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Assistance In Preparing Financial Statements Based On MSME Accounting Standards At Wisata Halal Indonesia MSME

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ABSTRACT

Limited knowledge of accounting and financial reporting remains a challenge for Micro, Small, and Medium Enterprises (MSMEs) in managing their businesses systematically and accountably. This community service program aimed to improve the knowledge and practical skills of Wisata Halal Indonesia MSME managers in recording business transactions and preparing financial statements based on accounting standards for MSMEs. The program was implemented through preliminary observation and interviews, online training, discussions, question-and-answer sessions, practical exercises, mentoring, and evaluation. The training involved ten participants consisting of administrative staff, supervisors, and the business owner. The materials covered basic accounting concepts, accounting processes, transaction recording, and practical preparation of balance sheets and income statements. Program evaluation was conducted qualitatively through participant engagement, discussions, question-and-answer sessions, and financial statement preparation exercises. The results showed that participants developed a better understanding of accounting processes and gradually improved their ability to prepare business financial statements. Participants also demonstrated active involvement throughout the training and practical sessions. The program indicates that accounting training combined with practical assistance can strengthen MSME financial reporting capabilities and support more systematic, transparent, and accountable financial management. Continuous mentoring is recommended to ensure the consistent application of accounting practices in daily business activities.

Keywords: Accounting Training; Financial Statements; Financial Management; MSMEs; Community Service; Accounting Standards.

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INTRODUCTION

The development of Indonesia's national economy has created increasingly dynamic conditions for business actors, including cooperatives and micro, small, and medium enterprises (MSMEs). Cooperatives and MSMEs have an important position in supporting community-based economic activities and national development. In the Indonesian economic system, the principle of economic cooperation is constitutionally recognized in Article 33 paragraph (1) of the 1945 Constitution of the Republic of Indonesia, which emphasizes that the economy should be organized as a common endeavor based on the principle of kinship.

This principle provides a foundation for strengthening community-based enterprises and encouraging MSMEs to develop sustainably.

Economic activities are inseparable from interactions among individuals and business entities in meeting their needs. In general, economic activities involve production, distribution, and consumption. Production activities generate goods and services to meet consumer demand while providing economic benefits to producers, whereas distribution activities facilitate the delivery of products and services to consumers. As economic activities become increasingly complex, business actors are required not only to produce and market their products or services but also to manage their financial resources effectively. Financial management therefore becomes an essential component of sustainable business operations.

However, not all MSME actors have sufficient knowledge of financial and non-financial aspects of business management, particularly in recording financial transactions and preparing financial statements. Limited accounting knowledge may result in business activities being conducted without systematic financial planning and documentation. In contrast, MSMEs that understand basic accounting and financial management are better positioned to monitor cash flows, control revenues and expenditures, evaluate business performance, and make more informed business decisions. Financial management is therefore important not only for maintaining financial stability but also for supporting the continuity and development of MSMEs.

The importance of these capabilities became increasingly evident during and after the COVID-19 pandemic. The pandemic disrupted various sectors of the Indonesian economy, including manufacturing, retail, housing, transportation, tourism, and education. At the same time, changes in consumer behavior and the increasing use of digital platforms encouraged the emergence and development of online businesses and MSMEs. These conditions created new opportunities for entrepreneurship but also increased the need for business owners to possess adequate financial management capabilities. MSME development must therefore be accompanied by improvements in financial literacy, accounting practices, and managerial competence so that business growth can be managed effectively.

Financial management generally concerns the acquisition, allocation, and management of funds to achieve organizational objectives. In business practice, it covers three major activities: the use of funds for investment in various assets, the acquisition of funds from internal and external sources, and the efficient management of assets after funds have been obtained and allocated. Effective financial management also involves financing decisions, investment decisions, asset management, budgeting, financial control, and the provision of financial information for decision-making. These functions demonstrate that financial management cannot be separated from accounting because reliable financial information is required to evaluate the financial condition and performance of a business.

Accounting plays a particularly important role in this process because it provides a systematic mechanism for identifying, recording, classifying, summarizing, and reporting financial transactions. For MSMEs, proper accounting records enable business owners to determine their financial position, identify revenues and expenses, measure business performance, and evaluate the availability and use of financial resources. Financial statements consequently provide information that can support managerial decisions and improve accountability. Nevertheless, many MSMEs still experience difficulties in implementing accounting practices because of limited knowledge and understanding of financial reporting procedures.

Financial reporting becomes more meaningful when it is prepared in accordance with applicable accounting principles and standards. The use of accounting standards provides MSMEs with a systematic framework for transforming transaction records into understandable and accountable financial information. In the context of the community service program presented in this study, the training was designed to introduce participants to basic accounting concepts, transaction recording, and the preparation of financial statements based on accounting standards applicable to MSMEs. The program particularly emphasized practical understanding so that participants would not merely recognize accounting concepts but would also be able to apply them to their business activities.

The partner in this community service program was PT Wisata Halal Indonesia, a business engaged in general and religious travel services, including ticketing, tour services, travel document arrangements, and online-based Umrah services. The company began its activities in 2018 in Pancoran, South Jakarta, using an online platform to provide travel services. Its business subsequently expanded to various international destinations and religious tourism services. This development indicates that digital platforms have become an important component of the company's business operations and market expansion.

Despite its business development, preliminary observations identified weaknesses in the financial management practices of PT Wisata Halal Indonesia. The business had not yet implemented sufficiently systematic financial management, financial reporting, tax reporting, and other supporting administrative practices. This condition created a practical need to improve the accounting knowledge and financial reporting capabilities of its management. Without adequate financial records and statements, management may encounter difficulties in monitoring business performance, evaluating financial conditions, controlling cash flows, and obtaining reliable information for decision-making.

Based on these conditions, a community service program focusing on accounting and financial statement preparation was considered necessary. The program was designed to provide training and assistance to the management of PT Wisata Halal Indonesia in understanding financial and non-financial aspects, basic accounting processes, transaction recording, and financial statement preparation. The activities combined theoretical explanations with practical exercises so that participants could directly apply accounting concepts to business transactions and financial reporting.

Therefore, this community service program aims to improve the knowledge and practical capability of PT Wisata Halal Indonesia's management in managing financial information and preparing financial statements in accordance with accounting standards for MSMEs. Through structured training and direct assistance, the program is expected to strengthen the partner's financial administration, improve the quality of financial information, and support more accountable and sustainable business management.

METHODS

This community service program was implemented at PT Wisata Halal Indonesia, an MSME engaged in general and religious travel services. The program was designed to address the partner's limited knowledge and practical capability in financial management, accounting records, and financial statement preparation. The implementation focused on strengthening participants' understanding of basic accounting concepts and developing their ability to prepare business financial statements in accordance with accounting principles applicable to MSMEs.

The program adopted a participatory training and mentoring approach, consisting of preliminary observation, interviews, training, practical exercises, discussion, mentoring, and monitoring. In the preliminary stage, the community service team conducted observations and interviews with the partner to identify the level of understanding of financial and non-financial aspects of business management. This stage also examined the extent to which business transactions had been recorded according to appropriate accounting procedures and assessed the partner's existing knowledge of bookkeeping and accounting.

Based on the identified problems, the training materials were organized into theoretical and practical sessions. The theoretical session introduced participants to basic accounting concepts, the importance of accounting information for business management, transaction recording, and the principles of financial statement preparation. Participants were also introduced to accounting practices for MSMEs based on the standards used in the program. The practical session focused on applying these concepts through transaction recording and the preparation of financial statements, particularly the balance sheet and income statement.

The training was conducted online and consisted of five main stages: opening, presentation of training materials, discussion, question-and-answer session, and closing. The learning process emphasized interactive participation to enable participants to discuss financial and accounting problems encountered in their business activities. The program was not limited to the training session but was followed by mentoring and monitoring to observe the application of the knowledge and skills acquired during the training.

During the mentoring stage, participants were guided in practicing the preparation of their business financial statements. The assistance included the application of basic accounting procedures, recording business transactions, and preparing financial reports based on the accounting framework introduced during the training. The program also included assistance related to financial documentation that could support business development, including the preparation of financial information for credit applications.

The effectiveness of the program was evaluated through question-and-answer sessions, discussions, and practical case exercises. Participants were asked to apply the material by working on illustrative cases involving financial statement preparation. The evaluation focused on participants' understanding of financial and accounting aspects, accounting processes, transaction recording, and financial statement preparation. Participant engagement during discussions and their ability to complete the practical exercises were used as indicators of the achievement of the training objectives.

RESULTS AND DISCUSSION

Implementation of the Community Service Program

The community service program was conducted at Wisata Halal Indonesia through training, discussion, question-and-answer sessions, and practical assistance. The activity was designed to increase the awareness and capability of MSME managers in understanding accounting processes, recording business transactions, and preparing financial statements properly, transparently, and accountably. The program was implemented online, allowing the owner and management team to participate in the accounting and financial management training.

The training was conducted on December 15, 2022, following preliminary interviews and discussions with the owner of Wisata Halal Indonesia. A total of 10 participants attended the program, consisting of personnel involved in daily business operations, including administrative staff, supervisors, and the business owner. The involvement of participants from different operational levels was important because accounting information is generated from various business activities and therefore requires coordination between those responsible for transactions, administration, supervision, and business decision-making.

The initial assessment identified four main problems faced by the partner. First, the participants had limited understanding of financial aspects of business management. Second, they had not adequately understood the application of accounting principles in financial management. Third, business transactions had not been systematically processed through appropriate accounting procedures. Fourth, the partner had not sufficiently understood and implemented proper financial statement preparation. Based on these problems, the program focused on financial understanding, accounting principles, transaction recording, and financial statement preparation.

These findings indicate that the partner's primary problem was not merely the absence of financial statements but also limited understanding of the accounting process underlying those statements. Therefore, the intervention was structured progressively. Participants were first introduced to the role of accounting in business management before being trained to record transactions and prepare financial statements. This sequence was relevant because reliable financial statements depend on systematic recording and classification of business transactions.

Figure 1. Documentation of Community Service activities

Improvement in Basic Accounting and Financial Understanding

The first training session focused on fundamental accounting knowledge. Participants were introduced to the meaning and purpose of accounting, the accounting process, and the benefits and functions of financial reports. The training also introduced the accounting framework used as the basis for financial reporting by the partner. According to the source report, the material delivered during the training specifically referred to SAK-ETAP (Financial Accounting Standards for Entities Without Public Accountability).

This initial stage was important because the preliminary assessment showed that the partner had not fully understood financial aspects and accounting principles in managing its business. The program therefore sought to shift the participants' understanding from merely recognizing cash inflows and outflows toward viewing accounting as a systematic process for recording, classifying, summarizing, and presenting business transactions as financial information.

The importance of this understanding is particularly relevant to MSME management. Accounting information can provide management with a basis for evaluating financial conditions, monitoring business activities, and supporting decision-making. The source document emphasizes that proper accounting records enable businesses to understand cash flows and financial conditions and provide accountable financial information. Thus, improving accounting knowledge is not limited to administrative compliance but is also associated with the managerial capacity of MSMEs.

During the training, participants demonstrated active engagement with the materials through questions and discussions. The field evaluation reported that participants were able to understand the explanations provided by the community service team, as reflected in the variety of questions raised and their participation in discussions. This participation indicates that an interactive approach was appropriate for addressing the practical accounting problems encountered by the partner.

Assistance in Recording Business Transactions

The next stage focused on developing participants' ability to record business transactions according to accounting principles. This activity directly addressed the initial problem that Wisata Halal Indonesia had not consistently conducted its business activities through an appropriate accounting process. The intervention therefore included explanations of basic accounting procedures and assistance in preparing transaction records and bookkeeping.

Transaction recording represents an essential stage in the accounting cycle because the quality of financial statements depends on the completeness and accuracy of the underlying records. For the partner, this means that transactions generated from its travel-service operations should not merely be recognized as cash receipts or payments but should be systematically documented to provide reliable financial information.

The program consequently emphasized the practical use of accounting principles in daily business transactions. The expected improvement was not only that participants would understand accounting terminology but also that they would be able to apply accounting procedures to transactions occurring within the business. This objective was consistent with the program's initial solution framework, which specifically identified training in transaction recording as a response to the partner's inadequate application of accounting procedures.

The ability to maintain systematic records can also strengthen the partner's financial control. When transactions are appropriately documented, management has a clearer basis for monitoring business activities, evaluating revenues and costs, and determining the financial position of the business. Therefore, the transaction-recording component served as a bridge between conceptual accounting knowledge and the preparation of financial statements.

Financial Statement Preparation Practice

The second training session emphasized the practical preparation of financial statements. Participants were provided with illustrative cases and guided in preparing a balance sheet and a simplified income statement. The practical component was designed to ensure that participants could apply the accounting concepts introduced during the first session rather than merely understanding them theoretically.

The preparation of a balance sheet enabled participants to understand how business assets, liabilities, and equity are presented to describe the financial position of an entity. Meanwhile, the preparation of an income statement introduced participants to the process of determining business performance by comparing revenues and expenses during a particular period. These exercises were particularly relevant because the initial assessment identified limited capability in preparing proper financial reports.

The mentoring approach was also designed to continue beyond the delivery of theoretical material. The partner was provided with assistance in practicing the preparation of its business financial statements. The program expected participants to use their bookkeeping knowledge to identify their financial position and subsequently utilize financial information as a basis for business decision-making. The source report also states that financial statements were expected to support the preparation of financing proposals to financial institutions when the business required additional capital.

This outcome demonstrates the practical significance of financial reporting for MSMEs. Financial statements are not merely the final output of an accounting process; they can serve as management tools for evaluating business performance and supporting access to external financing. For a developing business such as Wisata Halal Indonesia, improved financial reporting capability can therefore contribute to stronger financial administration and more informed business management.

Evaluation of Participants' Knowledge and Skills

The effectiveness of the activity was evaluated through question-and-answer sessions, discussions, and practical case exercises. The evaluation focused on three areas: participants' understanding of financial and accounting aspects, their understanding of financial statements, and their ability to work through illustrative financial statement preparation cases.

The evaluation process in the program was designed in three stages. The initial evaluation identified the problems experienced by the partner before the intervention. The process evaluation observed participants during the training and assessed their understanding of accounting and financial management. The final evaluation was intended to determine whether the training resulted in positive changes in the partner's accounting and financial management practices.

Based on the field observations reported in the source document, participants showed a good understanding of the materials presented during the training. Their enthusiasm was reflected in active participation, questions, discussions, and engagement with the practical exercises. At the end of the activity, participants had gradually developed the ability to prepare business financial statements using the accounting framework taught during the program.

However, the source report does not provide quantitative pre-test and post-test scores. Therefore, the improvement achieved through the program should be interpreted as a qualitative improvement based on participant engagement, discussions, question-and-answer sessions, practical exercises, and observations made during the training. It would not be methodologically appropriate to claim a specific percentage increase in accounting competence because such quantitative evidence was not reported in the original program.

Implications for MSME Financial Management

The results indicate that accounting assistance can address practical financial management problems experienced by MSMEs. Before the program, Wisata Halal Indonesia faced limitations in understanding financial aspects, applying accounting principles, recording transactions systematically, and preparing financial statements. The intervention addressed these problems sequentially through awareness building, accounting training, transaction-recording exercises, financial statement preparation, and mentoring.

The program also demonstrated that financial management capability should not be separated from accounting capability. Financial management decisions require reliable information, while reliable financial information depends on systematic accounting records. The ability to record transactions and prepare financial statements can therefore provide MSME managers with a stronger informational basis for evaluating financial position, revenues, expenses, and business performance.

For Wisata Halal Indonesia, this capability is particularly relevant because the business operates in travel and tourism services, where business activities involve various receipts and expenditures that require systematic documentation. Improving accounting practices can assist management in distinguishing business transactions, monitoring financial resources, and producing more accountable financial information.

Overall, the program achieved its principal qualitative objective of strengthening participants' knowledge and practical understanding of accounting and financial statement preparation. The training was completed successfully, participants remained actively involved throughout the activities, and the practical exercises indicated a gradual development in their ability to prepare financial statements.

Nevertheless, continued mentoring remains important. The source report itself recommends that similar activities be continued and expanded because accounting competence develops through repeated application rather than a single training session. Therefore, the sustainability of the program's outcomes depends on whether the partner consistently applies transaction recording and financial statement preparation to its actual business activities after the training.

CONCLUSION

The community service program at Wisata Halal Indonesia was successfully implemented through online training, discussion, question-and-answer sessions, practical exercises, and mentoring. The program addressed the partner’s limitations in understanding financial aspects, applying accounting principles, recording business transactions, and preparing financial statements. Through the training activities, participants gained a better understanding of basic accounting concepts, the accounting process, and the role of financial statements in supporting business management.

The practical exercises also helped participants gradually develop the ability to prepare financial statements, particularly the balance sheet and income statement, based on the accounting framework introduced during the program. The evaluation indicated that participants were actively involved in discussions and practical exercises and showed improved qualitative understanding of accounting and financial reporting. However, the source report did not provide quantitative pre-test and post-test results; therefore, the achievement of the program is appropriately interpreted as a qualitative improvement in knowledge and practical capability.

Overall, the program demonstrates that accounting training and continuous assistance can strengthen MSME financial management capacity. For Wisata Halal Indonesia, improved transaction recording and financial statement preparation are expected to support more systematic, transparent, and accountable financial management. Continued mentoring is recommended so that the knowledge acquired during the training can be consistently applied in daily business activities and further developed to support business decision-making and future access to financing.

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