

ABSTRACT

Nowadays companies are faced with mounting challenges and risks as a result of increased market competition. As companies try to adapt to the new changes, some of them tend to do whatever to cope up with it. Many companies tried to misuse their assets in order to adapt to the changing environment while as well, to achieve their objectives. Therefore, a system of internal control should be applied to keep the companies in the right track in running the business.

As one of biggest manufacturing company in Indonesia, PT HM Sampoerna Tbk. realizes this situation. Therefore, in order to avoid this chance, the company applies Physical Count, an audit over fixed assets to keep the fixed assets in the place. The author got the opportunity to involve in performing this audit over the fixed assets located throughout the company. By implementing the audit, the company will obtain the latest information of the fixed assets. This paper elaborates the steps of conducting Physical Count and any other procedures related to fixed assets, including the figures and forms to ease readers in understanding the procedures.

Keywords: *Fixed assets, Internal audit, Internal control*

