

THE ROLE OF ACCOUNTING RECORDS IN HALAL MICRO SMALL AND MEDIUM ENTERPRISES (MSMEs) (Case Study of Halal MSMEs in Medan Denai District)

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Abstract: Research purposes This For know role recording accounting for Halal Micro , Small and Medium Enterprises (MSMEs) at Halal MSMEs, Medan Denai District . Approach research used use approach qualitative. Deep data collection techniques study This use results observation and interviews. Respondent in study This consists from Owner MSME businesses Halal Medan Denai District which consists of from types of Culinary MSMEs. Research result show that recording accounting for Halal MSMEs has very important role. Role recording accountancy for MSMEs have role as monitoring finance , Decision making , compliance tax , access financing , monitoring debts and receivables , planning finance , monitoring efficiency operations and internal control.

Keywords: *Accounting , MSMEs and Finance*

Introduction

Micro , Small and Medium Enterprises (MSMEs) are type a business owned and managed by one individual or group small capital owners . Capital for MSMEs usually originate from owner or small capital group . Although the target generally is a local market , some MSMEs also export product they to abroad , however own amount employees , total assets , and limited facilities . MSMEs include various type business like company manufacturing , company trade , and company.

One of challenge main problems faced by related MSME entrepreneurs with managing MSME business funds (Savitri & Saifudin, 2018) . Effective fund management become factor decider success or failure of MSMEs. One of method practical and effective in managing MSME funds is through application good accounting. _ With Thus , accounting allows MSMEs to obtain information necessary finances _ For operate his business (Pujiono et al., 2018) .

Recording accountancy must take notes every transactions that occur in accordance with standard applicable accounting . _ Standard accountancy covers aspect recognition , measurement, presentation , and disclosure , which become base For compile report finances are possible trusted (Maharani & Nuraini, 2017) . Although Thus , implementation bookkeeping often considered difficult for MSME entrepreneurs because limitations knowledge to knowledge accounting, complexity of accounting processes , and presumptions that report finance it's not important thing _ for MSME entrepreneurs .

MSME entrepreneurs often face difficulty in carry out bookkeeping Because a number of reason main . First, a lot from they own limitations knowledge related knowledge accountancy. Most of the MSME owners perhaps No own background behind education or training in field accounting, so they Possible less familiar with concepts principles, regulations, and practices accountancy.

Second, the complexity of the accounting process can become obstacle. Bookkeeping involve various stages, incl collecting transaction data, recording, classifying and compiling report finance. For MSME entrepreneurs who don't own experience or an organized system , this process can felt complicated and consuming time.

Apart from that, there is presumption common among _ MSME entrepreneurs that report finance it's not important thing. _ A number of Possible see it as task consuming administration _ time without give benefit real for development business they . As a result , they Possible tend ignore or reduce importance bookkeeping , leading to a lack of understanding about condition finance they Alone .

Important For realize that although bookkeeping Possible felt difficult, advantage period length can significant. Information Accurate and organized finances _ help MSME entrepreneurs create more decisions _ OK , get it access to source Power finance external , and managing risk with more effective . Therefore _ it , improves understanding and applying practice good bookkeeping _ can become step crucial For increase health finance and growth MSME business .

Literature Review

According to the 1945 Constitution later strengthened through TAP MPR NO.XVI/MPR RI/1998 concerning Political Economy in frame Economic Democracy, Micro, Small and Medium Enterprises need empowered as an integral part of the people 's economy position, role, and potential strategic For realize structure economy increasingly national _ balanced , developed and just . Furthermore make it understanding of MSMEs through Law No.9 of 1999 and because circumstances increasing development _ dynamic changed to Law No.20 Article 1 of 2008 concerning Micro , Small and Medium Enterprises so The definition of MSME is as following: 381 1) Micro Enterprises is business productive owned by individuals and / or business entities individuals who fulfill it Micro Business criteria as arranged in Constitution This. 2) Small Business is business economy productive standing _ themselves , carried out by individuals or a business entity that is not is child company or No branch companies owned , controlled , or _ become part Good direct nor No direct from Medium Enterprises or Large Business that meets Small Business criteria as follows intended in Constitution _ _ This . 3) Medium Enterprises is business economy productive standing _ themselves , carried out by individuals or a business entity that is not is child company or branch companies owned , controlled , or _ become part Good direct nor No direct with Small Business or Large Business with amount riches clean or results sale annual as arranged in Constitution _ _ This . 4) Big Business is business economy productive activities carried out by business entities with amount riches clean or results sale annual more big from Medium Enterprises , which includes business national state property or private , business joint ventures and ventures foreigners do it activity economy in Indonesia. 5) The business world

includes micro businesses , small businesses, medium businesses and large businesses activity economy in Indonesia and domiciled in Indonesia (Suci, 2008) .

The role of MSMEs is as mover for development halal industry in Indonesia and provide sufficient contribution _ big for Indonesian economy so based MSME development this halal product occupy role priority (Daily, 2023) . Halal MSMEs are MSME industry which in the process has through stages technically no _ violate Islamic rules /shariah For produce halal products (Pujiono et al., 2018) . For strengthen Halal products , then given a halal label/ certification by the authorized institution . Since its founding Organization Islamic Conference (OIC) at the beginning In the 1970s, the halal industry also developed in a way significant in every Muslim country , even in non-Muslim countries even though . Non-Muslim communities also started realize benefit from Halal products are starting from cleanliness , safety , content nutrition , and so on . This halal lifestyle _ impact directly on upgrading request will halal products . Awareness will halal products (halal awareness) no only applies for consumer as user products , but also for perpetrator business, manufacturer, or provider service . The fact that halal lifestyle has become trend contemporary show that consumer awareness is halal the more Lots popping up . The development of halal lifestyle and halal awareness requires MSME actors have certificate halal products . Because of that , MSMEs must improve branding position, ground and spread halal awareness and halal life style, be careful in every stages of the production process , guarantee safety and hygiene products , and improve Power competitive product For exported to a very caring country to halal products .

Recording accountancy refers to the process of collecting , recording , and storing information finance something entity or organization . The main purpose recording accountancy is take notes every transaction financial happenings _ in business or organization so that it can produce report accurate and relevant financials . _ In the recording process accounting , every transaction finance , like purchases , sales , receipts , and expenses are recorded in a way systematic and detailed . Recording This covers elements like amount transactions , dates , descriptions , and related accounts . Information This Then used For compile report finance , incl balance sheet , report profit losses , and reports cash flow .

Accountancy is something stages of the process of collecting , identifying , recording , classifying , summarizing as well as presentation or report from many transaction finance as well as interpretation the result To use taking decision . Recording accountancy help in manage and understand aspect finance something entity , incl fund management , monitoring health finance , and fulfillment obligation law and taxation . This process is also supportive taking right decision , planning _ finance , and evaluation performance business .

Accounting objectives in a way general is : Giving information regarding finance , in particular That assets nor Company liabilities ; Prepare bunch information about changes to various source economic (net) Company; Expose A information regarding changes to various source economy company , assets , debt , and capital; Serve a number of information other related report finance For help user report the ; Explain information finance company , expected can help with construction potency profit company .

Purpose of the report finance according to SAK EMKM (2016: par. 2.1) is For provide information position finance and performance something useful entity _ for a number big user in taking decision economically by anyone who doesn't in position can request report finance special

For fulfil information the . In accordance with SAK EMKM (2016: par. 3.9), MSMEs need serve report Minimum finances consist from (1) report position finances at the end period , (2) report profit loss , and (3) notes on report finance (calc).

Benefits of Accounting for Micro , Small and Medium Enterprises (MSMEs) Accounting can also give report activity moderate finances _ walk , will give base information in taking strategic decisions _ about business unit development . Application accountancy based on producing MSMEs report finance as the output will be expedite activity effort , materials evaluation performance , treat effective planning _ so that can convincing party external in participation capital investment in business units nor borrowing funds by creditors

By general , recording accountancy is an integral part of system accountancy something organization and purpose For create accurate , documented , and organized records from activity finance company or entity business . Report finance is part of the reporting process finance . Recording accountancy for MSMEs to be able to prepare company financial reports . Report complete company finances usually covers balance sheet , report profit loss , report change position finances (which can served regards various method for example , as report cash flow , or fund flow reports) , notes and reports as well as material explanation which is an integral part of report finance (Hani & Fauzi, 2017) . Report finances prepared by management _ company according to IAI (2004:13) consists of from balance sheet, report profit loss (income statement), report cash flow (statement of cash flow), report change equity (statement of charge in equity), notes on report finance (note to financial statement). Report finances basically _ is results of the accounting process that can be used as tool For communicate between financial data or activity something company with interested parties _ with arrangement or activities company the . Every business being assessed Enough adequate Of course experience enough competition _ strict . Including SMEs as one _ businesses that have managed leads _ with knowledge accountancy For make something report finance . Report finance become role in ongoing development and improvement progress effort to get it survive and get it compete with other businesses . Optimization report finance Of course No regardless from how management finance done in a way effective and efficient , so give influence to enhancement performance and improvements Power competitive business (Dahrani et al., 2022)

Method

Approach research used _ in study use approach Qualitative with type descriptive role recording accountancy for Halal MSME actors. Data used by the author in study This is primary data. Primary data in study This is form results interview to perpetrator Halal MSME businesses located in Medan Denai District MSMEs . With owner as sample study . Procedure deep data collection study This is form interviews and observations .

Results and Discussion

Recording accountancy hold role important in the context of Micro , Small and Medium Enterprises (MSMEs) which focus on Halal products . Based on the results interview to Respondent show that some of the Medan Denai District MSMEs who were interviewed do recording bookkeeping transaction finance simple For every transaction effort , but Still there are

Halal MSMEs that are not yet do recording transaction finance daily business . Recording transaction finances carried out by MSMEs is one of activity accountancy ie in the recording . Cycle activity accountancy consists from recording, classifying, summarizing and reporting finance . Activity recording accounting for Halal MSMEs in Medan Denai District is carried out through collection and recording proof transaction sell buy related items _ with MSME businesses , noted every Medan Denai District Halal MSME transactions , recorded Cash receipts are recorded in the cash entry book cash outflow _ cash out book every happen transaction effort , compose reactitulation bookkeeping finance every the day in a way Good until preparation report finance .

Based on the results study to MSME actors do not gather proof transaction finances and record keeping proof transaction finance the caused Because Still nearest a number of lack of MSME actors realize importance collection proof transaction finance For become material consideration taking decision For MSME owners . Apart from that , MSME players are reluctant gather proof transaction finance caused Still there is a number of MSME actors who do not have Lots time For record and save proof transaction finance in a way good and neat . Collection and evidence recording transaction finance This as step beginning recording accountancy can help perpetrator Halal MSME businesses for evaluate use source Power moment happen waste of funds spent on transactions certain .

Following role important recording accountancy for Halal MSMEs you can outlined as following:

- a.) Financial Supervision:
Recording accountancy give support for Halal MSMEs in monitor condition finance they . With take notes every transaction finance, Halal MSMEs can evaluate extent of balance between income and expenses in operational his business
- b.) Decision Making:
Information documented finances _ in a way Good can become base for Halal MSME owners for make accurate decision . _ For example, whether need do expansion business , implement subtraction cost , or develop marketing strategies new .
- c.) Train Discipline Payment of taxes:
Recording accountancy supporting Halal MSMEs in obey obligation tax . With notes proper finances , Halal MSMEs can with easy compile report taxes required by the authorities tax .
- d.) Access to Financing and Investment :
Most of the institution finance request information proper finances _ as condition For give loan or financing . Recording good accounting _ can increase MSME opportunities for get access to required financing . _
- e.) Monitoring Payables and Receivables :
Recording accountancy help MSMEs to monitor debts and receivables with Good . This is important For guard cash flow and avoidance problem possible liquidity _ harm business .
- d.) Internal Financial Planning Development Business :
Recording accountancy give a solid foundation for planning finance period long and term short . MSMEs can identify trend finance and planning appropriate steps . _

- e.) Monitoring Management Risk and Security Financial :
With take notes every transactions , MSMEs can track efficiency its operations . This helps they identify areas of efficiency can improved For increase profitability .
- f.) Internal Business Control:
Recording accounting also helps MSMEs in implement effective internal control . This includes separation tasks , monitoring activity finances , and prevention fraud . Recording accountancy No only useful for party external like financing and taxes , but also an very valuable tool for MSME owners for manage business they with more effective .

Based on the results interview with Halal MSMEs found that reason Not yet did it recording transaction accountancy caused a number of matter that is :

- a.) Still not know benefit from recording accountancy
- b.) Not yet own ability For compile report finance. Limitations knowledge accountancy cause owner No capable apply recording accountancy in operational his business .
- c.) No own knowledge about How do recording accountancy with well, esp in making report finance in accordance with standard accountancy finance.
- d.) There are still Halal MSMEs that use business cash For need MSME daily , so cash receipts received every the day always No can cover business capital.
- e.) MSME owners do not differentiate bookkeeping finance For reception cash with _ bookkeeping cash outlay.
- f.) MSME owners do not understand benefit from files document transaction finances, as it should be document files transaction finance This can become proof possible transactions _ insured answer if there is problem finances later _ day. Apart from that, it is also an archive document this is also done as base recording accountancy

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