

CHAPTER IV

RESULTS AND DISCUSSIONS

4.1 Overview

According to data collected by researchers, the results show that there are 104 mosques participating in this study, spread across six subdistricts in Padang City. The subdistricts with the largest number of participating mosques are Padang Utara (34 mosques) and Koto Tengah (31). This is because access to these areas is close and easy. In addition, most of the mosques in Padang Utara and Koto Tengah are located in complexes, making it easier to find mosque administrators. Therefore, the questionnaire return rate was higher in line with the initial distribution.

Table 4. 1 List of Mosque Participating in Research

| No | District | Number of Mosque Participating in Research |
|--------------|---------------------|--|
| 1 | Padang Utara | 34 |
| 2 | Koto Tengah | 31 |
| 3 | Lubuk Begalung | 8 |
| 4 | Padang Timur | 14 |
| 5 | Kuranji | 13 |
| 6 | Bungus Teluk Kabung | 4 |
| Total | | 104 |

Sources : Data processed

As illustrated in Table 4.1 above, it can be concluded that overall, the researchers successfully distributed questionnaires to six subdistricts in Padang City in accordance with the initial objectives. The subdistrict with the highest participation was North Padang Subdistrict with 34 samples out of 104 (32.69%) distributed, and the lowest was Bungus Teluk Kabung Subdistrict with 4 out of 104 (3.85%) samples obtained. The number of questionnaires obtained in this study is the total data collected from all participating mosques. The data was collected in accordance with the sample criteria that had been set previously. Therefore, the sample in this study is considered adequate and suitable for use as a basis for analysis.

4.1.1 Description of Respondent Data

Question 1: Position in management of mosque

Question 1 examines the respondents positions in the organization structure of the mosque.

Table 4. 2 Distribution of Respondents by Position in Mosque Management

| No | Position | Frequency | Percentage |
|----|-----------|-----------|------------|
| 1 | Chairman | 65 | 62,50% |
| 2 | Secretary | 15 | 14,44% |
| 3 | Treasurer | 24 | 23,06% |

Source: Data processed

In filling out the research questionnaire, 65 questionnaires (62.50%) were filled out by the chairman, 15 questionnaires (14.44%) were filled out by the secretary, and 24 questionnaires (23.06%) were filled out by the mosque treasurer. The chairman is often at the mosque because they lead congregational prayers, predominantly during the Maghrib prayer. In addition, the homes of mosque administrators are usually not far from the mosque, making it easier to find them. Furthermore, if the mosque administrators were not at the mosque, the researchers would ask the mosque caretaker for the administrators contact numbers, or leave the questionnaires with the caretaker, who would then hand them over to the administrators when they came to the mosque. The researchers would then return to the mosque to collect the questionnaires.

Question 2: Length of tenure

Question 2 aims to identify length of tenure administrator in the mosque. The results are summarized below.

Table 4. 3 Distribution of Respondents by Length of Tenure

| No | Length of Tenure | Frequency | Percentage |
|----|------------------|-----------|------------|
| 1 | 1 | 12 | 11.54% |
| 2 | 2 | 18 | 17.31% |
| 3 | 3 | 32 | 30.77% |
| 4 | 4 | 12 | 11.54% |
| 5 | 5 | 16 | 15.38% |
| 6 | 6 | 3 | 2.88% |
| 7 | 7 | 4 | 3.85% |
| 8 | 9 | 1 | 0.96% |
| 9 | 10 | 4 | 3.85% |
| 10 | 21 | 1 | 0.96% |

| No | Length of Tenure | Frequency | Percentage |
|----|------------------|-----------|------------|
| 11 | 28 | 1 | 0.96% |

Source: Data processed

The concentration of administrative tenure between three and five years indicates a structured rotation system, with leadership changes generally implemented every three years. The dominance of 3-5 year terms reflects the stability of mosque management, which is in line with the 3-year rotation period for administrators. This condition reflects continuity in management and consistency in financial management and reporting, as administrators have sufficient time to understand and learn the applicable procedures. However, a clear evaluation and regeneration mechanism is still needed to maintain accountability in mosque management.

Question 3: Gender

Question 3 relates to the respondents gender. The results are presented below.

Table 4. 4 Distribution of Respondents by Gender

| No | Gender | Frequency | Percentage |
|----|--------|-----------|------------|
| 1 | Male | 83 | 79,8% |
| 2 | Female | 21 | 20,02% |

Source: Data processed

The survey results suggest that mosque administrative roles are predominantly occupied by males, representing an average of 80% of the respondents (primary data by researcher, 2026). In the mosque management structure, the core administrators and division heads are predominantly male. This is in line with Islamic teachings that men are leaders and responsible for all aspects of leadership. In addition, mosque management often involves many non-structural activities that require more manpower, such as qurban, mosque imams, majelis taklim activities, and so on. As a result, mosque management is dominated by men on average.

Question 4: Highest level of education

Question 4 examines the highest level of education attained by the respondents. The results are summarized as follows.

Table 4. 5 Distribution of Respondents by High level of Education

| No | Highest Level of Education | Frequency | Percentage |
|----|----------------------------|-----------|------------|
| 1 | SD | 2 | 1.92% |
| 2 | SMA/SMK | 42 | 40.38% |
| 3 | S1 | 45 | 43.27% |
| 4 | S2 | 11 | 10.58% |
| 5 | D3 | 3 | 2.88% |

Source: Data processed

In terms of academic qualifications, a bachelor's degree is the most common level of education among the administrators of mosque. Mosque administrators are selected by the mosque congregation through deliberation and voting. The majority of the congregation entrusts the management of the mosque to administrators who have a bachelor's degree (43.27%). This is because administrators with a bachelor's degree are more trusted to manage administration and finances. In addition, congregations associate academic degrees with systematic and responsible thinking skills. Furthermore, mosque management also requires knowledge obtained from a bachelor's degree, such as preparing financial reports, managing bank accounts, drafting proposals to request external funding, and so on. Therefore, the community predominantly chooses mosque administrators who have completed a bachelor's degree.

4.1.2 General Information About the Mosque

Question 1: The status of mosques based on the source of their establishment fund

Question 1 in the questioner as the status of mosque. The result of the study is presented in table 4.6 below:

Table 4. 6 Distribution of Respondents by Status of Mosque

| No | Answer | Frequency | Percentage |
|----|--|-----------|------------|
| 1 | A mosque built independently by the community | 94 | 90.38% |
| 2 | A mosque built by an individual/family | 7 | 6.73% |
| 3 | Mosques built with government funding | 2 | 1.92% |
| 4 | Mosques that have ties to specific community organizations | 1 | 0.96% |

Source: Data processed

The study highlights a significant reliance on community-driven funding, revealing that 94 or 90.38% of the mosques were founded through the collective efforts of the surrounding neighborhood. The community worked together to raise funds in the form of alms and, due to

strong social ties, the community was eager to build mosques near their homes so that they could worship together more easily. The main motivation for the community to establish mosques was the needs and religious beliefs of the community. In addition, self-reliance also provided flexibility and autonomy in the management of mosques.

Moreover, there are 7 mosques that were built by individuals/contributions from one family. Usually, mosques are established in the name of an individual/family for religious purposes, namely to obtain charitable deeds whose rewards continue to flow. However, from the mosques researched, these mosques were built by individuals but are now managed collectively by the community. In addition, there are two mosques that were established with government assistance. There is only one mosque that was established by a community organization, namely Nurul Yaqin Muhammadiyah Mosque, which was established by the Muhammadiyah community in Yogyakarta after the earthquake that struck the city of Padang in 2009.

Question 2: Status of mosques based on characteristics

Question 2 examines the status of mosques based on their characteristics.

Table 4. 7 Distribution of Respondents by Status of Mosque

| No | Answer | Frequency | Percentage |
|----|---------------------------------|-----------|------------|
| 1 | Grand Mosque | 30 | 28.85% |
| 2 | Mosque in a residential complex | 59 | 56.73% |
| 3 | Office Mosque | 0 | 0% |
| 4 | College Mosque | 0 | 0% |
| 5 | Public Mosque | 15 | 14.42% |

Source: Data processed

In terms of spatial distribution, the majority of the mosques studied (56.73%) are located within residential complexes. This is because mosques in housing complexes are easier to access and their administrators are easier to find/meet. In addition, on average, mosques in Padang are located in housing complexes. This is because mosques are deliberately built in complexes so that worship is closer to residential areas and congregations can access mosques without distance barriers. In addition, mosques in housing complexes are not only used for worship, but also as a space for community deliberation and strengthening social bonds in the housing complex area.

The rest of the mosques studied were classified as grand mosques (30 mosques or 28.85%). Grand mosques are mosques with a large scale and capacity, so they can accommodate a large number of congregants. Grand mosques play a strategic role in religious activities, such as holding Friday prayers, Eid prayers, and so on. Therefore, grand mosques are usually located on the side of major roads that are easily accessible to the public. In addition, the study also found that there were 15 mosques (14.42%) in public places. Office mosques and campus mosques were also considered, but there was a lack of clarity in their management and a lack of transparency in their donation funds, so they were deemed unsuitable for study.

Question 3: Average weekly mosque income

Question 3 aims to identify the mosque's average weekly income.

Table 4. 8 Distribution of Respondents by Average Weekly Mosque Income

| No | Answer | Frequency | Percentage |
|----|---------------------------|-----------|------------|
| 1 | <Rp500.000 | 42 | 40.38% |
| 2 | Rp500.000 - Rp1.000.000 | 38 | 36.54% |
| 3 | Rp1.000.000 - Rp2.000.000 | 17 | 16.35% |
| 4 | Rp2.000.000 - Rp3.000.000 | 2 | 1.92% |
| 5 | Rp3.000.000 - Rp4.000.000 | 5 | 4.81% |
| 6 | Rp4.000.000 - Rp5.000.000 | 0 | 0% |

Source: Data processed

In terms of mosque income, the majority of the surveyed mosques operate on a modest budget, with 42 institutions (40.38%) reporting an income below Rp500,000. Another significant group of 38 mosques (36.54%) earns between Rp500,000 and Rp1,000,000. While some mosques fall into the higher bracket of Rp2,000,000 to Rp4,000,000, it is interesting to note that none of the participating mosques reported earnings within the Rp4,000,000 to Rp5,000,000 range.

The average weekly income comes from infaq/alms on Fridays, and there are also infaq collected during congregational prayers/when there are wirid activities, studies, and others. The reason why weekly mosque income is predominantly less than Rp500,000 is because most of the mosques participating in this study are located in housing complexes, where housing complex mosques can only accommodate a small number of worshippers. Therefore, it can be concluded that mosque income can also depend on the strategic location of the mosque.

Mosques with large incomes are usually located in strategic locations that are frequently visited by travelers, and this may also be due to management assistance from organizations within the mosque, such as the Muhammadiyah mosque. A real example based on research results is the Nurul Yaqin Muhammadiyah Mosque, which has a weekly income of Rp3,000,000 – Rp4,000,000. The mosque is located on the Padang – Painan road, so it is often visited by people traveling on the road. In addition, the mosque is also managed by the Muhammadiyah organization, so it has good financial procedures and management.

Question 4: This mosque uses the following banks to deposit and manage funds

Question 4 examines the types of banks used by the mosque for depositing and managing funds.

Table 4. 9 Distribution of Respondents by Bank Account to deposit and Manage Funds

| No | Answer | Frequency | Percentage |
|----|------------------------------|-----------|------------|
| 1 | Bank Muamalat Indonesia | 4 | 3,84% |
| 2 | Bank Nagari Syariah | 16 | 15,38% |
| 3 | Bank Nagari Syariah, BRI | 1 | 0,09% |
| 4 | BNI | 3 | 2,88% |
| 5 | BRI | 10 | 11,53% |
| 6 | BSI | 14 | 13,46% |
| 7 | BSI, Bank Nagari Syariah | 2 | 0,19% |
| 8 | BSI, Nagari | 1 | 0,09% |
| 9 | Mandiri | 2 | 0,19% |
| 10 | Mandiri, Bank Nagari Syariah | 1 | 0,09% |
| 11 | Nagari | 43 | 41,34% |
| 12 | does not have a bank account | 2 | 0,019% |

Source: Data processed

Mosque banking preferences are predominantly concentrated in regional and Islamic banks. Bank Nagari is the dominant choice with 41.34% (43 mosques), followed by Bank Nagari Syariah (15.38% or 16 mosques) and BSI (13.46% or 14 mosques). Combined, more than 70% of mosques choose Bank Nagari and BSI.

This pattern reflects two key factors. First, the institutional and geographical proximity of Bank Nagari as a regional bank. Second, a preference for religious values through the use of Islamic-based banking institutions.

Based on the results of the researcher's research and observations, the reason mosques use Bank Nagari for their accounts is because of a cooperation agreement between the West Sumatra Indonesian Mosque Council and Bank Nagari to develop the Islamic economy and finance in West Sumatra. This cooperation not only focuses on the financial management of mosques and prayer rooms, but also expands the role of mosques as centers for community economic empowerment. Bank Nagari has many financial products tailored to the needs of the Minangkabau community, including: Hajj and Umrah savings, qurban savings, multi-service financing, and Micro, Small and Medium Enterprise (MSME) financing by providing access to business capital for mosque-based MSMEs to improve the welfare of congregations and the community's economy.

4.2 Internal Control in Mosque

As explained in Chapter 2 (2.3), The internal control procedures are grouped into six sections below:

1. Bank Account and Infaq Management
2. Operational Fund Management
3. Management of Receipt
4. Cash Book Management
5. Payment Management
6. Financial Report

The seventh section of the questionnaire is a question related to the role of the religious institution of this state in financial management of mosque. The research findings for each section will be explained further below:

4.2.1 Bank Account and Infaq Management

There are 7 questions related to Bank Account and Infaq Management:

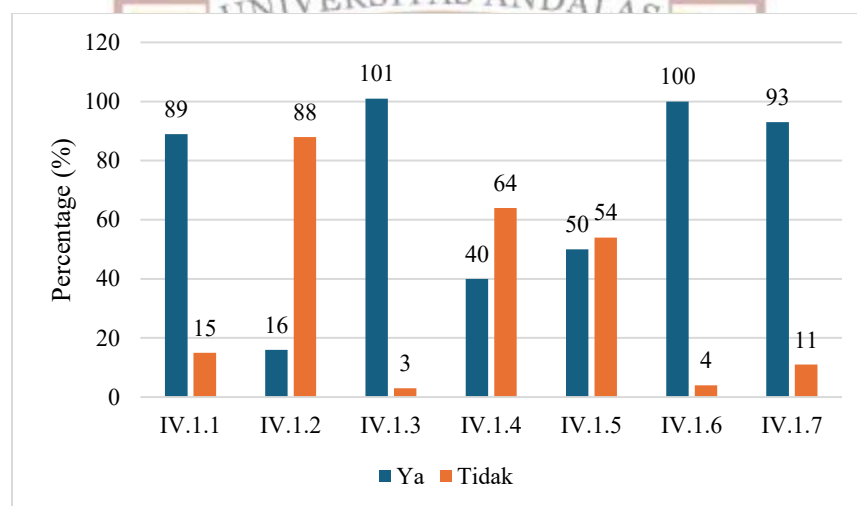
Table 4. 10 Internal Control for Bank Account and Infaq Management

| No | Question | Frequency | Percentage |
|--------|--|-----------|------------|
| IV.1.1 | Mosques have separate bank accounts in the name of the mosque | 89 | 85,58% |
| IV.1.2 | There are separate accounts for operations, development and social | 16 | 15,38% |
| IV.1.3 | All donation boxes in the mosque are closed and locked | 101 | 97,12% |

| No | Question | Frequency | Percentage |
|--------|--|-----------|------------|
| IV.1.4 | Money received through the infaq box is not used to pay any expenses until it is deposited into the bank first | 40 | 38,46% |
| IV.1.5 | Payment > IDR 1,000,000 using transfer/QRIS | 50 | 48,08% |
| IV.1.6 | Infaq/donations received through running the box every time during congregational prayers or certain events such as recitation of prayer etc., are immediately calculated when the box is finished running | 100 | 96,15% |
| IV.1.7 | Cash received is placed in a safe place (such as a locked box or drawer) if you cannot deposit it directly to the bank (maximum 3 days) | 93 | 89,42% |

Source: Data processed

Figure 4. 1 Internal Control for Bank Account and Infaq Management



Source: Data processed

For question one, “Mosques have separate bank accounts in the name of the mosque,” 89 mosque (85.58%) confirmed that they maintain bank accounts under the mosque’s official name. The predominance of separate institutional account reflects a level of administrative awareness regarding the separation of organizational and personal financial resources.

Furthermore, there are 15 mosques that still use bank accounts not in the name of the mosque, but bank accounts in the name of the mosque administrator, treasurer, or chairman. The reason for this is that the mosque does not receive a large amount of income, so it does not require a special bank account for the mosque. In addition, mosques usually only receive income from donation boxes, so it is very rare for mosque congregations to donate via transfer. In addition, based on the results of the study, it was found that to create a mosque account, several documents

are required, such as the deed of establishment, articles of association, but the administrators do not have these documents. The solution is to use the administrators' accounts because personal accounts are easier to create and do not require mosque institutional documents.

However, this should be evaluated by the mosque because it could open up opportunities for conflicts over fund ownership, misuse of funds, and audit difficulties. Furthermore, when the management changes or passes away, the mosque's funds are still mixed with personal funds, so this must be recorded clearly and correctly. However, it is very difficult to distinguish between mosque funds and personal funds based solely on bank statements, as it is highly likely that people who donate do not report their donations to the management in the form of “silent alms”.

Normatively, separating bank accounts based on the purpose of fund use is a very important practice in the internal control system of a mosque. This separation serves to prevent the commingling of funds, clarify the limits of fund use in accordance with the congregation's mandate, and facilitate the monitoring and reporting process. However, the results of the study show that only 16 mosques (15.38%) have implemented separate accounts for operations, construction, and social activities. The majority of mosques still use one main account for all transactions, on the grounds that opening and managing multiple accounts is considered an additional administrative burden for administrators. In addition, mosque fund management is based on personal trust and the congregation's trust in the administrators, so that administrators are not required to differentiate bank accounts based on fund allocations, and also if donors send donations, the money will be divided equally for each fund allocation.

From an internal control perspective, securing donation boxes represents a fundamental preventive control. Cash is the most vulnerable asset to misappropriation, and simple mechanisms such as locking and restricting access function as the first line of defense. The high percentage of compliance therefore reflects a relatively strong commitment to safeguarding physical assets. With regard to question three, “All donation boxes in the mosque are closed and locked,” 101 mosques (97,12%) always close and lock their donation boxes properly. Based on observations during the distribution of questionnaires to mosques, it can be seen that donation boxes are always padlocked and locked to ensure security. In addition, in some mosques, donation boxes are deliberately attached to the wall and made of heavy materials such as iron to reduce the possibility of theft.

Regarding the fourth item of the questionnaire, which assesses the discipline of cash handling procedures, the findings reveal a more moderate level of compliance. Only 40 mosques (38.46%) stated that money collected from donation boxes is not used to pay expenses before first being deposited into the bank. This means that the majority of mosques still utilize donation cash directly for expenditures prior to formal banking.

From an internal control standpoint, the practice of depositing funds before use is an important control mechanism. It creates a clear audit trail, ensures that all receipts are formally recorded in the banking system, and reduces the risk of underreporting or informal cash handling. By contrast, directly using cash before deposit weakens documentation integrity because the inflow and outflow may occur simultaneously without independent verification.

Meanwhile, 64 of the mosques studied used the infaq money and did not deposit it directly into the bank. After calculating the total infaq receipts, the administrators do not immediately deposit the money into the bank, but instead use it first for mosque operations. Daily mosque expenses are very high, such as electricity, water, and consumption, so if administrator deposit first to the bank and then withdraw again, it is very time-consuming and adds to the cost.

Therefore, mosque income is used first to pay expenses, and only after there is a surplus is it deposited in the bank. Another reason is that the infaq balance is limited and relatively small, so if it is deposited in the bank, the amount is too small and very time-consuming. Another factor is that the bank is located far from the administrators' homes, so the money is not deposited, and the income is only held by the administrators in cash.

From an internal control perspective, non-cash payments such as bank transfers or QRIS provide stronger documentation and traceability. Digital transactions automatically generate transaction records, reduce the risk of cash handling errors, and limit opportunities for misappropriation. In contrast, large cash payments inherently carry higher risk due to the absence of automatic third-party verification and greater susceptibility to loss or manipulation.

The fact that more than half of the mosques (50 or 48,08%) continue to use cash for transactions above IDR 1,000,000 suggests that digital financial practices have not yet been fully institutionalized. Possible contributing factors may include limited familiarity with digital

payment systems, concerns about administrative complexity, or cultural habits that still favor cash-based transactions.

The findings from the sixth questionnaire item demonstrate a high level of compliance with immediate cash-handling procedures, as 96.15% of the surveyed mosques calculate infaq funds promptly after collection, thereby reducing the risk of cash mismanagement. This is because donations collected during prayers and certain activities are different from donations placed on the wall. Donations collected during certain activities are usually placed in an open, unlocked box, as worshippers usually need change. Therefore, when the collection is finished, the donations are immediately counted together by the administrators to avoid loss due to scattering.

Based on the results of this study, it can be conceptually concluded that this action can be categorized as preventive control, because it prevents irregularities (such as loss, risk of miscalculation, and potential suspicion from worshippers) before the funds change hands or are stored for longer periods of time. However, there are four (3,85%) mosques that do not count the money immediately, because the administrators put it directly into a locked donation box, which is then counted later when the donation box is opened regularly.

The seventh questionnaire item focuses on the safeguarding of cash receipts when immediate bank deposits are not feasible, 97 mosques (89.42%) have implemented basic cash protection measures by storing received funds in secure locations, such as locked boxes or drawers, for a maximum period of three days. This practice reflects an effort to protect cash assets from potential loss or misuse during the interim period before deposit. Once they feel that there are no more expenses, the administrators then deposit the infaq receipts into the bank.

From an internal control perspective, this practice reflects the application of physical control over assets, namely the physical security of assets to prevent theft, loss, and unauthorized access to cash. Although simple, physical security is the most basic layer of control in cash-based fund management, especially in mosques. The high level of implementation shows that mosque administrators are aware of the limitations of banking access, but this can be overcome with temporary security mechanisms.

4.2.2 Management of Operational Fund

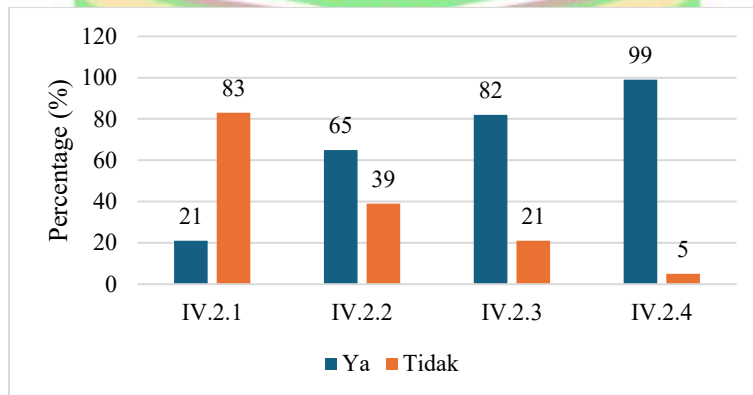
There are four questions related to operational fund management. The following are the results of the analysis for each question:

Table 4. 11 Internal Control for Operational Fund Management

| No | Question | Frequency | Percentage |
|--------|--|-----------|------------|
| VI.2.1 | Mosques set a maximum limit on the amount of cash that the treasurer may hold in cash for operational funds of IDR 3,000,000 | 21 | 20,19% |
| VI.2.2 | Additional operational funds are made when cash remaining is 50% | 65 | 62,50% |
| VI.2.3 | Every expenditure of operational funds is recorded with a proof number | 82 | 78,85% |
| VI.2.4 | The operational fund book is updated every month | 99 | 95,19% |

Source: Data processed

Figure 4. 2 Internal Control for Operational Fund Management



Source :Data processed

Based on the research, for question 1, “Mosques set a maximum limit on the amount of cash that the treasurer may hold in cash for operational funds of IDR 3,000,000,” only 21 mosques (20.19%) set a maximum cash limit of IDR 3,000,000 for operational funds, reflecting the relatively limited implementation of formal cash management regulations among the mosques studied.

From an internal control perspective, this indicates that most mosques have not adopted explicit policies governing the holding of cash by treasurers. The basic assumption that often underlies the absence of such limits is that trust in the treasurer and the religious character to always act in the best interests of the mosque administration is an adequate substitute for formal oversight.

However, from an accounting and governance perspective, this assumption poses significant problems. An effective internal control framework emphasizes that controls are established to protect the organization and individuals responsible for financial tasks, not to indicate suspicion. The absence of established cash storage limits can increase the risk of misuse, loss, or inefficient use of funds, especially given that mosques' sources of income are largely cash-based, such as infaq and alms.

Furthermore, limited adoption of cash storage limits may be linked to structural and contextual factors, such as a lack of financial literacy among mosque administrators, insufficient dissemination of standard financial guidelines for religious non-profit organizations, or the perception that operational cash needs are unpredictable and therefore require flexibility. However, such flexibility, without formal limits and documentation, can weaken accountability and reduce transparency in financial reporting.

Based on these findings, it can also be concluded that informal control mechanisms, such as community oversight, moral norms, and social accountability within the congregation are relied upon more than formal, rule-based controls. While these informal mechanisms may be effective in small communities, their reliability declines as the volume of funds grows or when managerial responsibility is concentrated in a small number of individuals/groups.

Thus, it can be summary that the relatively limited proportion of mosques that implement a maximum cash on hand policy indicates that cash management practices are still dominated by

informal and less regulated mechanisms. This situation highlights a critical aspect for improving governance, particularly through the implementation of explicit cash management policies that effectively balance operational flexibility with risk management, thereby strengthening financial accountability and increasing stakeholder confidence in mosque financial administration.

Another important finding emerges from question 2, where 65 mosques (62.50%) allocate additional operational funds when their cash balance falls to 50% of available funds, indicating the application of practical guidelines in cash management in mosque financial practices. At an initial level, this threshold signifies an effort to prevent liquidity shortages and maintain the smooth running of routine mosque operations. This shows that most mosque administrators have adopted a proactive financial strategy, rather than relying entirely on reactive fundraising when funds are running low.

However, this approach implicitly assumes that a consistent 50% threshold is suitable for all mosques, regardless of variations in size, activity level, or spending patterns. Mosques with various operational responsibilities, such as overseeing TPQ (Al-Qur'an learning centers) and activities related to orphan care, are likely to face more complex and unpredictable cash outflows. Therefore, stable and consistent operational funds are needed so that mosque operations are not disrupted.

From an internal control and financial planning perspective, the practice of replenishing operational funds when cash reserves reach 50% indicates a semi-formal budgeting process. This demonstrates an intuitive understanding of liquidity risk; however, it remains non-systematic unless supplemented by cash flow projections, expenditure classifications, or documented financial policies. In other words, this practice demonstrates awareness but does not always reflect resilience. Without formal cash flow projections, the decision to replenish funds at the 50% threshold may be influenced more by habit and experience than by rigorous analysis of anticipated obligations.

Related to question 3, 82 mosques (78.85%) record all operational expenses with evidence numbers, indicating that most mosques have implemented a basic but effective transaction recording system. This practice reflects an understanding of basic accounting principles, especially the importance of audit trails and verification in financial reporting.

Although the voucher numbering system used is generally simple, often limited to the date and time of the transaction, it still forms a basic audit trail that supports accountability and facilitates internal review. From an internal control perspective, uniform documentation with appropriate voucher numbers improves recording procedures, minimizes the possibility of unrecorded expenses, and strengthens the accuracy and reliability of financial reports.

Recording transactions in a timely manner further improves accuracy by reducing memory errors and delays in recognition. However, the fact that 20.19% of mosques do not implement a structured evidence numbering system indicates a continuing vulnerability in financial governance. Documenting expenditures without systematic supporting documentation weakens the audit trail and may increase the likelihood of inaccuracies, conflicts, or perceptions of ambiguity. This condition does not inherently indicate misconduct; rather, it highlights weaknesses in administrative capacity and procedural standardization.

Consistent updates, often accompanied by documentation of each transaction, demonstrate administrators awareness of the importance of maintaining timely and accurate financial records. The systematic collection of expenditure evidence improves documentation and internal control by facilitating verification and minimizing the possibility of missed or unrecorded transactions. This practice improves the accuracy of financial reports and assists in the oversight of operational funds. For question 4, 99 or 95.19% of mosques update their operational fund records on a monthly basis, reflecting a high level of compliance with basic accounting procedures.

Overall, these findings indicate that timeliness in recording is a fundamental asset in mosque financial management. However, its effectiveness depends on the uniformity of procedures and the adoption of a standard recording format to ensure that timely documentation also promotes transparency and accountability.

4.2.3 Cash Receipt Management

In receipt management, there are seven questions related to cash receipt management at the mosque. Below are the results of the analysis for each question:

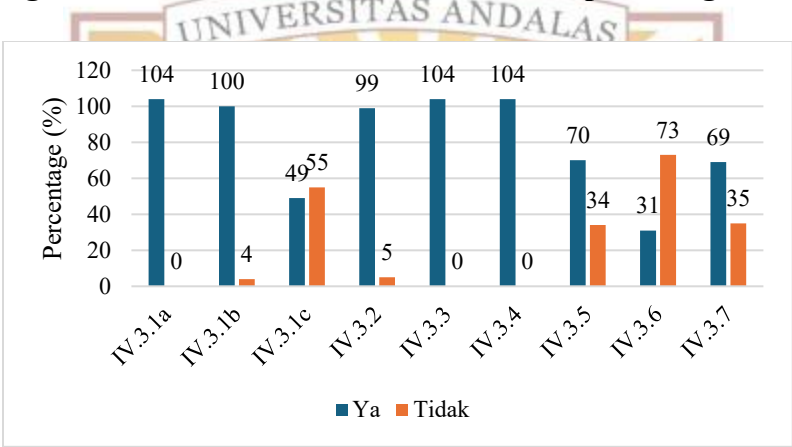
Table 4. 12 Internal Control for Cash Receipt Management

| No | Question | Frequency | Percentage |
|---------|------------------------------------|-----------|------------|
| IV.3.1a | Mosques receive funds through Cash | 104 | 100% |

| No | Question | Frequency | Percentage |
|---------|--|-----------|------------|
| IV.3.1b | Mosques receive funds via Bank Transfer | 100 | 96,15% |
| IV.3.1c | Mosques receive funds through QRIS/Digital | 49 | 47,12% |
| IV.3.2 | The charity box money is calculated by a minimum of 3 administrators | 99 | 95,19% |
| IV.3.3 | Each receipt is recorded in the Cash Receipts Report | 104 | 100% |
| IV.3.4 | The mosque prepares a monthly cash receipt report | 104 | 100% |
| IV.3.5 | The mosque issues an official receipt for each reception | 70 | 67,31% |
| IV.3.6 | Receipts have serial numbers | 31 | 29,81% |
| IV.3.7 | Receipts are stored in a safe place | 69 | 66,35% |

Source: Data processed

Figure 4. 3 Internal Control for Cash Receipt Management



Source :Data processed

The findings from question 1a demonstrate complete reliance on cash as a channel for receiving mosque donations, indicating that cash-based transactions continue to play a central role in mosque fund collection. can be made through donation boxes or given directly to the administrators if the amount is large. Usually, large donations given directly to the administrators will be announced as a form of motivation for other congregations to be enthusiastic about giving alms.

Turning to the receipt management aspect, question 1b indicate that 100 of mosque (96.15%) receive funds through bank transfers, indicating the significant prevalence of non-cash donation methods in mosque financial management. This practice demonstrates greater administrative efficiency and transparency, as bank transfers provide transparent transaction records and reduce the risks associated with cash management. The public disclosure of account

numbers also demonstrates an intention to increase accessibility for donors and encourage ongoing contributions.

However, the existence of 3.85% of mosques that do not accept transfer-based donations highlights contextual limitations. In small mosques that serve local congregations or only congregations in the vicinity of the mosque, financial procedures generally remain informal, with donations only in the form of cash or deposited directly into the personal accounts of administrators. While practical, this method can weaken institutional accountability by blurring the line between individual and organizational financial responsibilities.

With regard to the adoption of digital payment systems, question 1c reveals that 49 mosques (47.12%) obtaining funds through QRIS or other digital payment systems. A proportion of this size reflects a moderate degree of digital integration in mosque financial management. Even though nearly half of the mosques have adopted digital payment channels, the overall implementation across institutions remains uneven.

From an institutional perspective, this disparity likely indicates differences in administrative capabilities, technological expertise, and access to supporting infrastructure. Based on the researchers observations, mosques that have not implemented QRIS rely on traditional cash or transfer methods due to perceived complexity and a lack of knowledge about QRIS among administrators, given that mosque administrators are typically between 55 and 63 years old. The significant adoption rate indicates an increase in awareness of the advantages of digital payments, such as convenience, transaction records, and the possibility of expanding the reach of donors beyond the local community.

From a segregation of duties perspective, the findings indicate that 100 mosques (95.19%) manage infaq funds with the participation of at least three administrators. This practice reflects the application of collective oversight in financial management. This method is in line with the concept of basic internal control, particularly the separation of roles and mutual supervision, which effectively reduces the potential for fraud and increases public trust in fund management. The existence of key management positions, namely chairperson, secretary, treasurer, and division head, indicates that the accounting method is integrated into the formal organizational framework of mosque governance. This institutionalization increases accountability by preventing the concentration of financial operations in the hands of a single individual.

Alternative procedures recorded in a small number of mosques (5 or 4,81%), where only the treasurer performs the calculations while other officials supervise, highlight a focus on procedural efficiency and error minimization. This strategy may reduce operational disruption, but it also reduces direct involvement and can weaken collaborative verification. Data shows that joint calculations serve as a dominant and successful control mechanism, but variations in their implementation indicate diverse interpretations of the optimal balance between accuracy, efficiency, and internal control.

Based on observational data for Question 3, all mosques (100%) record every receipt in their cash receipt reports, demonstrating an exceptional level of compliance with basic accounting and documentation standards. This consistent implementation shows a strong understanding among mosque administrators of the importance of systematically documenting all incoming funds. The prompt documentation of fund receipts according to predetermined purposes, such as mosque operations, assistance for orphans, and TPQ activities, demonstrates a commitment to transparency in fund distribution and accountability. This technique strengthens internal controls by reducing the risk of misclassification and ensuring that funds are used for their intended purposes.

Accurate documentation of cash inflows constitutes a fundamental component of internal control, particularly for nonprofit religious institutions that rely heavily on public donations. The preparation of cash receipt reports serves not only as a recording mechanism, but also as a tool for transparency, traceability, and financial accountability. In this regard, the analysis of Question 4 reveals that all (100%) mosques included in the study consistently prepare monthly cash receipt reports. This consistent practice shows that periodic reporting is recognized as an essential accountability tool rather than an optional administrative task. The publication of weekly cash receipt reports during Friday prayers and the public posting of monthly reports on the mosque walls demonstrate a strong commitment to downward accountability and transparency to the community. This approach serves as a mechanism for information disclosure and social control, as public reporting encourages accuracy and prevents financial abuse.

The creation of special income reports for regular donors, which feature banners with the donor's name and contribution amount, signifies a reporting strategy tailored to the needs of stakeholders. This practice shows that the mosque recognizes donors as important stakeholders

whose trust and continued support are crucial to its financial sustainability. Simultaneously, it signals an implicit recognition of stakeholder theory, whereby reporting is tailored to maintain legitimacy and encourage long-term participation.

These findings show that mosque cash receipt reporting has evolved from basic record keeping to a participatory, stakeholder oriented model of accountability. While this practice increases transparency and donor trust, it highlights the need for ethical awareness and consistent reporting rules to ensure that transparency does not compromise donor privacy or equality in contributions.

Responses to question 5 reflect a selective application of formal receipt documentation in mosque financial administration, as 70 or 67.31% of mosques issue official receipts, especially for large donations, regular donors, corporate social responsibility contributions, and upon donor request. This approach demonstrates an awareness that certain transactions require greater accountability, either because of their financial significance or the expectations of institutional donors.

Meanwhile, a total of 34 mosque (32.69%) do not provide official receipts for all donations, indicating a lack of standardization in the issuance of receipts among mosque administrations. The assumption that receipts are not necessary for community-based or small donations reflects a reliance on social trust and informal accountability systems. While these procedures may be contextually effective, they can disrupt audit trails and limit the verification of cash receipts. This method may ease the administrative burden, but it can lead to inconsistencies in the quality of documentation and threaten transparency, especially as the amount of donations increases. These findings emphasize the need for more explicit receipt issuance procedures to improve financial governance while balancing administrative capacity with community standards.

The use of officially printed receipts with serial numbers represents an important documentation control in financial management. Serial numbering enables transaction traceability, prevents duplication or omission of records, and strengthens audit trails. In relation to Question 6, the findings show that only 31 mosques (29.81%) provide official receipts with serial numbers.

The implementation of this practice by a small number of mosques indicates that such controls are primarily applied in contexts with high accountability requirements, particularly in

mosques that receive consistent or large donations. The prevalence of mosques (70.19%) that do not use serial numbers or provide proof of payment indicates a continued reliance on informal, trust-based financial processes. This trend reflects an inherent belief that social proximity and moral accountability are sufficient to mitigate financial risk. From a governance perspective, the absence of serial numbers weakens the audit trail and limits the ability to routinely verify the completeness of payment evidence over time.

These findings suggest a hierarchical accountability framework, where the level of documentation increases in line with donor expectations rather than being consistently integrated into institutional policy. This strategy, while pragmatic, may limit transparency and scalability as the financial complexity of mosques increases. These results emphasize the need for consistent receipt numbering methods to improve the effectiveness of internal controls, regardless of the size of the donation or donor classification, thereby strengthening trust in mosque financial reporting.

The discovery in question 7, recorded 69 mosque (66.35%) securely keep receipts reflects a moderate awareness of the significance of document protection within internal control systems. The secure keeping of receipts maintains the integrity of financial documentation, deters unlawful access, and facilitates subsequent transaction verification. The limitation of access to the treasurer, together with previous reporting to the chairperson, signifies an effort to reconcile custodial duty with monitoring, thus enhancing accountability.

Nevertheless, the 33.65% of mosques that fail to securely keep receipts should not be primarily construed as inadequate document management. This condition primarily arises from the lack of receipt issuance. This indicates a reliance between documentation methods and protective measures: in the absence of receipts, storage controls lose significance, highlighting a larger deficiency in formal financial management.

4.2.4 Cash Book Management

In cash book management, there are five questions related to cash book management at mosques. Below are the results of the analysis for each question:

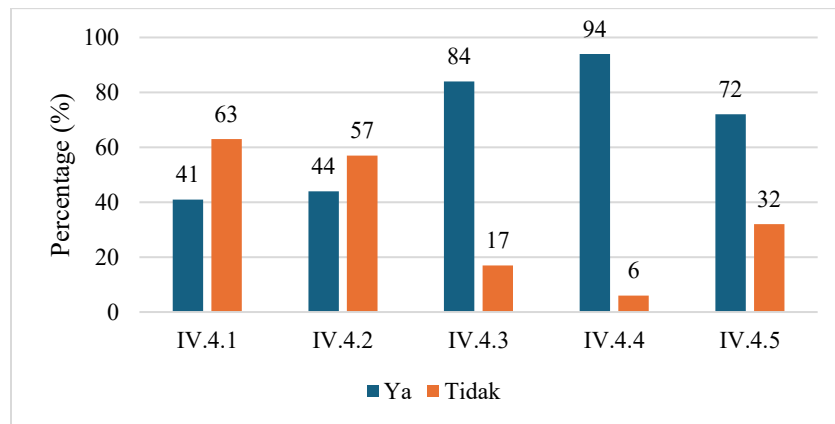
Table 4. 13 Internal Control for Cash Book Management

| No | Question | Frequency | Percentage |
|--------|---|-----------|------------|
| IV.4.1 | All receipts are directly deposited into the mosque's account at least 3 working days after receipt | 41 | 39,42% |

| | | | |
|--------|---|----|--------|
| IV.4.2 | Cash deposits > IDR 10,000,000 are made on the same day | 44 | 42,31% |
| IV.4.3 | The cash book records the receipt number | 84 | 80,77% |
| IV.4.4 | Deposit slips are retained for audit | 94 | 90,38% |
| IV.4.5 | Bank reconciliation is carried out every month | 72 | 69,23% |

Source : Data processed

Figure 4. 4 Internal Control for Cash Book Management



Timely deposit of cash receipts constitutes a critical element of cash control, as it minimizes the risk of misappropriation, reduces idle cash on hand, and strengthens the audit trail between receipt and bank recording. In relation to Question 1, the findings indicate that only 41 mosques (39.42%) deposit all receipts into the mosque's account within three working days after receipt. Mosque administrators usually deposit receipts directly into the bank before 3 days, usually waiting 3 days, after which the administrators deposit them into the bank. However, there are 63 mosques or 60.38% that do not immediately deposit receipts into the bank. There are several reasons why mosque administrators do not immediately deposit receipts at least 3 days after receipt:

1. There are many expenses that must be paid with the receipts received, so there is nothing left to deposit into the bank.
2. The amount of revenue is uncertain, and sometimes it is only a small amount, so it is difficult to deposit. Usually, they wait a week before depositing it into the bank.
3. The mosque does not have a bank account in the mosque's name, so the administrators hold the cash themselves.
4. Depositing takes time, and sometimes the administrators do not have time to deposit the money within three days.

Cash handling practices among the surveyed mosques reveal variation in deposit discipline. While some institutions demonstrate prompt banking procedures, only 44 mosques (42.31%) deposit cash amounts exceeding IDR 10,000,000 on the same day. This proportion suggests that immediate deposit practices are not yet consistently implemented across all mosques, leaving room for prolonged cash holding periods in certain cases. Mosque administrators immediately deposit receipts exceeding IDR 10,000,000 on the same day so that the money is safe in the bank and to reduce the risk of loss or theft. However, there are 45 mosques that do not immediately deposit their money into the bank. The reason is that the money is used to pay expenses first, and only after all expenses have been paid are the receipts deposited into the bank. Other mosques (12 mosques) answered no because this never happens, as the average cash receipt never reaches Rp10,000,000 in a day.

Documentation practices among the surveyed mosques indicate that 80.77% record receipt numbers in their cash books. The presence of receipt numbering in the accounting records strengthens the linkage between source documents and financial reports, supporting traceability and basic audit trail functions within mosque financial administration. Although receipt numbers are relatively simple, often based on the time of receipt or corresponding to cash receipt identification, this method still creates an audit trail that improves transaction traceability and strengthens the integrity of cash records.

From an internal control perspective, recording receipt numbers in cash books facilitates cross-checking and verification, thereby reducing the risk of unrecorded or duplicate receipts. This suggests that most mosques have a functional understanding of documentation management, even if they have not implemented a formal or standardized numbering system.

Conversely, the 19.23% of mosques that do not track receipt numbers show a continued reliance on informal administrative discretion, where detailed documentation is considered unnecessary. This assumption is academically flawed, as the absence of receipt identification hinders verification, reduces accountability, and increases reliance on personal trust rather than procedural oversight.

Keeping deposit slips facilitates bank reconciliation and independent verification, which are important components of an efficient internal control system. Routine audits conducted by advisory or supervisory boards further demonstrate the institutionalization of internal oversight

processes, as evidence of receipts is systematically reconciled with bank deposits and supporting documents. In question 4, 90.38% of mosques retain deposit slips for auditing purposes, reflecting a high level of adherence to document retention and verification practices in mosque financial management.

The advisory board's participation in examining evidence of receipts, deposit slips, and accounting records signifies a complex accountability framework that enhances transparency and reduces the risk of inaccuracy or misuse. This approach is consistent with widely recognized internal audit principles, whereby physical evidence and records are reconciled to ensure completeness and accuracy.

The absence of deposit slip storage in a small number of mosques (10 mosques) is directly related to the absence of a structured audit role. The reliance of administrators to view receipts only on e-banking data, while efficient, does not adequately replace written evidence, as it limits historical traces and independent assessment. This condition highlights the essential function of the governance framework in influencing financial control measures.

The analysis of question 5 is 69.23% of mosques conduct monthly bank reconciliations, indicating a high level of compliance with institutional cash control and verification protocols. Routine reconciliation demonstrates administrators' awareness of the importance of verifying the consistency between internal cash records and bank statements, thereby reducing the risk of errors, omissions, or illegal transactions.

The existence of mosques that perform irregular reconciliations indicates partial implementation of this regulation, possibly influenced by limited administrative capacity or the belief that reconciliation is unnecessary for small transaction volumes. From an internal control perspective, this inconsistency weakens the effectiveness of reconciliation as an internal control, as its preventive and investigative functions depend on consistent application.

More importantly, the 23 mosques that completely disregard bank reconciliation demonstrate fundamental structural and knowledge limitations. The absence of bank accounts in the mosque's name also hinders formal reconciliation, and an inadequate understanding of the reconciliation process indicates a lack of financial literacy.

4.2.5 Cash Payment Management

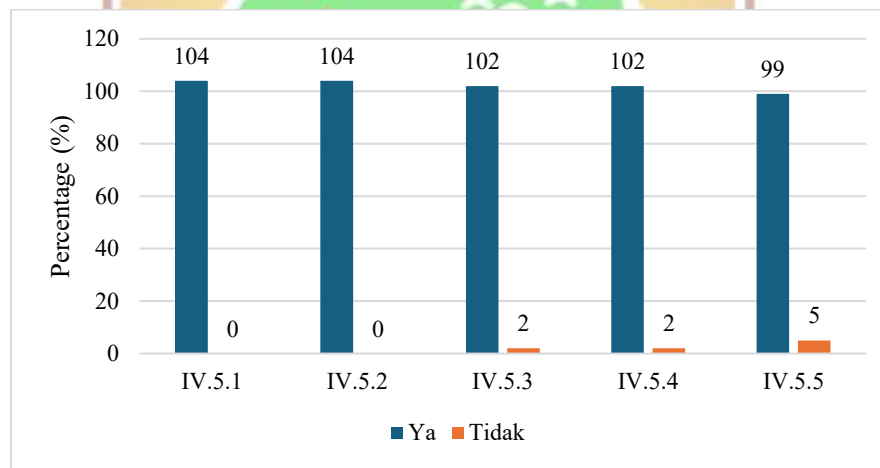
There are five components of questions for the payment management section. The results of the research for each question will be discussed as follows:

Table 4. 14 Internal Control for Cash Payment Management

| No | Question | Frequency | Percentage |
|--------|---|-----------|------------|
| IV.5.1 | Purchases are made after the chairman's meeting/permission | 104 | 100% |
| IV.5.2 | The management ensures the best price & quality when purchasing goods | 104 | 100% |
| IV.5.3 | Prioritize Muslim suppliers when purchasing goods | 102 | 98,08% |
| IV.5.4 | For each payment, proof of payment is made | 102 | 98,08% |
| IV.5.5 | The payment document is stamped "PAID" | 99 | 95,19% |

Source :Data processed

Figure 4. 5 Internal Control for Cash Payment Management



Source :Data processed

For question 1, all mosques (100%) require prior approval from the chairperson or through a formal meeting before making a purchase, reflecting a structured authorization process in the management of mosque expenditures. This approach demonstrates a clear recognition of hierarchical responsibilities and adherence to essential internal control principles, particularly authorization and accountability.

The distinction between large purchases that require joint deliberation and routine operational expenditures that only require the chairman's approval illustrates a risk-based control method. From an internal control perspective, this shows that mosques unconsciously evaluate

expenditure risks and adjust the intensity of control accordingly. Reporting immediately after a purchase increases oversight by ensuring that the authority granted is continuously monitored.

Responses to question 2 indicate that all mosques (100%) claim to guarantee optimal prices and quality in their purchases, suggesting the existence of procurement control mechanisms aimed at efficiency. Assigning procurement responsibilities to the building and infrastructure division is an example of functional segmentation, which reduces arbitrary purchasing decisions and strengthens accountability.

The focus on procuring high quality products at favorable costs reflects a commitment to the principles of economy and efficiency, which are fundamental objectives of the internal control system. In addition, the use of frequent suppliers reduces operational risk and ensures consistency in quality; however, from an internal control perspective, this approach must be complemented by periodic price comparisons to avoid dependency and maintain cost competitiveness.

Next, the procurement preference identified in Question 3, where 98.08% of mosques favor Muslim suppliers, illustrates the incorporation of normative and religious principles into financial management practices. This method serves as a risk mitigation measure from an internal control perspective, particularly in verifying the halal status and suitability of commodities, especially food consumed by worshippers. This ensures consistency in quality and aligns procurement decisions with the mosque's institutional goals and religious obligations.

Simultaneously, the preference for Muslim suppliers can be viewed as an informal control mechanism based on shared norms and beliefs, thereby reducing transaction risk in a context where formal supplier verification is limited. However, reliance solely on identity-based criteria does not inherently guarantee efficiency or optimal pricing; therefore, it must be complemented by basic procurement assessments.

The existence of two mosques that do not follow this practice demonstrates a governance approach that prioritizes social inclusion and non-discrimination. This strategy does not inherently sacrifice internal control, as long as supplier selection is governed by criteria of quality, price, and accountability.

The analysis of expenditure documentation practices reveals that nearly all mosques included in the study maintain proof of payment for their financial disbursements. Specifically,

98.08% of mosques report providing documented evidence for every expenditure incurred. This pattern reflects a strong institutional emphasis on basic documentation procedures within mosque financial administration, suggesting that record keeping related to cash outflows has been widely adopted across the surveyed mosques.

The process of obtaining proof directly from vendors, or generating alternative documents approved by vendors in the absence of official receipts, demonstrates administrative awareness of the importance of keeping transaction records and maintaining accountability. From an internal control perspective, proof of payment serves as a basic source document that verifies expenditures, facilitates review by management or auditors, and reduces the risk of fraudulent or excessive transactions. This strategy increases transparency and strengthens trust among stakeholders.

The presence of two mosques without proof of payment highlights persistent control deficiencies. The sporadic absence of payment documents increases the risk of suspicion, error, and misuse of funds. This conclusion highlights the importance of minimum documentation standards, especially for high-value transactions, to ensure that all expenditures can be verified and justified within the mosque's internal control system.

Payment documentation practices examined in question 5 indicate that 95.19% of mosques label supporting documents as “PAID,” illustrating control measures designed to prevent duplicate or unauthorized payments. This technique helps prevent double payments, ensures that commitments have been fulfilled, and improves the reliability of expenditure documents from an internal control perspective. The presence of a stamp or seller's signature increases the validity of the transaction.

The small number of mosques (5 or 4,8%) that ignore this procedure indicates a belief that such confirmation is unnecessary, possibly eroding authority over payment finality. In the case of credit payments, especially for large purchases such as building materials or mosque furniture, the absence of clear payment status indicators increases the potential for confusion between commitments that have been settled and those that are still outstanding.

4.2.6 Financial Reporting

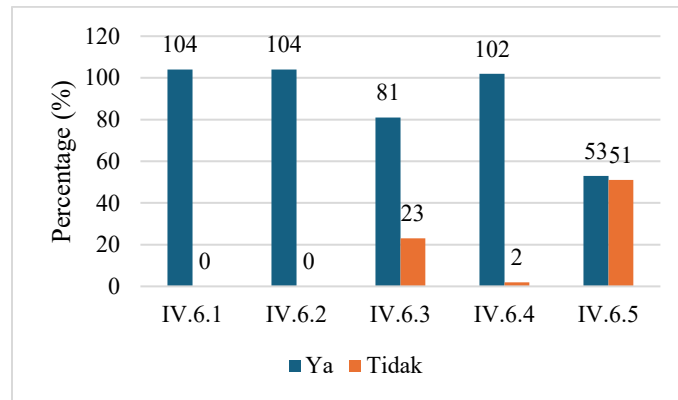
In the financial statements section, there are five questions that respondents must answer. The following are the results of the research that has been conducted:

Table 4. 15 Internal Control for Financial Reporting

| No | Question | Frequency | Percentage |
|--------|--|-----------|------------|
| IV.6.1 | The mosque keeps a cash book | 104 | 100% |
| IV.6.2 | The mosque prepares receipt & expenditure reports | 104 | 100% |
| IV.6.3 | The mosque prepares a bank reconciliation | 81 | 77,88% |
| IV.6.4 | Mosques store: receipt books, check books, deposit slips | 102 | 98,08% |
| IV.6.5 | Mosques have a list of fixed assets | 53 | 50,96% |

Source : Data processed

Figure 4. 6 Internal Control for Financial Reporting



Regarding to question 1, all mosques (100%) compile mosque cash books, indicating full implementation of crucial recording controls in mosque financial management. The existence of separate cash records for mosque operations, orphans, and TPQ activities indicates the implementation of fund separation, thereby increasing accountability by ensuring that income and expenditure are in accordance with the intended objectives. The existence of mosques that use a single cash book without fund separation indicates a weakness in internal control. From an internal control perspective, the absence of fund separation increases the risk of misclassification and cross-subsidization, especially when various programs are funded from different sources with specific purposes.

Mosques also compile weekly cash books and announce cash expenditures and receipts during Friday prayers, which is an example of strong transparency and social accountability procedures. Although simple and limited to cash inflows and outflows, cash books are effective for basic control purposes.

Basic financial reporting constitutes the foundation of accountability in nonprofit religious institutions, particularly in managing public donations. The preparation of cash receipt and expenditure reports ensures that inflows and outflows are systematically recorded and can be reviewed by stakeholders. In relation to Question 2, the findings show that 100% of mosques produce cash receipt and expenditure reports. The consistent publication of these reports on mosque walls and regular updates with each transaction demonstrate a strong commitment to real-time transparency and accountability to the community. The diversity of report formats indicates that reporting practices are largely non-standardized and tailored to the administrative capabilities of each mosque. While this flexibility facilitates access and understanding for congregation members, it can limit comparability and consistency between institutions and reporting periods from an internal control perspective.

In general, the clarity and simplicity of the reports demonstrate the efficient dissemination of financial information to stakeholders. However, these results also highlight the potential value of a standardized reporting template to improve long-term uniformity, reliability, and accountability without sacrificing community understanding.

Bank reconciliation represents a key detective control within financial management, as it ensures consistency between internal cash records and external bank statements. This procedure helps identify recording errors, unauthorized transactions, and timing differences. In question 3, 77.88% of mosques reported performing bank reconciliation. Although reconciliation is performed in a simple manner, this shows that mosque managers are aware of the need to compare internal records with bank balances to find errors and ensure cash accuracy. From an internal control perspective, performing bank reconciliation improves detection controls, which help find errors in recording, timing discrepancies, or unauthorized transactions. This reconciliation procedure is simple, but that does not mean it is useless for control. Its main purpose is to check consistency, not to make things more complicated.

However, 22.12% of mosques do not perform bank reconciliation indicates that there are problems with the way the system is set up and run. Simply checking e-banking balances is not reconciliation because it does not include a systematic comparison with internal records. In addition, mosques that do not have bank accounts cannot use this control system, which makes overall cash monitoring more difficult.

Based on research, 98.08% of mosques keep receipt books and deposit slips, indicating that mosque financial administration is very good at keeping records. Secure storage of these documents aids in audit preparation because it allows management to prove that recorded transactions actually occurred and facilitates examination during internal or external reviews. Keeping source documents such as receipt books and deposit slips is good for internal control because it strengthens the audit trail, increases accountability, and reduces the risk of disputes or unrecorded transactions. This shows that administrators are aware that good record keeping is necessary for clear and accountable financial reporting.

The limited number of mosques that do not keep these records is directly related to the absence of payment receipts and bank accounts. This shows how banking infrastructure, documentation methods, and control effectiveness are academically interrelated. Key internal controls cannot function as well as they should without adequate banking systems and payment receipts.

The finding in question 5 that 50.96% of mosques maintain fixed asset inventories indicates that asset control and protection practices are implemented at a moderate level in mosque financial management. Mosques' recognition of the importance of identifying and documenting long-term resources, including land, buildings, TPQ facilities, offices, and electronic equipment, is reflected in the recording of these assets. Management can monitor the existence, use, and responsibility for assets by maintaining an asset inventory list, which supports asset accountability and physical protection from an internal control perspective.

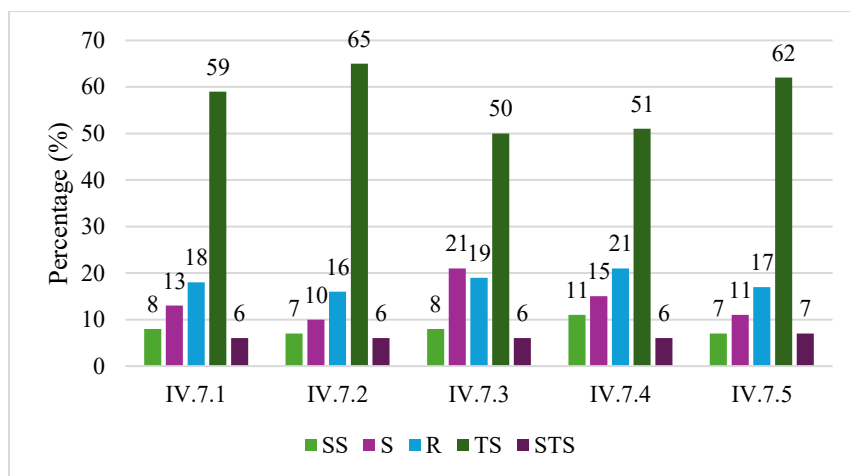
However, the absence of such records in nearly half of mosques highlights a significant control gap, which increases the possibility of misuse, unrecorded damage, or loss of assets.

4.2.7 Roles of State Religious Institution in Financial Management of Mosques

The section on the role of religious institutions in mosque financial management consists of five questions. Data was collected using a five-point Likert scale, ranging from strongly agree to strongly disagree. Next, the data will be averaged to determine the position of religious institutions, whether they are in the highest or lowest value interval.

The following are the results of the study on the roles of state religious institutions in mosque financial management:

Figure 4. 7 Roles of State Religious Institution in Financial Management of Mosques



Source: Data processed

Table 4. 16 Frequency Distribution of Respondents Answers to the Roles of State Religious Institution in Financial Management of Mosques

| No | Question | Total | Maximum Score | Description |
|----------------------------|--|--------------|---------------|-------------|
| 1 | State religious institution always monitors the financial management of the mosque | 270 | 520 | Fair |
| 2 | State religious institution always ensures that financial reports of the mosque are sent | 259 | 520 | Fair |
| 3 | State religious institution ensures that the mosque is well-governed | 287 | 520 | Fair |
| 4 | State religious institution ensures that the integrity of the mosque is prioritized | 286 | 520 | Fair |
| 5 | State religious institution conducts audits of the mosques regularly | 261 | 520 | Fair |
| Total Average Score | | 272,6 | | Fair |

Source: Data processed



The involvement of State Religious Institutions in mosque financial administration is considered moderate. As shown in Table 4.16, the five indicators that assess the role of these institutions show that the average score is in the Disagree and Neutral interval, with a score of 272.6, which is classified as adequate.

Specifically, the highest average score was recorded for the indicator showing that State Religious Institutions ensure good governance in mosques (287), followed by an emphasis on maintaining the integrity of mosques (286). Meanwhile, lower scores were recorded on indicators related to financial reporting (270) and ongoing financial monitoring (261). Indicators related to periodic audits also showed relatively moderate results (259).

These findings suggest that, while the State Religious Institution is regarded as playing a role in guiding governance and ensuring integrity in mosque administration, its participation in direct financial oversight, compliance reporting, and auditing procedures remains restricted. This indicates that the monitoring mechanisms and enforcement measures established by the institution have not yet achieved full effectiveness in guaranteeing comprehensive adherence to financial management standards across mosques.

4.3 Financial Reporting Based on ISAK 35

To see how mosque financial reports are implemented based on ISAK 35, there were six questions. The following are the results of the research for each question:

Question 1 : Have you ever received training/socialization regarding preparing financial reports based on ISAK 35?

Question 1 examines whether respondents have received training or socialization on preparing financial reports based on ISAK 35.

Table 4. 17 Acceptance of Training Related to ISAK 35

| No | Answer Option | Frequency | Percentage |
|----|---------------|-----------|------------|
| 1 | No | 95 | 91.35% |
| 2 | Yes | 9 | 8.65% |

Source: Data processed

The absence of ISAK 35 training among 91.35% of mosque administrators underscores a significant gap in technical capacity for adopting formal financial reporting standards. This

condition explains why most mosques only produce basic financial reports, as reporting practices are more influenced by practical experience than formal accounting standards. The quality, comparability, and standardization of mosque financial reports are limited by exposure to ISAK 35 from an internal control and governance perspective. Although basic transparency requirements may be met through simple reports, they do not provide comprehensive support for structured accountability, especially in the context of more complex or substantial fund management.

The presence of a small number of administrators with accounting or economics backgrounds (8,65%) indicates that individual competence is not sufficient to institutionalize standard reporting. The absence of organizational policies, guidelines, or enforcement mechanisms limits the adoption of ISAK 35, as evidenced by the fact that financial reports remain simple, even though they have the knowledge.

Question 2: Has the mosque's financial reporting been prepared in accordance with ISAK 35?

Question 2 aims to identify the extent to which the mosque's financial reporting complies with ISAK 35.

Table 4. 18 Preparing Financial Reporting in Accordance with ISAK 35

| No | Answer Option | Frequency | Percentage |
|----|---------------------------|-----------|------------|
| 1 | No | 49 | 47,12% |
| 2 | Yes | 9 | 8,65% |
| 3 | Have not heard of ISAK 35 | 46 | 44,23% |

Source: Data processed

An examination of financial reporting practices indicates that a substantial number of mosques have not adopted ISAK 35 in the preparation of their financial statements. Specifically, 49 mosques reported that they do not prepare financial reports in accordance with ISAK 35, while a further 46 mosques stated that they were unfamiliar with, or had never heard of, the standard. This distribution highlights a limited level of awareness and implementation of ISAK 35 among the surveyed mosques. Based on the results of this study, it can be seen that mosque administrators do not prepare financial reports based on ISAK, and have never even heard of ISAK 35. This

should be taken into consideration by the government because financial reports should comply with the financial reporting standards set by ISAK 35.

However, Only 9 mosques (8.65%) prepare their financial reports based on ISAK 35. Overall, 9 mosques prepare their financial reports in accordance with ISAK 35, but they are made simpler, and most of the financial reports prepared are only cash flow statements.

Question 3: The financial reports prepared by the management are in the form of:

Question 3 explores the forms of financial reports prepared by the management of the mosque.

Table 4. 19 Form of Financial Report Prepared by Administrator

| No | Answer | Frequency | Percentage |
|----|--|-----------|------------|
| 1 | Statement of Financial Position | 5 | 4.81% |
| 2 | Cash Flow Statement | 75 | 72.12% |
| 3 | Notes on Financial Statements | 2 | 1.92% |
| 4 | Statement of Financial Position, Cash Flow Statement | 13 | 12.50% |
| 5 | Statement of Financial Position, Statement of Net Asset Changes, Cash Flow Statement, Notes on Financial Statements | 1 | 0.96% |
| 6 | Statement of Financial Position, Comprehensive Income Statement, Laporan Perubahan Aset Neto, Cash Flow Statement, Notes on Financial Statements | 2 | 1.92% |
| 7 | Statement of Financial Position, Comprehensive Income Statement, Cash Flow Statement | 1 | 0.96% |
| 8 | Comprehensive Income Statement, Notes on Financial Statements, Cash Flow Statement | 1 | 0.96% |
| 9 | Notes on Financial Statements, Cash Flow Statement | 2 | 1.92% |
| 10 | Statement of Financial Position, Cash Flow Statement, Notes on Financial Statements | 2 | 1.92% |

Source: Data processed

Based on the findings of Question 3, most mosque managements compile financial reports in a limited and partial manner. As indicated by the findings, 72.12% of respondents reported that financial reports are exclusively prepared as currency Flow Statements, emphasising that currency inflows and outflows constitute the main focus of financial reporting practices.

A reduced proportion of respondents indicated the preparation of supplementary financial statements. Specifically, 4.81% of respondents compiled a Statement of Financial Position, while 1.92% prepared Notes to the Financial Statements. Furthermore, 12.50% of respondents reported

that they prepared a combination of the Statement of Financial Position and the Cash Flow Statement. However, a very small proportion of respondents (fewer than 5%) reported preparing a more comprehensive set of financial statements, encompassing the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets, Cash Flow Statement, and Notes to the Financial Statements.

These findings indicate that the majority of mosques have not yet adopted comprehensive financial reporting practices in compliance with relevant accounting standards, such as ISAK 35 for non-profit organisations. The predominance of cash flow-based reporting underscores an emphasis on fundamental cash accountability rather than comprehensive financial transparency and responsibility. This condition reflects a limited comprehension and application of standardised financial reporting frameworks by mosque management.

Question 4: The purpose of preparing financial statements is:

Question 4 seeks to identify the purposes for which financial statements are prepared. The results are presented below.

Table 4. 20 Purpose of Preparing Financial Report

| No | Answer Option | Frequency | Percentage |
|----|--|-----------|------------|
| 1 | As a form of responsibility to the public | 85 | 81.73% |
| 2 | As a form of responsibility to the public, To obtain funding/CSR support from external parties | 19 | 18.27% |

Source: Data processed

Based on the results of the study, mosques prepare financial reports as a form of accountability to the community who have made donations to the mosque (85 or 81.73%). This aims to increase public confidence in donating to mosques. In addition, 19 (18.27%) mosques stated that financial reports are not only prepared to be accountable to the community, but also to request funds from external parties. Mosques usually request funds from companies, the government, and regular donors. Mosques prepare funding proposals and compile financial reports properly so that donors trust that the funds they give will be managed as well as possible by the mosque.

Question 5: The prepared financial statements are reported to:

Question 5 focuses on the parties receiving the mosque's financial statements. The results are presented below.

Table 4. 21 The Party Receiving the Mosque Financial Report

| No | Answer | Frequency | Percentage |
|----|---|-----------|------------|
| 1 | To the mosque administrator | 3 | 2.88% |
| 2 | To the community/mosque congregation | 35 | 33.65% |
| 3 | To the funding party/donor | 2 | 1.92% |
| 4 | To the mosque administrator, to the community/mosque congregation | 14 | 13.46% |
| 5 | To the community/mosque congregation, to the funding party/donor | 41 | 39.42% |
| 6 | To the mosque administrator, to the community/mosque congregation, to the funding party/donor | 9 | 8.65% |

Source: Data processed

Based on question 5, the results of the study reveal that mosque administrators responded with varying answers, with the most common response being that administrators compile financial reports to be submitted to the community/congregation and to funders/donors (41 mosques or 39.42%). Although the respondents gave different answers, the point is that mosques compile financial reports to be submitted to the mosque administrators as a form of reporting on financial transactions at the mosque, then to the community/congregation as a form of accountability for donations received by the mosque, and also to donors/funders for entrusting their donations to be managed by the mosque.

Question 6: Financial statements are prepared every:

Question 6 seeks to identify the periodicity of financial statement preparation. The results are presented below.

Table 4. 22 Frequency of Preparing Mosque Financial Reports

| No | Answer | Frequency | Percentage |
|----|--------------|-----------|------------|
| 1 | End of Month | 38 | 36.54% |
| 2 | End of Event | 7 | 6.73% |
| 3 | End of Year | 1 | 0.96% |

| No | Answer | Frequency | Percentage |
|----|--|-----------|------------|
| 4 | End of Month, End of Event | 15 | 14.42% |
| 5 | End of Month, End of Year | 17 | 16.35% |
| 6 | End of Month, End of Event, End of Year | 16 | 15.38% |
| 7 | End of Month, End of Week | 4 | 3.85% |
| 8 | End of Month, End of Event, End of Year, End of Week | 3 | 2.88% |
| 9 | End of Month, End of Year, End of Week | 1 | 0.96% |
| 10 | End of Event, End of Year, End of Week | 2 | 1.92% |

Source: Data processed

The frequency of financial reporting among the surveyed mosques shows that monthly reporting is the most commonly adopted practice. A total of 38 mosques, representing 36.54% of the sample, prepare financial reports on a monthly basis. In addition, mosques also prepare financial reports at the end of the month and at the end of the year (17 mosques). Furthermore, mosques also compile financial reports at the end of the month, at the end of activities such as mosque lectures, Isra' Mi'raj activities, and others, and then also prepare financial reports at the end of the year.

In addition, there are 15 mosques that prepare financial reports at the end of the month and at the end of activities. The rest of the mosques prepare financial reports at the end of the month and at the end of the week (4), then at the end of the month, at the end of activities, at the end of the year, and at the end of the week (2). In addition, mosques also prepare reports at the end of the month, at the end of the week, and at the end of the year (1), and there are also mosques that only prepare financial reports at the end of the year. Financial reports are usually reported to the congregation and posted on the wall. In addition, financial reports are also announced regarding income and expenditure every week before the sermon is delivered. In addition, mosques also announce financial reports during Eid al-Fitr and Eid al-Adha.

Table 4. 23 Summary of Mosque Internal Control Research Results

| No | Internal Control | Result | Description |
|----|------------------|--------------------|--|
| 1 | Bank Account and | Good, as expected. | Overall, the mosque has managed its bank accounts and donation boxes well, as expected. However, the separation of accounts for operational, construction, and social purposes needs to be |

| No | Internal Control | Result | Description |
|----|-----------------------------|--|---|
| | Infaq Box Management | | reevaluated, as does the management of donations, which should not be used before being deposited in the bank to avoid fraud. |
| 2 | Operational Fund Management | Good, as expected. | In the management of operational funds, such as adding funds when cash reserves reach 50%, recording operational fund expenditures with proof numbers, and recording operational funds in the books, everything was done well and in line with expectations during the study. However, the maximum limit on cash that may be held by the treasurer in cash has not been properly implemented. There must be an evaluation by the management to determine the operational funds held in cash to reduce the risk of fraud in the management of operational funds. |
| 3 | Management of Receipt | Good, as expected. | In terms of cash receipt management, overall the mosque has implemented cash receipt management well. However, there should be an evaluation of the serial numbers on receipts issued by the mosque to prevent misuse of mosque receipts. |
| 4 | Cash Book Management | Good, as expected. | For cash book management at the mosque, overall the mosque has managed the cash book well and in line with the expectations of the study. However, there is still room for improvement in terms of depositing the mosque's accounts. The mosque should deposit all receipts immediately, within three working days of receipt. |
| 5 | Payment Management | Very good, 98% of respondents were organized. | Overall, the mosque has implemented good expenditure management. The mosque always makes purchases after a meeting/approval from the chairman, and every payment is accompanied by proof of payment as a form of accountability for cash expenditure management. |
| 6 | Financial Report | Very good, more than 80% of respondents were organized | Overall, the mosque has prepared financial reports such as cash books, cash receipts and disbursements reports, and bank reconciliations. In addition, the mosque also keeps receipt books and has a list of fixed assets. |

| No | Internal Control | Result | Description |
|----|------------------|--------|-------------|
| | | | |

Source: Data processed

Based on the results of research on aspects of internal control in mosques, it can be concluded that, in general, the level of internal control implementation is in the category of very good, as expected. This can be seen from the majority of mosque financial management procedures, ranging from the management of bank accounts and donation boxes, operational funds, cash receipts, cash books, to financial expenditures and reporting, which have been carried out in an orderly and accountable manner.

Although the internal control system has generally been running well, this study found several structural weaknesses that have the potential to cause fraud risk if not immediately evaluated. These weaknesses include the suboptimal separation of accounts based on the purpose of the funds, the continued practice of using donation funds before they are deposited in the bank, the lack of a maximum limit on the amount of cash that can be held by the treasurer, and the inconsistent use of receipt serial numbers and the timeliness of depositing cash receipts into the mosque's account.

On the other hand, cash expenditure management and financial reporting showed the strongest results. The high level of compliance among respondents in terms of expenditure and financial reporting reflects that the mechanisms of authorization, transaction documentation, and transparency to related parties have been running effectively. This condition shows the awareness of mosque administrators of the importance of accountability and responsibility in managing community funds.

Thus, it can be concluded that the mosque's internal control is adequate, but it still needs to be strengthened in preventive aspects, particularly related to cash management and separation of functions, in order to minimize the risk of fraud and improve the quality of the mosque's financial management in a sustainable manner.

For the financial report based on ISAK 35, the overall results of the study show that the mosque is quite good in implementing ISAK 35. These results indicate that the mosque's financial

reporting practices are in place, but are not yet fully standardized in accordance with ISAK 35, in terms of the management's understanding, the completeness of the reports, and the consistency of reporting. Therefore, it is necessary to increase socialization, assistance, and capacity building for mosque administrators so that financial reporting is not only administrative in nature, but also meets applicable accounting standards and increases the transparency and accountability of the management of community funds.



CHAPTER V CONCLUSION

5.1 Conclusion

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5.2 Research Limitation

Although carefully planned, this study has several limitations. The limited time and fund available to conduct the study restricted the data collection process and prevented the inclusion of a broader sample. Therefore, other limitations of this study can be described as follows:

1. The data in this study were collected through questionnaires completed by the respondents themselves, so the results of the study are highly dependent on the honesty and perceptions of the mosque administrators. The possibility of bias in answering the questionnaires is a limitation that needs to be considered when generalizing these findings. However, researchers have attempted to minimize this risk by guaranteeing the anonymity of respondents so that they can provide answers that are as close to the actual situation as possible.
2. The data collection methods in this study relied on self-completion questionnaires and surveys. The absence of in-depth interviews and document observation meant that the researchers were unable to directly verify physical evidence, such as financial reports or internal mosque records. Therefore, the results of this study are based entirely on the subjective perceptions of mosque administrators, which may lead to information bias in describing the actual state of internal control in the field.

5.3 Recommendations

Based on the research, findings, results, and limitations during the research, there are several recommendations that the researcher provides, the following are:

1. For similar research in the future, it is recommended to not only rely on questionnaires, but also to involve interviews and physical financial statement examinations. This step is necessary in order to obtain more credible results and to

identify gaps in internal control that cannot be detected solely through respondents' written answers.

2. Future research could examine the proper format for mosque financial reports in accordance with ISAK 35 standards. This is because this study only examined general aspects, and examining the format of mosque financial reports is a very interesting topic for review and analysis.
3. Further study should establish more precise criteria for research objects, such as grand mosques with average currency receipts exceeding Rp2,000,000 per week. Mosques with this level of income are required to maintain transparent financial reporting and implement adequate internal control systems in accordance with ISAK 35, as they are responsible for more intricate transactions and have heightened financial management responsibilities. The establishment of these criteria enables a more focused analysis of the quality of financial reporting and the efficacy of internal controls.
4. For future research, it is hoped that researchers can focus on only a few parts of internal control, such as financial reports and mosque financial management. This is because there is still much to be explored and researched further in these areas so that future research can be more specific and not general in nature.
5. For mosque administrator, The necessity to enhance internal control mechanisms and establish accurate financial reporting standards. Enhanced focus is required on the execution of standardized financial reporting to augment transparency and accountability. Moreover, deficiencies or laxity in specific internal control protocols might generate vulnerabilities that may be exploited for fraudulent purposes. Consequently, mosque administrators are urged to consistently assess and enhance internal control systems to avert possible cash discrepancies.
6. Religious institutions need to play a more active role in the management of mosques. Religious institutions must not only provide guidance on standard financial reporting, but also consistently monitor and audit the financial management practices of mosques. These measures are essential to prevent weaknesses in internal control systems that could create opportunities for fraud and undermine public trust.
7. The study also suggests that religious institutions in Indonesia establish and distribute guidelines for the internal supervision of mosques that are specifically designed to

accommodate the operational capacity and characteristics of mosques in Indonesia. The purpose of these guidelines is to provide mosque administrators with a practical reference for the design and implementation of effective internal control systems. This will enhance the accountability and transparency of the management of congregational funds. The risk of control vulnerabilities resulting from the technical limitations of administrators will be mitigated by the existence of standardized guidelines, which will also help minimize variations in financial management practices.

8. This study recommends that the preparation of ISAK 35-based mosque financial report templates be carried out through collaboration between the Indonesian Institute of Accountants (IAI) as the accounting standards authority and mosque supervisory institutions such as the Ministry of Religious Affairs of the Republic of Indonesia or the Indonesian Mosque Council. Such collaboration is important to ensure that the templates prepared are not only in accordance with accounting standards, but also applicable and contextual to the operational conditions of mosques in Indonesia.

