

MSME PROPERTY ANALYSIS IN COMPETING FINANCIAL STATEMENTS BASED ON SMALL AND MEDIUM ACCOUNTING STANDARDS OF SMALL-MICRO ENTERPRISES (SAK EMKM)

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ABSTRACT

This study aims to analyze the readiness of SMEs in preparing financial statements using financial accounting standards of small and medium entities in the district Tulungagung Tulungagung. The research method used qualitative with quantitative data approach and SWOT analysis tool.

The results obtained formulate several possible alternative strategies for entities based on the consideration of a combination of four strategic factor opportunities, consisting of the SO Strategy, This strategy is based on a way of thinking that is how entities use all the power to take advantage of opportunities. MSMM has a financial reporting system with simple. Simple financial statements consist only of the Income Statement as well as historical financial statement records that can be done by preparing from the financial statements that have been done, or essentially the preparation under SAK ETAP and can be continued with adjustments with the latest SAK EMKM. ST Strategy, This strategy used the power of the entity by avoiding threats and changing as opportunities. MSMEs have a simple financial reporting system. Simple financial statements consist only of the Income Statement and historical financial statement records that can be done by preparing from the financial statements that have been done, or in essence preparation based on SAK ETAP can be done. So with the progress of information technology, and policies that continues to grow MSME to follow and implement, because competition is getting tougher. WO Strategy, This strategy is implemented by taking advantage of existing opportunities and overcome the weaknesses. Low level of education, lack of understanding and skills in accounting, no experts who can do standard bookkeeping, No separation of personal funds with funds used in business processes, The existence of SAK ETAP and will be raised SAK EMKM, Government is very attention to the needs of SMEs, WT Strategy. This strategy is based on defensive activities aimed at minimizing existing weaknesses and avoiding threats. Low level of education resulting in lack of understanding and skills in accounting, No experts who can do the bookkeeping according to the standards, the lack of separation of personal funds with funds used in business processes, advances in information technology, policies are growing, Competitors

Keywords: SAK ETAP, SAK EMKM, SWOT

INTRODUCTIONS

Micro, Small and Medium Enterprises (MSMEs) are economic activities of the people who stand alone and small-scale and dikekola by community groups or families. Micro, Small and Medium Enterprises (MSMEs) are proven to have a role and contribute to the Indonesian economy, in terms of business units, employment, contribution to gross domestic product, exports and investment. By 2015, the number of Small and Medium Enterprises (SMEs) in Indonesia reaches 56.6 million. The large number of MSMEs reflects the amount of potential that can be developed and improved for SMEs to be able to contribute more to this country. Small businesses such as cooperatives and MSMEs contribute substantially to Gross Domestic Product (GDP). In other words, MSMEs can be called the backbone of the country's economy. In many countries, SMEs contribute as much as they do in Indonesia. In Indonesia it self has been established a regulation that requires small businesses to perform a good accounting record that is Government Regulation of the Republic of Indonesia No. 17 of 2013 on the implementation of Law No. 20 of 2008 on Micro, Small and Medium Enterprises. Although the regulation of accounting records is clear, but in reality there are still many UMKM actors who do not make accounting bookkeeping in accordance with the standards. To overcome this problem the Financial Accounting Standards Board (DSAK) in 2009 has made Accounting Standards for Entities Without Public Accountability, called Financial Accounting Standards for Non-Public Accountable Entities (SAK ETAP). The ETAP SAK will take effect January 1, 2011, although implementation prior to the effective date is allowed. The use of SAK ETAP is intended for entities without public accountability ie entities that 1) have no significant public accountability, and 2) Entities that publish financial statements for general purposes for external users. SAK Entity Without Public Accountability (SAK ETAP) is one of the Accounting Standards whose use is intended for business entities that do not have public accountability, such as micro, small and medium enterprise (MSME) entities. When viewed from the level of kekompleksitasannya, SAK ETAP easier to understand when compared with other SAK. In addition, SAK ETAP is also simpler when compared to SAK in general. The majority of MSMEs only record the amount of funds received and costs incurred, as well as out of entry of goods and the amount of debt or receivables owned. Such records can not help them in gaining access to the bank. However, the application of SAK ETAP is not acceptable to MSMEs. There are still many MSMEs that do not apply standard book keeping.

Have no significant public accountability. The main difference between SAK ETAP and SAK EMKM is that SAK EMKM is intended for entities that have no significant public accountability that meets the definitions and characteristics of EMKM in accordance with EMKM regulations in Indonesia. There are some standard specificities in SAK EMKM, some of which are components of the EMKM financial statements comprising only the balance sheet, income statement and notes to the financial statements, the basis for measuring the elements of financial statements on a historical cost basis, no impairment loss except for the entity financial services subject to the provisions of related regulators, fixed assets depreciated on a straight-line method or declining balance without taking into account residual values, comparative reports are sufficient to be presented in only one previous period, the correction of errors and changes in accounting policies are treated not as part of profit or loss in the period of the change, the entity that prepares the financial report using the basic assumptions of cash to convert the financial statements into accrual by adjusting at the end of the reporting period, and so forth. With the issuance of SAK EMKM by DSAK, it is expected to provide convenience to EMKM business actors in preparing financial statements so that later can be the basis of decision making by EMKM management and other parties such as banks, financial institutions, and others.

SAK EMKM is structured to meet the financial reporting needs of micro, small and medium entities. Law No. 20 Year 2008 on Micro, Small and Medium Enterprises can be used as a reference in defining and providing a quantitative range of EMKM.

SAK EMKM is intended for use by entities that are not or have not been able to meet the accounting requirements set forth in SAK ETAP. effective January 1, 2018.

Things that may affect the lack of maximum MSMEs in preparing financial statements include low level of education, lack of knowledge and skills in the field of accounting, do not have experts who can do bookkeeping according to standards, the assumption that bookkeeping is not important in the business, the assumption that accounting is too complicated to do until there is no separation of personal funds and funds used in business processes. (Hutagaol, 2012)

RESEARCH METHODS

Methods in this study used a qualitative descriptive case study approach. The data of primary and secondary data are obtained from interviews, documentation and observation of some actors of UMKM as a reference in digging their readiness in executing the preparation

of financial statements according to Small Medium Micro Small Medium Enterprise Accounting Standards.

DATA ANALYSIS

Analysis of data by using SWOT analysis on SAK ETAP forwarding in subsequent formulation of strategy toward implementation of SAK ETAP consistently by UMKM actors. SWOT analysis which stands for strength/Strength (S), weakness/weaknesses (W), opportunities/opportunities (O), obstacles/Threats (T). SWOT analysis is a form of analysis in which the entity systematically prepares a mature plan in achieving long-term and short-term goals. This SWOT analysis places situations and conditions as input factors and then grouped according to their respective contributions. This technique is made by Albert Humphrey. SWOT analysis method is useful to see the problems of the four different sides. Furthermore, from the analysis can be used to determine the strategy by minimizing the weaknesses of the entity and reduce the impact of threats that arise and deal with obstacles.

FINDING AND DISCUSSION

The data analysis used to solve the problem is as follows:

- a. Strengths (S), determines some of the entity's strengths in preparing its financial statements in accordance with SAK ETAP:
 1. Already have a system of recording financial statements with a simple.
 2. The financial statements of SAK ETAP are very simple, consist only of the Profit and Loss Account and historical financial report records that can be done by preparing from the financial statements that have been done, or in essence, the use of SAK ETAP can be done.
- b. Weaknesses (W), determines some weaknesses that still entail the entity:
 1. Low level of education resulting in less understanding and skills in accounting
 2. Do not have experts who can do the bookkeeping according to the standard
 3. No separation of personal funds with funds used in business processes
- c. Opportunities (O), formulated several opportunities faced by the entity. This should consider the deregulation of the industry as one of the strategic factors.
 1. The existence of the provisions of SAK ETAP and will be raised in SAK EMKM
 2. The Government is very concerned about the needs of MSMEs

d. Threats (T), determines some of the threats facing the entity

1. Advances in information technology
2. A growing policy
3. Competitors

Formulate several possible alternative strategies for entities based on consideration of a combination of four strategic factor opportunities, which consist of:

1) SO Strategy

This strategy is based on a way of thinking, that is how entities use all the power to take advantage of opportunities. MSMEs have a simple financial reporting system. Simple financial statements consist only of the Income Statement as well as historical financial statement records that can be done by preparing from the financial statements that have been done, or essentially the preparation under SAK ETAP and can be continued with adjustments with the latest SAK EMKM.

2) Strategy ST

This strategy is to use the power of the entity by avoiding threats and changing as opportunities. MSMEs have a simple financial reporting system. Simple financial statements consist only of the Income Statement and historical financial statement records that can be done by preparing from the financial statements that have been done, or in essence preparation based on SAK ETAP can be done. So with the progress of information technology, and policies that continue to grow MSME to follow and implement, because competition is getting tougher.

3) WO Strategy

This strategy is implemented by exploiting the opportunities that exist and overcome the weaknesses. Low level of education, lack of understanding and skills in the field of accounting, do not have experts who can do the bookkeeping according to the standards, the lack of separation of personal funds with funds used in business processes, The existence of SAK ETAP and will be raised SAK EMKM, pay attention to the needs of MSMEs

4) WT Strategy

This strategy is based on defensive activities aimed at minimizing existing weaknesses and avoiding threats. Low level of education resulting in lack of understanding and skills in accounting, No experts who can do the bookkeeping according to the standards, the lack of separation of personal funds with funds used in business processes, advances in information technology, policies are growing, Competitors

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