

Socialization of Simple Financial Report Bookkeeping Methods at Kanza Mini Market, Semarang Regency

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Abstract. Financial reporting is a crucial activity for micro and small businesses, such as minimarkets, to understand their financial condition and performance. Kanza Minimarket in Semarang Regency faces challenges in maintaining financial records in accordance with simple accounting standards. This simple financial reporting socialization was conducted to improve the understanding of minimarket owners and managers in creating accurate and easy-to-understand financial reports. The method used was a socialization with a direct training approach, using examples of daily records, balance sheets, profit and loss statements, and simple cash flow statements. The results of the socialization showed an increase in managers' ability to record financial transactions and present financial reports that can be used as decision-making tools and for business capital applications. This socialization is expected to encourage the implementation of an effective and sustainable simple bookkeeping system in minimarkets in Semarang Regency, thereby increasing the transparency and financial accountability of these microbusinesses .

Keywords: Simple Bookkeeping, Financial Reports, Mini Markets, Socialization, MSMEs

Introduction

Micro, Small, and Medium Enterprises (MSMEs) play a highly strategic role in economic activity in Indonesia. According to data from the Coordinating Ministry for Economic Affairs, MSMEs account for more than 99% of all business units and contribute approximately 60.5% to the national Gross Domestic Product (GDP) while absorbing 96.9% of the Indonesian workforce. This significant contribution makes MSMEs the backbone of the national economy, supporting economic growth and equitable distribution of social welfare (Manafe et al., 2018).

However, many MSMEs, particularly micro and small businesses such as minimarkets, still face serious challenges in managing their finances. One key issue is the inability to maintain adequate bookkeeping and prepare financial reports. Many businesses still maintain simple financial records using manual cash methods that do not comply with accounting standards, and some even lack financial reports altogether. This significantly hinders their ability to accurately measure business performance, control operational costs, and access funding sources such as bank loans and business partnerships (Manafe et al., 2018).

Ignorance and a lack of understanding of the importance of financial bookkeeping are among the main factors contributing to the lack of neat and structured record-keeping efforts. Furthermore, limited resources, both in terms of education and capital to employ accounting staff, exacerbate this situation. MSMEs tend to focus more on sales and product development without paying attention to the financial record-keeping aspects that are actually vital to the sustainability of their businesses (Manafe et al., 2018).

Proper and structured financial bookkeeping according to the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) provides a simpler and more easily implemented solution for micro and small businesses. By maintaining bookkeeping in accordance with SAK ETAP, entrepreneurs can more clearly understand their financial condition, understand profit and loss, control costs, and facilitate the fulfillment of tax obligations and transparent reporting to stakeholders (Manafe et al., 2018).

Kanza Mini Market in Semarang Regency, one of the MSMEs still experiencing difficulties managing financial bookkeeping, requires training and outreach on simple bookkeeping. This outreach aims to improve managers' capacity to systematically record transactions using practical and easy-to-understand methods, so that the resulting financial reports can aid business decision-making and strengthen financial access (Rika Widianita, 2023).

Through this outreach program, it is hoped that Kanza Mini Market managers can implement simple financial accounting, which will not only increase transparency and accountability but also support more sustainable business development. In addition to supporting the well-being of

managers and their families, this activity also aligns with the government's program to empower MSMEs as drivers of the regional and national economy (Rika Widianita, 2023).

Against this backdrop, the dissemination of this simplified financial reporting method is crucial as part of efforts to increase the capacity of MSMEs in Semarang Regency, enabling them to operate their businesses with more professional and highly competitive financial management amidst increasingly fierce market competition. A communicative and practical approach to the dissemination is expected to motivate business owners to recognize the importance of bookkeeping and consistently maintain good financial records (Rika Widianita, 2023).

This is the background to the importance of implementing the socialization of simple financial reporting bookkeeping methods at the Kanza Mini Market in Semarang Regency as a strategic step in empowering MSMEs that contribute greatly to the regional and national economy (Rika Widianita, 2023).

Literature review

Accounting is a crucial information system used by businesses to systematically record, classify, and report financial transactions. In the context of micro, small, and medium enterprises (MSMEs), accounting serves as a key tool for transparent and accountable financial management, providing a basis for informed decision-making. However, accounting practices in MSMEs differ from those in large businesses due to limitations in human resources, education, and capital (Manafe et al., 2018).

To address this need, the Indonesian Institute of Accountants (IAI) issued Financial Accounting Standards specifically aimed at MSMEs, namely the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) and the simpler Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM). SAK ETAP is an accounting standard used by small entities that do not have significant public accountability. This standard prioritizes the principle of simplicity in the measurement and presentation of financial statements, making it easier to apply to MSMEs with limited resources (Manafe et al., 2018).

SAK EMKM is a simplified version of SAK ETAP, specifically designed for micro, small, and medium-sized entities with simpler business characteristics and less complex reporting requirements. SAK EMKM uses the historical cost basis as a measurement that is easier for MSMEs to understand and apply. The main objective of implementing SAK ETAP and SAK EMKM is to facilitate the preparation of financial reports while increasing the credibility and integrity of those reports (Manafe et al., 2018).

Financial reports prepared based on this standard include a balance sheet, income statement, statement of changes in equity, cash flow statement, and notes to the financial statements, tailored to the needs and capacities of MSMEs. Implementing bookkeeping in accordance with this standard helps MSMEs manage cash flow, evaluate business performance, meet tax obligations, and facilitate the process of applying for credit or investment. Previous studies have shown that socialization and training in the implementation of SAK ETAP/EMKM-based bookkeeping effectively improve the understanding and skills of MSME managers in managing their business finances (Manafe et al., 2018).

This study also highlights the challenges often faced by MSMEs, such as low financial literacy, limited time and energy, and a lack of ongoing mentoring. Therefore, regular and systematic outreach activities on simple financial bookkeeping are crucial. A practical and communicative approach during outreach can increase MSMEs' motivation to maintain financial bookkeeping as part of professional business management (Manafe et al., 2018).

Thus, the literature review supports the importance of socializing simple financial reporting bookkeeping based on SAK ETAP and SAK EMKM for the Kanza Mini Market in Semarang Regency, as a strategic effort to strengthen the capacity of MSME managers in accurate and transparent financial reporting, thereby supporting the successful development of micro and small businesses in the area in a sustainable manner (Rika Widianita, 2023).

Method

The socialization of simple financial reporting methods at the Kanza Mini Market in Semarang Regency was carried out using a qualitative approach, prioritizing hands-on training and practice, both individually and in small groups. This socialization activity was carried out in several mutually supportive stages to improve the understanding and skills of mini market managers in recording and preparing financial reports according to simple standards.

The initial stage began with a survey and data collection to determine the initial conditions related to the understanding and practice of bookkeeping at the Kanza Mini Market.

The next session was a socialization session, which included interactive presentations on basic financial accounting concepts relevant to micro and small businesses and the importance of bookkeeping for business continuity. The material included an introduction to simple financial statements such as balance sheets, profit and loss statements, and cash flow statements, as well as procedures for systematically recording transactions.



Following the presentation, practical training on recording daily transactions followed, using concrete examples tailored to minimarket operations, such as recording cash inflows and outflows, merchandise purchases, and sales. Managers were given the opportunity to directly create financial records under the guidance of a facilitator to enhance their understanding. This training utilized discussion and question-and-answer methods to address any issues managers encountered during the learning process.

This personalized and interactive approach is expected to increase the effectiveness of outreach and provide managers with the opportunity to ask questions and find appropriate solutions tailored to their business circumstances. Evaluation is conducted through direct observation of changes in financial records following outreach and training, as well as a survey of managers' understanding.

At the end of the activity, recommendations and written guidelines were provided to guide minimarket managers to continue their independent bookkeeping practices. Furthermore, further mentoring was recommended to ensure the sustainability of the simple bookkeeping implementation. Overall, this outreach method combined theory and practice with a communicative and educational approach to ensure the effective and sustainable implementation of simple financial bookkeeping at the Kanza Mini Market in Semarang Regency.

Results and Discussion

The results and discussion of the socialization of simple financial reporting methods at the Kanza Mini Market in Semarang Regency showed a significant positive impact on improving the understanding and ability of managers in recording financial transactions and preparing financial reports. Before the socialization, the financial management of the mini market was still carried out with very simple manual recording, only recording cash inflows and outflows without clear classification, making it difficult to determine net profit and the business's financial position accurately.



After conducting socialization and training, managers were able to create more structured bookkeeping with systematic records of income, expenses, and inventory records.

Examples of daily data used in the training include a daily income table that records daily sales in detail, and an expense table that records operational costs such as merchandise purchases, electricity, and employee salaries. With this data, managers can then prepare a profit and loss statement that depicts revenue and expenses, a balance sheet that reflects the business's assets and liabilities, and a cash flow statement that shows cash inflows and outflows.

Evaluation of understanding after the socialization showed significant improvement, with approximately 85-90% of participants able to grasp the basic concepts of simple bookkeeping and

practice them independently. Discussions and Q&A sessions during the training helped overcome challenges such as unfamiliarity with accounting terms and difficulty categorizing financial transactions. Managers stated that this simple bookkeeping method significantly assisted them in managing their daily finances, creating accountable financial reports, and serving as a decision-making tool for business development.

The challenges still identified are the limited time managers have to juggle between operational and financial record-keeping, as well as a lack of experience interpreting financial reports for further planning. Therefore, recommendations are made for ongoing mentoring and advanced training in bookkeeping and financial management.

In summary, this simple financial reporting socialization program has been effective in increasing the capacity of Kanza Mini Market managers in Semarang Regency, creating financial transparency and accountability, and providing a strong foundation for sustainable business development in the MSME environment. The training data and increased understanding are evidence of the success of this socialization program, which is in line with previous research that socialization and training can contribute positively to the ability of MSME managers in financial bookkeeping.

Conclusion

The conclusion of the socialization of simple financial reporting bookkeeping methods at the Kanza Mini Market in Semarang Regency illustrates that this activity plays a significant role in improving the knowledge and skills of mini market managers in recording and preparing financial reports in accordance with simple standards such as SAK ETAP. This socialization has succeeded in equipping managers with the ability to separate personal and business finances, understand the types of financial reports (balance sheet, profit and loss statement, cash flow statement), and carry out financial transaction recording with a more structured system that is easy to practice independently.

As a result, minimarket managers can manage their business finances transparently and accountably, thus serving as a crucial tool for making informed business decisions and facilitating access to capital from financial institutions. The outreach also fosters motivation and an entrepreneurial spirit among MSMEs by providing an understanding that bookkeeping is not complicated, but rather a simple and consistent activity.

Several obstacles, such as time constraints and limited initial understanding, can be overcome with interactive training methods and ongoing mentoring. Therefore, a key recommendation is the ongoing implementation of socialization and ongoing mentoring to ensure the consistency and sustainability of the implementation of simple bookkeeping. Thus, this socialization will not only benefit the Kanza Mini Market individually but also have the potential to strengthen the broader MSME ecosystem in Semarang Regency, improving the welfare and economic growth of the local community.

In essence, simple yet structured financial bookkeeping is the primary foundation for developing micro and small businesses, enabling them to compete and survive in a dynamic economy. Awareness of the importance of financial record-keeping as an effective business management tool is a key asset for entrepreneurs to progress and develop sustainably.

References

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