JOURNAL OF FINANCIAL ANALYSIS
ISSN: xxxx-xxx
Journal homepage: https://journal.papsel.org/index.php/JFA

Analysis of the Implementation of Financial Accounting in the Village-Owned Enterprise (BUMK) Toray, Sota District, Merauke Regency

Laela Kusumawati

Accounting, Economics and Business, Universitas Musamus Merauke, Indonesia
Correspondence: lailakusuma93335@gmail.com

Abstract: The application of SAK ETAP as a guideline for presenting financial reports is still poorly understood by BUMK managers and village governments. Financial reports are information that presents the financial condition of an entity, which contains the results of the accounting process used by interested parties in making decisions, the financial reports presented must be in accordance with SAK ETAP so that the financial reports are more effective and efficient and reliable. The formulation of the problem in this research is how the Implementation of Financial Accounting in Toray Village-Owned Enterprises (BUMK) Based on Generally Accepted Accounting Principles. The purpose of this research is to determine whether the application of financial accounting in BUMK Toray is in accordance with generally accepted accounting principles. The data analysis technique in this research uses a descriptive qualitative method with data collection methods through observation, interviews, and documentation. The data sources used are primary data and secondary data. The research informants are represented by the head of Toray village, the chairman of the BUMK Toray management, the secretary of the BUMK Toray management, the treasurer of the BUMK Toray management, the Toray village community. The results of this study state that the financial reports prepared by BUMK Toray only record daily cash reports, do not present balance sheets, profit and loss reports, statements of changes in equity, notes to the financial statements and cash flow statements, as well as a lack of accounting knowledge among BUMK Toray managers. It is hoped that BUMK will participate in training or socialization regarding the presentation of financial reports so that the preparation of financial reports is in accordance with SAK ETAP.

Keywords: Analysis, Implementation, Financial Reports, Village-Owned Enterprises (BUMK), Generally Accepted Accounting.

1. INTRODUCTION

Village-Owned Enterprises (BUMK) are business entities whose capital is wholly or mostly owned by the village through direct participation originating from village assets that are separated to manage assets, services and other businesses for the greatest welfare of the village community. Based on an interview with President Joko Widodo with the ideal of building the country from the periphery, BUMK can certainly be a focus in developing the country through the periphery to be more independent and not dependent on the central government (Wahyu, 2019).

One indicator of the implementation of proper accounting principles in BUMK is through proper and correct accounting implementation. BUMK is an economic institution that has an identity and legal basis, therefore the application of accounting and preparation of its financial reports must also be guided by financial standards so that the financial reports presented have the trust of all parties. According to (Fella, 2020) Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration of the Republic of Indonesia Number 4 of 2015 concerning the Establishment, Management and Administration, and Changes to Village-Owned Enterprises in Chapter III Article 12 paragraph 3 states that the operational executor (director) is authorized to make financial reports for all BUMDes business units every month.

The purpose of financial statements is to provide information about the financial position, performance, changes in equity, cash flow and other information that is useful for users of the statements in order to make economic decisions and show management's accountability for the use of resources entrusted to them. Financial statements show the company's financial performance in the current year to be used as material for evaluating the company's financial performance in the following year (Arum, 2014).

Village-Owned Enterprises (BUMK) are economic institutions located in villages. These institutions operate in the savings and loan sector, owned and managed by the community. With the increasingly diverse and increasing needs of the community, Village-Owned Enterprises (BUMK) are required to serve various village businesses and to compete with existing financing institutions in other villages. Therefore, good management skills are required to improve organizational performance. This management refers to the ability to synergistically mobilize organizational resources such as finance, personnel, information, innovation, and customers (Joko, 2020).

The financial standards that BUMKs can use in implementing accounting principles and preparing financial reports are the Financial Accounting Standards for Entities Without Public Accountability, or SAK ETAP, because SAK ETAP is intended and applied to most small and medium-sized business entities in Indonesia. SAK ETAP is expected to enable small and medium-sized companies to prepare financial reports (Muyesaroh, 2021).

Toray Village is one of the villages in Merauke Regency that has run a BUMK which was officially established in May 2022, with an initial injection of funds from the government of IDR 27,000,000 of which IDR 10,000,000 was used to build a Toray BUMK kiosk and IDR 17,000,000 was used to fill several types of basic necessities at the Toray BUMK kiosk. The existence of BUMK in Toray Village, Merauke Regency can provide opportunities for the community to drive a better economy, Toray BUMK also encourages or distributes funds to people in need to develop their businesses in the fields of animal husbandry, trade, agriculture, services and home industries.

The BUMK in Toray Village, chaired by Silva Samaljay, has only been operating for approximately 1 year and 3 months, but inequality in welfare is still evident. This business entity is a new economic institution and therefore requires strong support to grow and develop. In carrying out its activities, the BUMK is managed by the village as a unit that carries out transactions for buying and selling staple foods and beverages.

As a means of accountability, Village-Owned Enterprises (BUMK) need to prepare financial reports which are one of the sources of relevant and reliable information for decision making. The accounting process of BUMK Toray in Sota district begins with collecting transaction evidence such as receipts, withdrawal and deposit forms, and other transaction evidence. Then the evidence is received from the finance department, from these records BUMK Toray in Sota district makes a list by summarizing incoming money, outgoing money, and a memorial book. BUMK Toray has only been running for approximately 1 year and 7 months and still records financial reports of income and expenses using a very simple table. BUMK is required to make financial reports of all BUMK units every month honestly and transparently at least twice a year, at the end of the month the report is submitted to the finance department of BUMK Kampung Toray.

The problem faced by BUMK Toray is that this BUMK does not yet have an accounting system to produce financial reports. Then there is no journal, ledger, subsidiary ledger and financial reports because it does not have a standard for preparing financial reports and there is no account code number. Cash receipts and cash disbursements that occur are only recorded in the cash receipt report and petty cash report prepared by the BUMK Toray treasurer. The cash flow that occurs in BUMK Toray consists of receipts from selling basic necessities at the BUMK Toray kiosk, and BUMK expenses consisting of operational expenses such as salary payments for employees, payment of bills and payment of equipment or supplies.

The results of a brief interview with one of the BUMK Toray administrators in carrying out its activities only recorded transactions as is, without using standards. One of the causes is the absence of an accounting system in recording every company activity, while accounting is a tool to find out business developments through financial reports and also as a support for decision-making in future company management besides being useful for third parties such as banks, tax offices, business partners and others. For this reason, an accounting system is very much needed by management in presenting fair financial reports in accordance with the Financial Accounting Standards that have been set by the office.

Based on the description above, the author is interested in knowing and researching more deeply the application of finance at the Toray BUMK in Sota District with the title Analysis of the Application of Financial Accounting at the Toray Village-Owned Enterprise (Bumk) in Toray, Sota District, Merauke Regency.

Based on the background of the problem described above, the researcher put forward the problem formulation, namely "How is the Implementation of Financial Accounting in Toray Village-Owned Enterprises (BUMK) Based on Generally Accepted Accounting Principles". The purpose of this study is to determine the implementation of financial accounting in Toray BUMK based on Generally Accepted Accounting Principles.

2. METHOD

This research was conducted at the Toray Village-Owned Enterprise (BUMK) in Sota District, Merauke Regency, located at Jalan Arwar RT 01 RW 01, Toray Village, Sota District, Merauke Regency, South Papua. The research period was from June to July 2023. The type of research used was a qualitative research method. This type of descriptive qualitative method was used in this study to obtain an overview of the application of financial accounting in village-owned enterprises (BUMK).

The types of data used are primary and secondary data. Primary data is data source obtained by the researcher directly through direct observation interviews in the form of respondent identities and responses regarding how BUMK Toray's finances are managed. Secondary data is data source obtained by the researcher by collecting data that has been compiled by BUMK in a finished form such as organizational structures and financial reports. Data collection techniques include direct or covert observation, unstructured interviews (open interviews), and documentation.

The analysis techniques in this study are Data Reduction, Data Presentation, and Conclusion Drawing. According to Sugiyono (2016), reducing data means summarizing, selecting the main points, focusing on the important things, and looking for themes and patterns. This simplifies the data that has been reduced, providing a clearer picture and making it easier for researchers to carry out data collection. And those obtained from the field are in the form of detailed descriptions or reports. Data presentation is carried out in the form of brief descriptions, sections, relationships between categories, flowcharts, and the like. According to Sugiyono (2016), the most frequently used method for presenting data in qualitative descriptive research is narrative text. The data obtained are then categorized, themes and patterns are sought, and conclusions are drawn. The initial conclusion is still temporary and will change if strong evidence is found that can support the next stage of data collection. Research informants were represented by the Head of Toray Village, Chair of the Toray BUMK Management, Secretary of the Toray BUMK Management, Treasurer of the Toray BUMK Management, and the community.

3. RESULTS AND DISCUSSION

The accounting process of BUMK Toray is carried out manually. The process of accounting transactions begins with recording cash transactions in the cash diary, while non-cash transactions are recorded in the memorial journal. At the end of the month, these records are made into a monthly recap, in the form of a list of incoming money, a list of outgoing money, a list of receivables, and a memorial book. Based on the description above, it can be seen that the BUMK Toray Enterprise does not create journals, general ledgers, subsidiary ledgers, balance sheet financial reports, profit and loss reports, capital change reports, adjustment journals, and closing journals. Based on the description above, it can be concluded that the accounting process at the Village-Owned Enterprise (BUMK) Toray does not comply with generally accepted accounting processes.

a. Monthly Cash Book

This stage is the initial step in the accounting process at the Toray Village-Owned Enterprise (BUMK) in Sota District, Merauke Regency, namely by collecting transaction evidence, these transactions include receipts, deposit forms or other transaction evidence, which are then recorded in the appropriate books to monitor the progress of the BUMK business being run. BUMK does bookkeeping on a monthly basis because there are a number of transactions that are usually only done once a month, such as employee salaries.

From the results of the interview with the Head of the Toray BUMK Management, Sota District, Merauke Regency on Sunday, June 18, 2023 at the Village Hall of Toray Village, Sota District, Merauke Regency, it was obtained "For recording BUMK financial reports, we still use the usual income and expenditure table because the understanding of making financial reports according to SAK ETAP is still lacking, the Toray BUMK income and expenditure table is made by the BUMK guard then from the guard it is given to the treasurer of the management then from the treasurer the management will give it to the chairman of the management from the BUMK management it is given to the Head of Toray Village, Nona".

Based on the table above, BUMK Toray only records transactions related to cash receipts and disbursements. The weakness of the monthly cash book is that the financial records are incomplete, where in the BUMK income and expenditure report there are only income, expenses, salary expenses, transportation and equipment costs, for its own income, BUMK does not record income from receivables, BUMK has received income from receivables several times but is not recorded. Purchases, payment of transportation costs and payment of salary expenses are entered in the expense account.

b. General ledger

Journals are used to record transactions, either chronologically or in the order in which they occurred. Journals list accounts to be debited and credited, along with the corresponding transaction amounts for each transaction. Each transaction to be recorded in the general ledger must first be clarified in the journal based on its classification.

The results of the study show that BUMK Toray has not made an adjustment journal. The researcher suggests that BUMK make a journal for each transaction and make references to make it easier to post to the general ledger.

c. Posting Transactions to the General Ledger

A general ledger is a collection of account balances used to group and summarize transactions recorded in journals. This collection of accounts can simplify the process of preparing an entity's financial statements. The balances recorded in the general ledger are derived from a summary of the journal entries.

The research results show that BUMK Toray has not yet created a general ledger as required. The researchers recommend that BUMK Toray create a general ledger to facilitate the viewing of the ending balances of each account.

d. Balance Sheet

SAK ETAP states that the balance sheet should present the assets, liabilities and equity of an entity or company at a certain date at the end of the reporting period and the balance sheet should at least include the following items: cash and cash equivalents, accounts receivable and other receivables, inventory, investment property, fixed assets, intangible assets, accounts payable and other debts, tax assets and liabilities, estimated liabilities, equity. The results of the study show that BUMK Toray has not made a balance sheet because of their lack of understanding of the balance sheet. The balance sheet is a statement of financial position which describes assets, liabilities and equity.

and. Income statement

SAK ETAP states that the income statement should include all income and expense items recognized in a period, unless SAK ETAP requires otherwise. SAK ETAP regulates different treatments for the impact of corrections or errors and changes in accounting policies, which are presented as adjustments to the previous period and not as part of the profit or loss in the period the change occurs. The results of the study indicate that BUMK Toray has not yet prepared an income statement, the income statement greatly influences the statement of changes in a company's equity. If the company makes a profit, then the profit obtained will increase the company's equity, and vice versa if the company experiences a loss, it will reduce the company's equity.

f. Statement of Changes in Equity

SAK ETAP states that the statement of changes in equity presents the entity's profit or loss for the period, the effects of changes in accounting policies and corrections of errors recognized in the period, and the amount of investments by, and dividends and other distributions to, equity holders during the period. The research results show that BUMK Toray does not present a statement of equity. This is inconsistent with generally accepted accounting principles, which require an entity to prepare a statement of changes in equity.

g. Cash Flow Statement

SAK ETAP states that the cash flow statement presents information on historical changes in an entity's cash and cash equivalents, which shows separately the changes that occurred during a period from operating, investing and financing activities. The research results indicate that BUMK Toray has not prepared a cash flow statement, which should be reported at the end of the accounting period. This is inconsistent with SAK ETAP, which requires a cash flow statement to be included in BUMK Toray's financial statements.

h. Notes to the Financial Statements

The notes to the financial statements are a guiding element in the presentation of financial statements. They contain information in addition to the information presented in the financial statements, providing narrative explanations or details of the amounts presented in the financial statements, and providing information on items that do not meet the recognition criteria in the financial statements.

Notes to the financial statements are not presented in the financial statements of BUMK Toray so that the policies implemented by BUMK Toray cannot be known.

4. CONCLUSION

The researcher's conclusion regarding the financial report prepared by BUMK Toray consists of only expenditure and income financial reports. This is certainly still not in accordance with SAK ETAP which states that a complete financial report consists of a General Ledger, Balance Sheet, Profit and Loss Statement, Statement of Changes in Equity, Cash Flow Statement, and Notes to the Financial Statements. BUMK Toray still uses Cash Basis while according to SAK ETAP it must use Accurual Basis. The Toray Village-Owned Enterprise makes financial reports using expenditure and income tables that are still very simple. The application of accounting at the Toray Village-Owned Enterprise in Sota District, Merauke Regency as a whole is not in accordance with generally accepted accounting principles.

There are obstacles for BUMK Toray in implementing Generally Accepted Accounting in preparing its financial reports, namely: the low understanding of the compilers of BUMK Toray's financial reports regarding writing financial reports in accordance with applicable Accounting Standards, the absence of supervision from interested parties regarding BUMK Toray's financial reports, the lack of socialization to BUMK regarding BUMK's financial reports in accordance with applicable Accounting Standards, there has been no related incentive assistance regarding the application of applicable Accounting Standards, the treasurer of BUMK Toray does not directly record BUMK Toray's financial reports but only compiles BUMK Toray's financial reports in excel format to be given to the chairman of BUMK Toray's management to be neater so that the treasurer does not fully know about the data provided by the BUMK Toray guard so that the treasurer only writes BUMK Toray's financial reports as they are.

5. REFERENCES

Arum, P, S. 2014. Penyusunan dan Penyajian Laporan Keuangan Berdasarkan Standar Akuntansi Keuangan Entitas tanpa Akuntabilitas Publik (Studi Kasus pada Perusahaan Rokok Trubus Alami). Skripsi. Fakultas Ekonomi dan Bisnis. Universitas Brawijaya Malang.

Baridwan, Zaki. 2019. Sistem Akuntansi Penyusunan Prosedur dan Metode.

Yogyakart: YKPN.

Donald E, Kieso, Weygandt Jerry, Warfield Terry D. 2020. Akuntansi Keuangan Menengah. Cetakan Kedua. Jakarta : Salemba Empat.

Dwi, S. 2020. Analisis Peran Badan Usaha Milik Desa (BUMDes) Dalam Pemberdayaan Masyarakat Desa Menurut Perspektif Ekonomi Islam (Studi di Desa Isorejo pada BUMDes Sinar Harapan). Skripsi. Fakultas Ekonomi dan Bisnis Islam. Universitas Islam Negri Raden Intan Lampung.

Fella, P. 2020. Rancangan Sistem Akuntansi Badan Usaha Milik Desa (BUMDes) Agung Mandiri Desa Tanjung Agung Kabupaten Banyuasin Palembang. Skripsi. Fakultas Ekonomi dan Bisnis. Universitas Muhammadiyah Palembang.

Ikatan Akuntan Indonesia, 2016. Pengantar Akuntansi Berbasis Standar Akuntansi Keuangan Entitas Tanpa Akuntabilitas Publik (SAK ETAP). Ikatan Akuntan Indonesia Wilayah Sumatera Selatan : Palembang.

Ilham. 2020. Penerapan PSAK UMKM Pada Laporan Keuangan Badan Usaha Milik Desa (BUMDes) Harapan Kec. Tanete Riaja Kab. Barru Makassar. Skripsi. Fakuktas Ekonomi dan Bisnis. Universitas Muhammadiyah Makassar.

IAS (International Accounting Standard) 1-Presentasion Of financial Statement

Ikatan Akuntansi Indonesia (IAI). 2018. Pernyataan Standar Akuntansi Keuangan (PSAK) No 1. Jakarta : Penyajian Laporan Keuangan.

Ikatan Akuntan Indonesia (IAI). 2009. Standar Akuntansi Keuangan Entitas Tanpa Akuntabilitas Publik (SAK ETAP). Jakarta : Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia.

Joko, S. 2020. Analisis Penerapan Akuntansi Pada Badan Usaha Milik Desa (BUMDes) Muara Uwai Sejahtera Kecamatan Bangkinang Kabupaten Kampar Pekanbaru. Skripsi. Fakultas Ekonomi. Universitas Islam Riau Pekanbaru.

Jumingan. 2018. Analisis Laporan Keuangan. Cetakan Keenam. Jakarta : Bumi Aksara.

Muyesaroh. (2021). Analisis Laporan Keuangan Badan Usaha Milik Desa (BUMDes) Amanah Desa Karangsuko Kecamatan Panggelang Kabupaten Malang. Skripsi. Fakultas Ekonomi. Universitas Islam Negri Maulana Malik Ibrahim Malang.

Peraturan Mentri Dalam Negri No. 39 Tahun 2010 tentang Badan Usaha Milik Desa (BUMDes).

Rudianto, 2020, Akuntansi Koperasi Konsep dan Teknis Penyusunan Laporan Keuangan, Jakarta : PT.Gramedia Widiasarana Indonesia.

Rahman, Pura. 2020. Pengantar Akuntansi 1. Jakarta: Ghalia Indonesia Suwardjono. 2018. Teori Akuntansi, Edisi Ketiga, Penerbit BPFE Yogyakarta. Sugiyono, 2020. Metode . Penelitian Kualitatif. Bandung: Alfabeta.

Sutopo, H.B 2020. Metode Penelitian Kualitatif: Dasar Teori dan Penempatannya dalam Penelitian. Surakarta: Universitas Sebelas Maret.

Sugiyono. (2016). Metode Penelitian Kuantitatif, Kualitatif dan R&D. Bandung: PT Alfabet.

Republik Indonesia. 2014. Undang-Undang No.6 Tahun 2014 tentang Pemerintah Desa. Pemerintah RI Jakarta.

Wahyu, A. 2019. Pengaruh Badan Usaha Milik (BUMDes) Terhadap Peningkatan Kesejahteraan Masyarakat Desa Pematang Rahim Kecamatan Mendahara Ulu Kabupaten Tanjung Jambung Timur. Skripsi. Universitas Islam Negri Sulthan Thaha Saifuddin Jambi.

Warren, R. 2020. Pengantar Akuntansi Buku Satu. Edisi 21. Jakarta : Salemba Empat.