

Analysis Of The Application Of Financial Accounting Standards For Micro, Small And Medium Entities (Sak Emkm) At Umkm Aneka Karya

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ABSTRACT

This study aims to determine the application of the preparation of financial statements based on Accounting Standards Micro, Small and Medium Entity Finance (SAK EMKM) for Aneka Karya. The type of research used in this research is descriptive qualitative. The results of this study indicate that recording and preparation of financial reports is still simple and not in accordance with SAK EMKM. The application of SAK EMKM to Aneka Karya can have a positive impact, namely it can help business owners understand SAK EMKM and make financial records in accordance with SAK EMKM.

keywords: laporan keuangan, SAK EMKM

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play an important role in the Indonesian economy. Micro, Small, and Medium Enterprises (MSMEs) are businesses run by individuals, home-based businesses, or small businesses. The classification of MSMEs is based on the nominal turnover per year, the number of employees or assets, and the number of employees. According to Law No. 20 of 2008 on MSMEs, it is explained that MSMEs are small businesses that are owned and managed by an individual or owned by a small group of individuals with a certain number of employees. In the Indonesian economy, micro, small and medium enterprises (MSMEs) are the largest group of enterprises. In addition, MSMEs have proven to be resilient to the economic crisis, indicating that MSMEs have an important role in the Indonesian economy. MSMEs are the largest group of economic actors in Indonesia's economy. According to the ASEAN investment Report released in September 2022, Indonesia has the largest number of micro, small and medium-sized enterprises (MSMEs) in the ASEAN region. The number of MSMEs in Indonesia in 2021 will be around 65.46 million units. By 2021, Indonesian MSMEs will account for 97% of the labor force, contribute 60.3% to the Gross Domestic Product (GDP), and contribute 14.4% to national exports. Currently, there are still many MSMEs that do simple bookkeeping. The Indonesian Institute of Accountancy has endorsed the Exposure Draft Standar Akuntansi Keuangan Entitas Mikro, Kecil, dan Menengah which was released on 18 May 2016 and will become effective on 1 January 2018. SAK EMKM is an alternative standard of accounting that is applicable to Micro, Small and Medium Enterprises (MSMEs) in Indonesia so that it is easier to understand. Based on this background, the author took the title "Analysis of the Application of Financial Accounting Standards for Micro, Small and Medium Entities at Aneka Karya".

The focus of research related to the analysis of the application of the Financial Accounting Standards for Micro, Small and Medium Entities (SAK EMKM) is to find out how the financial records carried out by the object of research have recorded their finances in accordance with applicable regulations or not.

THEORETICAL STUDIES

Theoretical foundation

Micro, Small and Medium Enterprises

According to Raidjito (2003), MSMEs play an important role in the Indonesian economy, both in terms of the number of jobs created and the number of businesses created. In the Indonesian economy, micro, small and medium-sized enterprises (MSMEs) are the largest group of enterprises. In addition, MSMEs have proven to be resilient to various economic crises, meaning that MSMEs play an important role in Indonesia's economy.

Criteria of UMKM

The criteria for UMKM according to Law No.20 of 2008 on Micro, Small, and Medium Enterprises are as follows:

- Micro business is a productive enterprise owned by a business owner or a business owner who fulfills the criteria of a micro business, with the following criteria:
 - Has a net worth of at most Rp 50,000,000.00 (fifty million rupiah) excluding land and buildings owned.
 - Has annual sales revenue of at most Rp 300,000,000.00 (three hundred million rupiah).
- Small business is a productive economic activity that stands alone and is carried out by an individual or business entity that is not a company or not a subsidiary of a company that is owned, controlled, or a direct and indirect part of a medium or large business that meets the criteria of a small business, with criteria:

- Has a net worth of more than Rp 50,000,000.00 (fifty million rupiah) up to Rp 500,000,000.00 (five hundred million rupiah) not including tainaih dain baingunain usaihai.
- Having annual sales revenue of more than Rp 300,00,000.00 (three hundred million rupiah) up to a maximum of Rp 2,500,000,000.00 (two billion five hundred million rupiah).
- Medium-sized Enterprises are productive economic businesses that stand alone and are not part of a company that is owned, controlled, or a joint venture either directly or indirectly with a small business or a large business, with the following criteria:
 - Has a net worth of more than Rp 500,000,000,000.00 (five hundred million rupiah) up to a maximum of Rp 10,000,000,000.00 (ten billion rupiah).
 - Having annual sales revenue of more than Rp 2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of Rp 50,000,000,000.00 (fifty billion rupiah).

Classification of Micro, Small and Medium Enterprises

According to IAI in SAK EMKM UMKM in Indonesia can be divided into 4 (four) criteria, including:

1. Livelihood Activities
2. Micro Enterprise
3. Small Dynamic Enterprise
4. Fast Moving Enterprise

Financial Accounting Standards for Micro, Small and Medium Entities (SAK EMKM)

According to IAI in SAK EMKM (2018: 1) Micro, Small, and Medium Enterprises (EMKM) are entities without significant public accountability that meet the definition and criteria of micro, small, and medium enterprises as stipulated in the applicable laws in Indonesia, at least for two consecutive years. SAIK EMKM describes the concept of a business entity as an assumption and by that reason, to be able to compile a financial report with the SAIK EMKM entity. must be able to differentiate the owner's personal wealth from the wealth of the entity's afterlife, such as the afterlife of the entity from the afterlife of other entities. This SAIKs is simpler when compared to other SAIKs.

Definition of SAK EMKM Financial Statements

Financial statements are the result of the accounting process that can be used as a tool to communicate financial data or company activities to interested parties. According to the Statement of Financial Accounting Standards (PSAK no.1 2015: 1) financial statements are a structured presentation of the financial position and financial performance of an entity. Financial statements according to Harahap (2015: 105) describe the financial condition and results of operations of a company at a certain time or period of time. In line with this opinion, according to Munawir (2015: 2) financial statements are the result of an accounting process that can be used as a means of communicating financial data or activities of a company with parties with an interest in the company's data or activities. So it can be concluded from some of the experts above, that financial statements are a company's financial

information within a certain period of time.

SAK EMKM Financial Position

Information on the financial position of a third-party entity that consists of information about the assets, liabilities, and equity of a particular payee entity and is customized to reflect the other entity's financial position. These elements are as follows:

- Assets
- Liabilities
- Equity

Recognition of Financial Statement Elements

Recognition is the process of establishing a transaction in the statement of financial position. The elements are as follows:

1. Future Economic Benefits
2. Measurement Reliability

SAK EMKM Financial Report

The report in SAK EMKM consists of three namely:

- Statement of Financial Position

The statement of financial position summarizes the total assets, liabilities, and equity of the entity paid at the end of the reporting period.

- Income Statement

The Financial Accounting Standards Board of the Indonesian Accounting Association (2016:13) in addition to the financial statements of micro, small, and medium-sized businesses requires an income statement that includes a profit and loss account: Revenue, financial expenses, and tax expenses.

- Notes to the Financial Statements (CAuLK)

The Notes to the Financial Statements is an element of the financial statements that provides information about the detailed description or the detailed financial statements or the analysis of the values of the assets:.

- Disclose general information about reporting entities and accounting entities.
- Presents information on fiscal/financial and microeconomic policies.
- Presents an overview of the achievement of financial targets during the financial year and the impact of the achievement of the targets.
- Provides information about the preparation of the financial statements and the accounting policies chosen to be applied to significant transactions and events.
- Presents details and explanations of each account presented on the face of the financial statements.
- Disclose the information required by the Government Accounting Standards Act (PSAiP) that has not been presented in the face of the financial statements.
- Disclose other information required for proper review, which can be disclosed in the financial statements.

RESEARCH METHODS

This research is qualitative descriptive research. According to Moleong (2018) descriptive qualitative research is interpreted in the form of words, pictures and not numbers. The data can be obtained from interviews, field notes, and also documentation. This qualitative descriptive research method is carried out to describe the process of events that occur in the field that is used as the object of research. The data collection techniques used are observation, interview, and documentation. The informant in this study is someone who can provide information related to the object of research, there are 4 informants, namely the owner, finance department, employees, and customers.

RESULTS AND DISCUSSION

From the results of observations by researchers from interviews with informants, UMKM Aneka Karya records financial reports. Aneka karya has recorded all of its income and expenditure transactions from the proceeds of its business, but the records it has made are only simple financial statements. The records made by Aneka Karya MSMEs are in the form of cash books, employee salaries, and profit and loss statements. The purpose of recording the cash book and wages is to make it easier to prepare the profit and loss statement. The financial statements should be presented with three statements, namely the financial position, income statement, and notes to the financial statements. In the absence of these three financial statements, Aneka karya MSMEs only compile one of the three components, namely the income statement. The preparation of the financial statements was made simply in accordance with the knowledge of the authors.

a. Cash Book

Cash book recording is only used to find out the expenditure of funds.

b. Employee Salary Record

The employee salary record is a report of employee salary expenses every month.

c. Income Statement

MSMEs of various works record income statements to see the profitability of their business. In addition to knowing the profit or loss of the company, the loss report is also used to evaluate the owner and the progress of the business.

d. Notes to the Financial Statements

The presentation of financial statements requires an entity to present information to achieve objectives that are relevant to its finances. The financial statements used by this entity should be SAK EMKM standard, namely the statement of financial position, income statement, and notes to the financial statements.

Completeness of Aneka Karya's Financial Statements

No	Unsur-Unsur Laporan Keuangan	Lengkap/Tidak Lengkap
1	Statement of Financial Position	Incomplete
2	Income Statement	Attachment
3	Notes to the Financial Statements	Incomplete

Based on research, various works have not recorded financial reports with the

standards that have been applied. The recording carried out by Aneka Karya is only a simple recording of financial statements where the recording includes cash in or out.

Based on research, various works have not recorded financial reports with the standards that have been applied. The recording carried out by Aneka Karya is only a simple recording of financial statements where the recording includes cash in or out.

According to the owner, the recording of financial statements is important and needed by the owner to see the development of the financial statements as described in the interview with Mr Puri as the owner of the business.

However, in reality, the application / recording of financial statements carried out by Aneka Karya is simple and the recording process is still manual and does not comply with SAK EMKM. Due to not recording financial statements based on SAK EMKM and only having one financial report, namely the income statement.

Aneka Karya MSMEs in the list of financial statements are not yet complete in accordance with the SAK EMKM. The three financial statements of UMKM Aneka Karya only make one financial report, namely the income statement. The income statement is recorded manually. The income statement reports income and expenses for the period. The income statement only reports income and expenses but for other income tax has not been disclosed in the income statement.

UMKM Ainekai Kairyai in the form of financial statements has not been completed in accordance with the SAiK EMKM. The three financial statements of UMKM Aneka Karya only make one financial report, namely the income statement. The income statement is recorded manually. The income statement reports income and expenses for the period. In the income statement, only the income and expenses are reported, but the other income has not been disclosed in the income statement.

It can be concluded that the income statement of MSME Ainekai Kairyai is not yet fully in accordance with the SAiK EMKM because the items presented are not in accordance with the SAK EMKM.

The recording of the financial statements of MSMEs Ainekai Kairyai is not yet fully in accordance with the applicable SAK EMKM. This is due to the presence of inhibiting factors that make it difficult for MSMEs Aneka Karya to record their financial statements in accordance with the SAiK EMKM.

Based on the results of the interviews, the researchers analyzed that there are several factors that hinder the application of SAK EMKM in Ainekai Kairyai MSMEs, namely as follows:

- The lack of understanding and knowledge of the pelaku after the preparation of financial statements in accordance with the SAiK EMKM.
- Limited Human Resources (HR) owned by business actors to scan in recording financial statements.
- Recording financial statements is considered difficult and takes a long time.
- Lack of socialisation regarding the linking of financial report recording in accordance with the applicable SAiK EMKM.
- There are no institutions that can assist the Ainekai Kairyai MSMEs in relation to the implementation of the SAiK EMKM if there are questions about the regulation.

CONCLUSIONS

Based on the results of the analysis and discussion, the researcher obtained the following conclusions:

1. Umkm Ainekai Kairyai has not yet implemented SAIK EMKM. The owner of UMKM Ainekai Kairyai knows that the three financial statements are prepared in accordance with the needs of the business, so as to meet the applicable standards.
2. In the preparation of the financial statements of MSMEs Ainekai Kairyai has not yet met the three financial statements that are in accordance with the SAIK EMKM. Of the three financial statements of MSMEs Ainekai Kairyai has only made one report, namely a loss and loss account, while the other report on the financial position of the company has not been assisted due to the several obstacles faced by Ainekai Kairyai.

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