ACCOUNTING EDUCATION BASED ON FINANCE RECORD TRAINING AS THE WAY TO INCREASE REVENUE FROM SMES IN TAMANSARI VILLAGE, LICIN DISTRICT, BANYUWANGI, INDONESIA

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ABSTRACT

The role of accounting education in SMEs is to improve the ability to see business conditions as well as to determine the productivity of the business. Business productivity can be seen from how much income earned by the business. The purpose of this research was to determine the role of accounting education in an effort to increase revenue from SMEs in Tamansari Village. The method used in the research is a qualitative descriptive with comparing the result charity program. Researchers describe the role of training based accounting record of financial statement easier to implementation for research object. The results showed that SMEs in Tamansari village perform properly recording financial statements, will obtain a net profit on business activity is much greater. The role of accounting education in particular recording the correct financial statements will affect the income of a business.

1. Introduction

Accounting education is a education that aims to provide guidance to the object how to prepare financial statements properly to the right business decisions. One of the role of accounting education in SMEs is to improve the ability to see business conditions as well as to determine the productivity of the business. Often, the problems occur in the recording of financial statements of SMEs are not recognizing their burden of labor and transportation costs. Most of SMEs calculate operating profit by simply reducing the income to the cost of initial merchandise. It’s mean that they don’t realize the losses. 90% the SMEs there, do not know how to correct the recording of financial statements. Therefore, we need ‘Accounting Education Based on Training Record Financial as The Way to Increase Revenue from SMEs in Tamansari Village.’

Issues raised in scientific papers as follows, How is the role of accounting education can increase revenue of small traders? And How recording of financial statements easily by small traders?

The purpose of research in the scientific papers as follows: to know the role of accounting education as effort to increase revenue from small traders and to make people in Tamansari Village can prepare the record of financial statement easily.

2. Literature Review

According to Sugiarto and Suwardjono, “accounting can be defined from two aspects: First in terms of accounting, which means the overall knowledge is concerned with the function of
generating an organizational unit of financial information to interested parties as a basis for decision making. Second in terms of accounting is processes or activities can be defined as an activity of recording, sorting, classifying, summarizing, and presenting financial transactions an organizational unit in a certain way (Sugiarto, 1999: 4). Growing and the amount of UMKM, businessman preseption is important or not make financial reporting. Preseption is starting point someone in the give value and doing somethings, including bookkeeping and financial reporting (Schiffman and kanuk, 2010). In fact, Syafri (2008: 201) argues that the financial report is output and the final result of the accounting process. Disclosed in the Accounting Principles Board (APB) Opinion No. 4 which states about the functioning of the financial statements is to provide information that is both financially regarding economic activity and can be used for making economic decisions (APB Opinion 4 in Tearney, 2001). So that the financial statements have criteria should be easily understood, relevant and reliable.

3. Methodology

3.1 The Steps of Research

3.2 Location of Research
Tamansari Village, Licin Kabupaten Banyuwangi, 26-27 September 2015

3.3 Model of Research
Model of research are from study literature, internet, and observation.

3.4 Design of Research
Design of Research fit to purpose that be related of Accounting Education Based on Training Record Financial as The Way to Increase Revenue from Micro Business in Tamansari Village.

3.5 Data Collection Technique
Data collection from questionnaires and tests of knowledge of financial statements

3.6 Data Analysis Technique
Data obtained from of the results of questionnaires and tests of knowledge of financial statements

4. Discussion of Result
The observations at Tamansari Village Sub-District Slippery Banyuwangi shows that, accounting knowledge especially on small trading business is less. This is shown on skills of recording the financial statements is not accordance with accounting standards, not systematic, and can’t distinguish which ones are current assets and fixed assets. In addition there are not obtaining the optimal net revenue cause some costs that overlooked.
Cost of Production process are the cost of materials, labor and factory overhead. These costs will impact on the acquisition of operating revenues. The labor cost was excluded by small businesses. Labor costs ruled out due to double job, between the owners as well as employees. In fact, Selling Cost like a transportation cost not too recording because they think that transportation at business as well as transportation themself. So, The determination of the prices and quantities of products to be achieved is important to cover all cost and raising revenue.

Besides the issue of financial records, any other constraint for developing community business in Desa Tamansari Sub-District Slippery Banyuwangi, there are constrained to capital and production planning. Production planning process that override the target quantity of the product and the pricing per product that does not comply will have an impact on the income earned. Determination of the number of products and the price can be known through the break-even point. Break Even point or BEP is an analysis to determine and find the number of goods or services to be sold to consumers at a certain price to cover the costs incurred as well as the benefit / profit.

The role of accounting education for businessman is needed for preparation financial statements well so that it can take appropriate decisions. Education is key to the progress of all areas. Therefore, the argument of education as a human right needs to develop into education is a tool of social and economic development. "(Bastian, 2007, p. 11)

From the description above, education is very important and can lead to progress in all areas as well as accounting education. According to SAK ETAP, The purpose of financial statements provide financial position information, financial performance, and cash flows of an entity that is useful to a large number of users in making economic decisions. The financial statements are also required for small-scale entities such as street vendors, home-based businesses and others. Its primary purpose is to know how the actual business performance. A small entity often only calculate the income and expenditure of the product and ignore the labor cost, it is gross profit. In fact, the SAK ETAP mentioned gain or loss is the arithmetical difference between income and expenses. Income (income) is increases in economic benefits during the reporting period in the form of inflows or increases in assets or decreases of liabilities that impact increases in equity which do not come from contributions Investor. Expenses are decreases in economic benefits during a reporting period in the form of outflows or a decrease in assets, or the occurrence of liabilities that impact in decreases in equity that are not related to distributions to investors.

The financial statements of the entity include:

(A) the balance sheet;

(B) the income statement;

(C) statement of changes in equity

(D) cash flow statement; and
(E) notes to the financial statements contain a summary of significant accounting policies and other explanatory information.

If the entity just have changes in equity which from profit or loss, dividend payments, error correction ago period, and changes in accounting policies during the financial reporting period presented, the entity may present a income statement and retained earnings as a substitute for the income statement and statement of changes in equity. So, there is financial statements required to be made by small traders is income statement.

A simple profit and loss calculation for Small Traders:

1) Calculate the gross profit

2) Calculated net income from gross income minus total expenditure

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Many small traders who do not understand how many the minimum that must be sold in order that the company did not suffer losses, minimal impact between revenue and expenditure. Therefore, this training has another goal to inform the small traders sold how many quantity should therefore is induced. This theory is known as the break-even point, break even point or BEP is an analysis to determine and find the number of goods or services to be sold to consumers at a certain price to cover the costs incurred as well as the benefit / profit. Break even point occurs when total revenue equals total costs, which total costs consist of fixed costs and variable costs. Simple techniques we use in this training while still referring to the initial formulation of the theory.
BEP occurs when total revenue minus cost of good sold and other cost equal to zero. Systematically written:

\[
\text{Total Revenue} = \text{Total Cost} \quad (1)
\]

\[
\text{Total Revenue} - \text{Total Cost} = 0 \quad (2)
\]

From the table above break-even point is obtained when sales = spending. So to be the quantity which must be sought is as follows:

\[(\text{The selling price} \times \text{quantity sold}) - \text{total expenditure} = 0 \quad (3)\]

\[
\text{Quantity sold} = \frac{\text{total expenditure}}{\text{sales price}} \quad (4)
\]

5. Conclusion

Based on research results that matched the literature study shows that the role of education accounting can prepare and make financial statements good, so that it can take appropriate decisions. The minimal financial statements must made by SMEs is an income statement with a simple calculation, a simple calculation aims to facilitate SMEs in receiving accounting education. Here simple calculation: Quantities sold = total expenditure / sales price. These calculations are used to determine the amounts to be sold by SMEs to reach the point of impact.

References


Bastian, I, Akuntansi Pendidikan (Jakarta: Erlangga, 2007)

Ikatan Akuntansi Indonesia, SAK ETAP (Jakarta : DSAK, 2009)


Zahri, Rihan Mustafa. 2014. diakses melalui [link] tanggal 20 november 2015