, water cost, labor cost as long as production process, maerial composition, machine hours, direct labor hours, and minimum wage of Denpasar city, operational expense, and other expense.

Data sources come from: (1) Primary data, that is: Fixed asset, depreciation cost, electrical cost, telephone cost, water cost, machine hours, direct labor hours, raw material composition, raw material using, repairing cost, and amount of direct labor which bound into production process of bird statue, cleanse water place, and incense place; and (2) secondary data, that is: Minimum wage of Denpasar city from direct labor institution, kinds of raw material into production of castle mass BPC-1, body mass BL-1, and body mass BSK-1 from Big Bureau of Ceramic Industry in Bandung, and standard of water absorbing which fill qualification as stoneware from American Standard Testing Material.

Analysis method of this research are: (1) Identify production process of mythical bird statue, cleanse water place, and incense place; (2) observe and calculate the scrap material of castle mass BPC-1, body mass BL-1, and body mass BSK-1 into production process of mythical bird statue, cleanse water place, and incense place; (3) determine its happen causing of that scrap material; (4) calculate cost of good manufactured, cost price, and profitability three ceramic creative product without calculate scrap material existence; (5) adjust its happen causing of that scrap material with characteristic of scrap material accounting treatment; (6) recognize or record into adjustment journal about scrap material, there is applicable or not applicable to sold, so it need scrap material cleaning cost; (7) load scrap material cleaning cost or recognize scrap material selling value on each creative product according to its characteristic; (8) calculate cost of good manufactured, cost price, and inventory three ceramic creative product after calculate existance of scrap material; (9) compare cost of good manufactured, cost price, and inventory before and after calculate scrap material; and (10) make conclusion about research results.

The analysis technic of data used are: (1) Standard cost systems with full-costing approach (Mulyadi, 2013. p. 50) for calculate cost of good manufactured which its formulas are cost of good manufactured = raw material cost + direct labor cost + variable

manufacturing overhead cost + fixed manufacturing overhead cost; (2) full cost pricing method is used to calculate cost pricing which its formulas are cost price = total production cost + margin (total production cost) + operating cost; (3) adjustment journal entries is used to recognize loading scrap material cleaning cost or receiving scrap material selling on product which its formulas consist of date column, description, reference, debit, credit, and explanation according to characteristic its scrap material; and (4) cost of good sold concept is used to calculate ending inventory which its formulas are ending inventory = cost of good available to sold - cost of good sold (Jusup, 2014. p. 123).

3. RESULTS

3.1. Cost of Good Manufactured, Cost Price, and Inventory Value Ceramic Creative Product before Calculate Scrap Material

Calculation result of cost of good manufactured, cost price, and inventory value ceramic creative product at BTCCI in 2018 before calculate its creation of scrap material is shown in Table 2.

Cost of good manufactured ceramic creative product at BTCCI in 2018 are IDR 64,275.62 each unit for mythical bird statue, IDR 270,397.92 each unit for cleanse water place, and IDR 1,552.92 each unit for incense place. Its cost price on the same product are IDR 83,558.30, IDR 351,517.29, and IDR 18,918.79 each unit for bird statue, cleanse water place, and incense place. The ending inventory on the same product are IDR 3,856,537.14 (mythical bird statue), IDR 9,734,325.05 (cleanse water place), and IDR 873,17.99 (incense place).

3.2. Recognition Scrap Material on Production Process of Ceramic Creative Product

Scrap material on this research consist of castle mass BPC-1, body mass BL-1, and body mass BSK-1. The journal of loading and recognition scrap material cleaning cost for castle mass BPC-1 is shown in Table 3.

Table 3 shown that on loading of production cost mythical bird statue acted debit Work In Process - Raw Material Cost IDR 1,915,895.74, Work in process - direct labor cost IDR 21,141,453.81, work in process - variable manufacturing overhead cost IDR 9,136,455.68, and work in process - fixed manufacturing overhead cost IDR 14,855,947.92, and credit raw material inventory IDR 1,915,895.74, wage and salary cost IDR 21,141,453.81, many account of variable manufacturing overhead cost IDR 9,136,455.68, and many account of fixed manufacturing overhead cost IDR 14.855.947,92. On loading of scrap material cleaning cost acted debit actual manufacturing overhead cost IDR 10,602.00, and credit cash IDR 10,602.00. On record finished good inventory acted debit Finished Good Invntory IDR 47,049,753.15, and credit work in process - raw material cost IDR 1,915,895.74, Work In Process – Direct Labor Cost IDR 21,141,453.81, Work In Process – Variable Manufacturing Overhead Cost IDR 9,136,455.68, and work in process – fixed manufacturing overhead cost IDR 14,855,947.92.

The journal of cost loading and recognition scrap material selling for body mass BL-1 is shown in Table 4.

Table 4 shown that on loading of production cost cleanse water place acted debit work in process - raw material cost IDR 16,599,758.84, work in process - direct labor cost IDR 27,280,244,25, work in process - variable manufacturing overhead cost IDR 11,872,934.18, and work in process - fixed manufacturing overhead cost IDR 12,387,338.05, and credit Raw Material Inventory IDR 16,599,758.84, wage and salary cost IDR 27,280,244.25, many account of variable manufacturing overhead cost IDR 11,872,934.18, and many account of fixed manufacturing overhead cost IDR 12,387,338.05. On selling of scrap material acted debit cash IDR 1,501,395.00, and credit work in process - raw material cost IDR 1,501,395.00. On record finished good inventory acted debit finished good invntory IDR 66,638,880.32, and credit work in process - raw material cost IDR 15,098,363.84, work in process – direct labor cost IDR 27,280,244.25, work in process – variable manufacturing overhead cost IDR 11,872,934.18, and work in process – fixed manufacturing overhead cost IDR 12,387,338.05.

Table 2: Cost of good manufactured, cost price, and inventory value ceramic creative product before calculate scrap material (IDR/unit)

Description	Element of cost of good manufactured					Explanation
	RMC	DLC	VMOC	FMOC	COGM	
Mythical bird statue	2,617.34	28,881.77	12,481.50	20,295.01	64,275.62	-
Cleanse water place	65,872.06	108,254.94	47,114.82	49,156.10	270,397.92	-
Incense place	1,627.56	6,699.11	3,273.56	2,952.70	14,552.92	-
	Element of cost price					
	COGM	PM	ME	GAE	CP	
Mythical bird statue	64,275.62	9,641.34	5,784.81	3,856.54	83,558.30	-
Cleanse water place	270,397.92	40,559.69	24,335.81	16,223.88	351,517.29	-
Incense place	14,552.92	2,184.94	1,309.76	873.17	18,918.79	-
	Element of inventory value					
	Begining inventory	Production	Sold	COGM	Ending inventory	
Mythical bird statue	-	732.00	672.00	64,275.62	3,856,537.14	-
Cleanse water place	-	252.00	216.00	270,397.92	9,734,325.05	-
Incense place	-	3,960.00	3,900.00	14,552.92	873,174.99	-

Table 3: The journal of loading and recognition scrap material to produce mythical bird statue which carving decoration (l8.0–w6.0–h20.0) (IDR)

Date	Description	Reference	Debit	Credit
-	Work in process - raw material cost		1,915,895.74	
	Work in process - direct labor cost		21,141,453.81	
	Work in process - variable manufacturing overhead cost		9,136,455.68	
	Work in process - fixed manufacturing overhead cost		14,855,947.92	
	Raw material inventory			1,915,895.74
	Wage and salary cost			21,141,453.81
	Many account of variable manufacturing overhead cost			9,136,455.68
	Many account of fixed manufacturing overhead cost			14,855,947.92
	(record cost loading on mythical bird statue)			
-	Actual manufacturing overhead cost		10,602.00	
	Cash (record cleaning cost of scrap material to produce mythical bird statue)			10,602.00
-	Finished good inventory		47,049,753.15	
	Work in process - raw material cost			1,915,895.74
	Work in process - direct labor cost			21,141,453.81
	Work in process - variable manufacturing overhead cost			9,136,455.68
	Work in process - fixed manufacturing overhead cost			14,855,947.92
	(record cost of good manufactured mythical bird statue which finished)			

Table 4: The journal of cost loading and recognition scrap material selling to produce cleanse water place which nawasanga weapon decoration (d32.0-h32.0) IDR

Date	Description	Reference	Debit	Credit
-	Work in process - raw material cost		16,599,758.84	
	Work in process - direct labor cost		27,280,244,25	
	Work in process - variable manufacturing overhead cost		11,872,934.18	
	Work in process - fixed manufacturing overhead cost		12,387,338.05	
	Raw material inventory			16,599,758.84
	Wage and salary cost			27,280,244.25
	Many account of variable manufacturing overhead cost			11,872,934.18
	Many account of fixed manufacturing overhead cost (record cost loading on cleanse water place)			12,387,338.05
-	Cash		1,501,395.00	
	Work in process - raw material cost (record selling result the scrap material of cleanse water place)			1,501,395.00
-	Finished good inventory		66,638,880.32	
	Work in process - raw material cost			15,098,363.84
	Work in process - direct labor cost			27,280,244.25
	Work in process - variable manufacturing overhead cost			11,872,934.18
	work in process - fixed manufacturing overhead cost (record cost of good manufactured cleanse water place which finished)			12,387,338.05

The journal of cost loading and scrap material cleanse cost loding for body mass BSK-1 is shown in Table 5.

Table 5 shown that on loading of production cost incense place acted debit work in process - raw material cost IDR 6,445,121.26, work in process - direct labor cost IDR 26,528,455.80, work in process – variable manufacturing overhead cost IDR 12,963,291.25, and work in process – fixed manufacturing overhead cost IDR 11,692,680.86, and credit raw material inventory IDR 6,445,121.26, Wage and salary cost IDR 26,528,455.80, many account of variable manufacturing overhead cost IDR 12,963,291.25, and many account of fixed manufacturing overhead cost IDR 11,692,680.86. On loading of scrap material cleaning cost acted debit work in process - raw material cost IDR 208,355.00, and credit cash IDR 208,355.00. On record finished good inventory acted debit Finished Good Invntory IDR 57,837,904.17, and credit work in process - raw material cost IDR 6,653,476.26, work in process - direct labor cost IDR 26,528,455.80, work in process - variable manufacturing overhead cost IDR 12,963,291.25, and work in process – fixed manufacturing overhead cost IDR 11,692,680.86.

3.3. Cost of Good Manufactured, Cost Price, and Inventory Value Ceramic Creative Product after Calculate Scrap Material

Calculation results cost of good manufactured, cost price, and inventory value ceramic creative product at BTCCI in 2018 after calculate its scrap material is shown in Table 6.

Cost of good manufactured ceramic creative product each unit after calculate scrap material at BTCCI in 2018 were: IDR 64,275.62 (mythical bird statue), IDR 264,440.00 (cleanse water place), and IDR 14,605.53 (incense plce). The cost price is got were IDR 83,558.30 (bird statue), IDR 343,772.00 (cleanse water place), and IDR 18,987.19 (incense place). Its ending inventory is got were IDR 3,856,537.14 (mythical bird statue), IDR 9,519,840.05 (cleanse water place), and IDR 876,331.88 (incense place).

Table 5: The journal of cost loading and scrap material cleanse cost loding to produce incense place which adhering decorated (ud4.0-md5.0-dd10.0-h8.0) (IDR)

Date	Description	Reference	Debit	Credit
-	Work in process - raw material cost		6,445,121.26	
	Work in process - direct labor cost		26,528,455.80	
	Work in process - variable manufacturing overhead cost		12,963,291.25	
	Work in process - fixed manufacturing overhead cost		11,692,680.86	
	Raw material inventory			6,445,121.26
	Wage and salary cost			26,528,455.80
	Many account of variable manufacturing overhead cost			12,963,291.25
	Many account of fixed manufacturing overhead cost (record cost loading on incense place)			11,692,680.86
-	Work in process - raw material cost		208,355.00	
	Cash (record cleaning cost of scrap material to produce incense place)			208,355.00
-	Finished good inventory		57,837,904.17	
	Work in process - raw material cost			6,653,476.26
	Work in process - direct labor cost			26,528,455.80
	Work in process - variable manufacturing overhead cost			12,963,291.25
	Work in process - fixed manufacturing overhead cost (record cost of good manufactured incense place which finished)			11,692,680.86

Table 6: Cost of good manufactured, cost price, and inventory value ceramic creative product after calculate scrap material (IDR/unit)

Description	Element of cost of good manufactured					Explanation
	RMC	DLC	VMOC	FMOC	COGM	
Mythical bird statue	2,617.34	28,881.77	12,481.50	20,295.01	64,275.62	-
Cleanse water place	59,914.14	108,254.94	47,114.82	49,156.10	264,440.00	-
Incense place	1,680.17	6,699.11	3,273.56	2,952.70	14,605.53	-
	Element of cost price					
	COGM	PM	MEx	GAEx	CP	
Mythical bird statue	64,275.62	9,641.34	5,784.81	3,856.54	83,558.30	-
Cleanse water place	264,440.00	39,666.00	23,799.60	15,866.40	343,772.00	-
Incense place	14,605.53	2,190.83	1,314.50	876.33	18,987.19	-
	Element of inventory value					
	Beginning inventory	Production	Selling	COGM	Ending inventory	
Mythical bird statue	-	732.00	672.00	64,275.62	3,856,537.14	-
Cleanse water place	-	252.00	216.00	264,440.00	9,519,840.05	-
Incense place	-	3,960.00	3,900.00	14,605.53	876,331.88	-

4. DISCUSSIONS

The scrap material can slighted in calculation of financial variable, but there will bring concequences on unmatching of calculation result, then it will influence of management decision making. Cost of good manufactured, cost price, and inventory value ceramic creative product on this research are various, there are accord with its theoretical or there are not accord with its theoretical. Castle mass BPC-1 shew match condition with its theoretital, because the scrap material has normal characteristic, there is not applicable to sell, and it need cleanse cost, so the expendition of cleaning cost will increase actual manufacturing overhead cost of mythical bird statue, so it is budgetd in future periode. Body mass BL-1 shew that its condition is unmatch than its theoretical, because scrap material is resulted product characteristic, scrap material applicable to sell, and there is not need cleaning cost, so its consequences is selling result of scrap material will decrease raw material cost of cleanse water place. Body mass BSK-1 shew that its condition is not match with its theoretical, because scrap material is resulted product characteristic, scrap material not applicable to sell, and it need cleaning cost, so its consequences is expenditure of cleaning cost will increase raw material cost incense place.

The cleaning cost recognition of scrap material body mass BPC-1 is not influence of raw material cost, direct labor cost, manufacturing overhead cost, cost of good manufactured, cost price, and inventory mythical bird statue, but it influence actual manufacturing overhead cost and cash, so it must budgeted in preparation of actual manufacturing overhead cost future period. The selling result recognition of scrap material body mass BL-1 influence raw material, cost of good manufactured, cost price, and inventory cleanse water place. The credit work in process-raw material cost decrease using of raw material to produce cleanse water place from IDR 16,599,758.84 to IDR 15,098,363.84, so the cost of good manufactured will decrease for the same amount. The cleaning cost loading of scrap material body mass BSK-1 influence of raw material, cost of good manufactured, cost price, and inventory incense place. The debit work in process-raw material cost increase using raw material incense place from IDR 6,445,121.26 to IDR 6,653,476.26, so the cost of good manufactured will increase for the same amount.

The cost of good manufactured mythical bird statue same as cost of good manufactured before calculate scrap material, thus its cost price and ending inventory too, because production characteristic

of mythical bird statue is create scrap material normally, and its scrap material is not applicable for sell, so it is need cleaning cost. That cleaning cost increase actual manufacturing overhead cost without influence cost of good manufactured, cost price, and inventory value. The cost of good manufactured cleanse water place is smaller than cost of good manufactured before calculate scrap material, thus cost price and ending inventory, because its special characteristic and that scrap material applicable to sell, so it must recognize as decrease work in process-raw material cost. The decreating of work in process-raw material cost mean decrease cost of good manufactured, cost price, and inventory value. The cost of good manufactured incense place higher than cost of good manufactured before calculate scrap material, thus its cost price and ending inventory, because its special characteristic and that scrap material is not applicable to sell, so it need cleaning cost. The addition of cleaning cost which is element of work in process-raw material cost show its addition of cost of good manufactured, cost price, and inventory value.

5. CONCLUSION AND SUGGESTIONS

Base on result and discussion, there is made conclusion as follows: (1) The cost price each unit ceramic creative product at BTCCI in 2018 before calculate scrap materil is IDR 83,558.30 for mythical bird statue, IDR 351,517.29 for cleanse water place, and IDR 18,918.79 for incense place; (2) The production process of ceramic creative product at BTCCI create scrap material, that is: Castle mass BPC-1 for mythical bird statue, body mass BL-1 for cleanse water place, and body mass BSK-1 for incense place. The accounting treatment of scrap material: (a) Castle mass BPC-1 is acted by debit actual manufacturing overhead cost IDR 10,602.00, and credit cash IDR 10,602.00, (b) body mass BL-1 is acted by debit cash IDR 1,501,395.00 and credit work in process-raw material cost IDR 1,501,395.00, and (c) body mass BSK-1 is acted by debit work in process-raw material cost IDR 208,355.00 and credit cash IDR 208,355.00; and (3) the scrap material influence to cost of good manufactured, cost price, and inventory value ceramic creative product. The scrap material of castle mass BPC-1 is indirect influence of cost of good manufactured, cost price, and inventory value mythical bird statue, but there is increase actual manufacturing overhead cost that is budgeted in future period. The cost of good manufactured mythical bird statue before and after calculate scrap material is IDR 64,275.62 each unit, cost price before and after calculate scrap material is IDR 83,558.30 each unit, and ending inventory before and after calculate scrap material is IDR 3,856,537.14. The cost of good manufactured cleanse water place which its scrap material body mass BL-1 decrease IDR 5,957.92 each unit from IDR 270,397.92 to IDR 264,440.00, cost price decrease IDR 7,745.29 each unit from IDR 351,517.29 to IDR 343,772.00, and ending inventory decrease IDR 214,485.00 from IDR 9,734,325.05 to IDR 9,519,840.05. The cost of good manufactured incense place which its scrap material body mass BSK-1 increase IDR 52.61 each unit from IDR 14,552.92 to IDR 14,605.53, cost price increase IDR 68.40 each unit from IDR 18,918.79 to IDR 18,987.19, and ending inventory increase IDR 3,156.89 from IDR 873,174.99 to IDR 876,331.88.

Base on conclusion, there is suggested: (1) For BTCCI, in order to calculate its scrap material on production process of ceramic creative product according to theoretical accounting treatment, because it has influence of cost of good manufactured, cost price, and inventory; (2) For the ceramic small and medium enterprise or ceramic company, in order to increase efficiency and effectivity production process of ceramic creative product by minimalize its creating of scrap material; and (3) For researcher, engineer technician, engineer, and other academicy, in order to apply accounting treatment of scrap material on other relevant ceramic creative product.

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