ANALYSIS OF CASH AND CREDIT HOUSING SALES AND THEIR IMPACT ON FINANCIAL STATEMENTS AND CASH FLOWS: A CASE STUDY OF PT SAFA MARWAH

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ABSTRACT
This study aims to examine the mechanisms of cash and credit housing sales transactions and analyze their differential contributions to corporate cash flows and financial statement presentation at PT Safa Marwah, a real estate developer in Medan, Indonesia. A qualitative descriptive research design was employed, gathering primary data through semi-structured interviews with key corporate stakeholders (managing director, operational managers, finance and marketing staff) and buyers, alongside secondary data comprising financial statements, revenue recognition reports, and sales transaction logs. The findings reveal that cash sales (categorized into hard cash, temporary cash, and phased cash) provide immediate operational liquidity and eliminate credit risk. Conversely, credit sales via bank mortgage facilities (KPR) drive higher sales volume but introduce extended liquidity conversion lags due to bank underwriting procedures, document verification, and disbursement prerequisites. The financial analysis reveals significant revenue-cash divergence: out of total realized revenues of IDR 18.33 billion (2023–2024), outstanding receivables amounted to IDR 2.86 billion (13.5% of gross receipts). The study highlights the strategic imperative of optimizing payment mix management and internal control mechanisms to reconcile reporting profitability with liquid working capital maintenance.

1. INTRODUCTION

The real estate sector plays a pivotal role in national economic development, serving as a catalyst for urban growth, employment creation, and infrastructure development. In Indonesia, particularly in rapidly growing urban centers such as Medan, North Sumatra, population expansion and increasing urbanization have heightened demand for quality residential housing. Real estate developers act as key economic entities that transform land into habitable, high-value residential communities. However, meeting housing demand presents complex managerial and financial challenges, as developers must navigate fluctuating economic conditions, rising material costs, and diverse consumer purchasing powers.

A central determinant of success in property development is the strategic structuring of sales transaction mechanisms. Real estate transactions are fundamentally categorized into two primary payment systems: cash sales and credit sales. While cash sales provide direct liquid capital to the developer, escalating property values make upfront cash purchases prohibitive for a substantial segment of middle-to-lower-income buyers. Consequently, credit sales—primarily facilitated through Home Ownership Loans (Kredit Pemilikan Rumah or KPR) from commercial and state-owned banking institutions—have emerged as the dominant mechanism for home acquisition in the Indonesian housing market.

While credit sales significantly expand market reach and sales volume, they introduce structural complexities into corporate financial management. From an accounting perspective, cash sales immediately enhance liquid assets (Cash and Bank equivalents) on the Balance Sheet and directly bolster Cash Flows from Operating Activities. In contrast, credit sales generate trade receivables (Accounts Receivable) and recognized sales revenue on an accrual basis, but cash realization is deferred until bank disbursement occurs or installment payments are collected. This temporal mismatch between revenue recognition and cash inflow can lead to financial distress, where a company appears highly profitable on its Income Statement while facing acute operational liquidity bottlenecks.

PT Safa Marwah Bersama, established in 2012 in Medan, operates as a prominent real estate developer specializing in commercial residential projects (e.g., Royal Sembada Village). Despite achieving substantial gross sales volume, the company encounters ongoing operational cash flow adjustments driven by the structural lag in KPR bank disbursements and phased payment schemes. Therefore, this study aims to: (1) evaluate the procedural execution of cash and credit sales mechanisms within PT Safa Marwah, and (2) analyze the differential contributions of cash versus credit transactions on corporate cash flows and financial statement reporting integrity.

2. RESEARCH METHOD

This study adopts a qualitative research methodology with a descriptive case study design, chosen to provide an in-depth understanding of administrative procedures, internal controls, and

financial statement impacts at PT Safa Marwah. The research was conducted at PT Safa Marwah's corporate headquarters located at Jl. Sembada No. 12, Medan Selayang, Medan, North Sumatra, covering an operational period from October 2025 to March 2026.

Data collection utilized triangulation across three empirical techniques:

1. In-Depth Interviews: Structured and semi-structured interviews were conducted with key corporate personnel (Managing Director, Head of Office/Finance Manager, Field Operational Coordinator, Marketing Staff, and Administrative Personnel) alongside property buyers.
2. Direct Observation: Non-participant observation of sales transaction execution, customer intake, KPR application processing, and accounting journal recording.
3. Document Analysis: Examination of internal company financial reports (Profit & Loss Statements, Balance Sheets, Cash Flow projections for 2023–2024), Sales Ledger updates, Official Receipts (Kwitansi), Sales Orders (Surat Pemesanan Rumah - SPR), and Binding Sale & Purchase Agreements (PPJB).

Data analysis followed qualitative descriptive procedures: data reduction, data display (tables and procedural workflow diagrams), comparative financial analysis between revenue recognition and cash collection, and drawing conclusions validated through informant checks.

3. DISCUSSION

3.1 Profile and Sales Execution at PT Safa Marwah

PT Safa Marwah Bersama was established in November 2012 (Deed No. 15, Notary Nurhatini Hia, SH, M.Kn; Legalized under AHU-66448.AH.01.01/2012). The firm focuses on residential housing development and commercial property projects in Medan. The corporate leadership consists of the Managing Director, Finance Manager, Field Operational Coordinator, Marketing Staff, and Administrative Staff.

3.2 Comparative Analysis of Cash vs. Credit Sales Procedures

Field research reveals that PT Safa Marwah executes housing sales through two primary avenues:

1. Cash Sales Schemes: Comprising Hard Cash, Temporary Cash, and Phased Developer Cash. All cash options mandate a non-negotiable Down Payment (DP) of 50% of the property purchase price. Cash sales offer direct liquidity, rapid administrative closing via internal receipt and PPJB issuance, and attractive buyer incentives (price discounts).
2. Credit Sales Schemes (Commercial Bank KPR): Operates via partner banking institutions (Mandiri, BSI, BTN, BRI, Bank Mestika, BNI, BCA). The standard down payment is set at a minimum of 20% (for commercial units such as Type 50, Type 75, Type 105, and Type 133). The workflow requires extensive document compilation (KTP, NPWP, Income Statements/Slip Gaji, Business Certificates), bank credit underwriting (SLIK/BI Checking), credit agreement signing (Akad KPR), and eventual bank disbursement to the developer.

Table 1. Structural Comparison of Cash and Credit Sales Systems at PT Safa Marwah

Dimension / Parameter	Cash Sales System	Credit Sales System (Bank KPR)
Involvement of Third Parties	Direct buyer-developer agreement; no bank involvement.	Requires bank intermediation, underwriting, & appraisal.
Required Down Payment (DP)	Fixed mandatory 50% upfront payment.	Minimum 20% DP based on bank approval.
Speed of Cash Realization	Immediate or structured short-term timeline (14–60 days).	Deferred liquidity; dependent on bank credit disbursement.
Financial Statement Impact	Direct increase in Cash/Bank; zero trade receivables.	Increases Accounts Receivable; gradual cash conversion.
Operational Risk Profile	Zero default/credit risk; minimal administrative overhead.	Risk of KPR rejection (SLIK checking) & disbursement lag.

3.3 Financial Statement Analysis and Cash Flow Dynamics

To evaluate the financial impact of sales execution, empirical data from PT Safa Marwah's Financial Realization Report (2023–2024 period) was analyzed. Table 2 presents the consolidated revenue, receivables, expenses, and net earnings.

Table 2. Profit & Loss and Cash Flow Realization of PT Safa Marwah (2023–2024)

Financial Component / Item	Amount (IDR)	% of Total Receipts
Realized Cash Receipts (Hard/Phased Cash)	8,843,000,000	41.72%

Realized Receipts from Bank KPR Disbursement	8,941,358,400	42.19%
Realized Receipts from Excess Land & Building	546,257,000	2.58%
Total Realized Cash Receipts (A)	18,330,615,400	86.49%
Outstanding Receivables: Bank KPR Pending	1,683,341,600	7.94%
Outstanding Receivables: Cash Installments	852,848,000	4.02%
Outstanding Receivables: Excess Building/Land	327,657,000	1.55%
Total Outstanding Receivables (B)	2,863,864,000	13.51%
Gross Revenue Target (A + B)	21,194,480,000	100.00%
Total Operational & Construction Expenditures	18,382,343,733	86.73%
Net Operating Profit Realization	2,812,136,267	13.27%

Financial interpretation of Table 2 demonstrates that PT Safa Marwah achieved total gross revenue commitments of IDR 21.19 billion. However, actual realized cash inflow stood at IDR 18.33 billion (86.49%), while uncollected receivables amounted to IDR 2.86 billion (13.51%). KPR bank disbursements constitute the largest single cash receipt channel (IDR 8.94 billion or 42.19%), closely followed by direct cash sales (IDR 8.84 billion or 41.72%).

Crucially, total operational and construction expenditures totaled IDR 18.38 billion, slightly exceeding realized cash receipts (IDR 18.33 billion), leaving an immediate liquid balance deficit

of IDR -21.72 million against short-term projected liabilities (tax, marketing fees, employee payroll). Although the firm reports a healthy Net Operating Profit of IDR 2.81 billion on an accrual basis, its immediate cash position (IDR 76.07 million existing cash balance) reflects liquidity stress caused by the IDR 1.68 billion in pending KPR bank disbursements. This empirical finding illustrates the classical financial phenomenon wherein high credit sales volume generates accounting profit while temporarily choking operational cash liquidity.

4. CONCLUSION

1. Transaction Execution: PT Safa Marwah successfully utilizes a dual-channel sales structure. Cash sales (hard, temporary, phased) require a mandatory 50% DP and offer direct working capital without third-party delay. Credit sales via commercial bank KPR require a minimum 20% DP and expand market volume, but depend strictly on bank underwriting schedules.
2. Cash Flow & Reporting Divergence: Credit sales dominate gross revenue but generate substantial accounts receivable (IDR 2.86 billion). Delayed bank KPR disbursements create a liquidity gap where operational expenses (IDR 18.38 billion) match realized cash receipts (IDR 18.33 billion), despite a robust accrued net profit of IDR 2.81 billion.

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