

## **Analysis of the Implementation of Accounting Standard Non Publicly Accountable Entities (SAK ETAP) In Badan Usaha Milik Desa (BUMDes)**

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**Abstract:** Bogor Regency is a district in West Java Province that has many villages that have BUMDes such as BUMDes Karanggan Bersatu in Gunung Putri which is engaged in the maintenance and procurement of garden and ornamental gardens with Australian grass cultivation, then BUMDes Kurnia Abadi in Tajurhalang which is engaged in services primarily in services savings and loans, and BUMDes Adi Karya Mandiri in Babakan Madang are engaged in the field of manufacturing product primarily made cans of garbage. BUMDes must refer to general guidelines, namely the Financial Accounting Standards for Entities without Public Accountability. The purpose of this research is to provide knowledge of the application of SAK ETAP in preparing financial reports, to explain the obstacles in implementing SAK ETAP and to provide solutions. This research was conducted at BUMDes Karanggan Bersatu in Gunung Putri and also BUMDes Adi Karya Mandiri Sumur Batu Village, Babakan Madang District, Bogor Regency. This type of research is a qualitative descriptive method. The data used are qualitative data with data collection techniques from the results of interviews, observations, documentation, records of reports on transaction evidence and literature studies. The results showed that the financial statements BUMDes were not in accordance with the SAK ETAP. BUMDes presents only one type of financial statement, namely the statement of profit or loss. Recognition and measurement of financial statements presentation have not fully implemented the SAK ETAP properly. Constraints: Low understanding of SAK ETAP. The absence of an intensive companion. Lack of socialization. The occurrence of multitasking. Lack of supervision.

**Keywords:** SAK ETAP, BUMDes, Annual Report

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### **Preliminary**

Accounting has standards in preparing financial reports, the Indonesian Institute of Accountants (IAI) has published standards in preparing financial reports. The standards for preparing these financial reports are in the form of Financial Accounting Standards and Financial Accounting Standards for Entities without Public Accountability. With this standard, these standards can facilitate the preparation of financial reports. SAK ETAP is effective for the preparation of financial statements beginning on or after January 1, 2011.

In accordance with the scope of SAK ETAP, it is intended for use by entities without public accountability. The entity without public accountability in question is an entity that does not have significant public accountability and issues financial reports for general purposes to external users. Then the stipulation of these standards is expected to be able to apply and adjust what has been regulated in it, so as to achieve reliable financial reports, as well as create transparency, accountability and globalization of the language of financial statements.

According to Law Number 6 of 2014 concerning Villages, it is stated that BUMDes is a business entity whose entire or most of its capital is owned by the village through direct participation of separated village assets to manage assets, services and other businesses for the maximum welfare of the Village community. Village-owned enterprises (BUMDes) are business entities that are characterized by a village and are formed collectively by the Village Government and the Village community.

The implementation of the preparation of BUMDes financial reports must pay close attention to the financial standards used. This means that in terms of preparing its financial statements, BUMDes must refer to general guidelines, namely Financial Accounting Standards for Entities without Public Accountability or often referred to as SAK ETAP. In SAK ETAP, the presentation of financial statements states that the complete financial statements of an entity consist of: Financial Position Report, Profit and Loss Report, Change in Equity Report, Cash Flow Statement and Notes to Financial Statements. This means that BUMDes must prepare complete financial reports in accordance with SAK ETAP guidelines.

Bogor Regency is a district in West Java Province that has many villages that have BUMDes such as BUMDes Karanggan Bersatu in Gunung Putri which is engaged in the maintenance and procurement of garden and ornamental gardens with Australian grass cultivation, then BUMDes Kurnia Abadi in Tajurhalang which is engaged in services primarily in services savings and loans, and BUMDes Adi Karya Mandiri in Babakan

Madang are engaged in the field of manufacturing product primarily made cans of garbage. With the BUMDes, it is hoped that it can move the economy in rural areas. According to Ade Yasin as the Regent of Bogor, out of 416 villages in Bogor Regency, only 276 villages have BUMDes, of which only 189 BUMDes are active while other are still not active. In fact based on data from the Village Community Empowerment Service of the 189 BUMDes that were only active, only 2 BUMDes were in advanced categories, 22 BUMDes were developing and 165 Villages were in basic categories. The existence of BUMDes is important because it wants to build thus district from a village that does not destroy nature, maximizes existing potential and is sustainable (kanaljabar.com 2019)

Sumur Batu Village, Babakan Madang District, is one of the villages in Bogor Regency. The number of factories and businesses that are located in the vicinity of Sumur Batu Village supports the village economy. The economy that is growing rapidly has an influence on the progress of social welfare in the economy of rural communities. To encourage this progress, the Adi Karya Mandiri Village-Owned Enterprise (BUMDes) was formed in Sumur Batu Village which aims to increase the Village's original income in order to increase the capacity of the Village Government.

BUMDes Adi Karya Mandiri is engaged in manufacturing, where the main production is trash cans. The BUMDes has been established since 2014. Even though it has been selected as the location for BUMDes empowerment, it does not mean that the BUMDes Adi Karya Mandiri in Sumur Batu Village has not encountered any problems, there are several problems that need to be studied in the Adi Karya Mandiri BUMDes, one of which is the financial statements they have compiled whether has met the predetermined standards, namely the Financial Accounting Standards for Entities without Public Accountability (SAK ETAP). The following is data on the completeness of financial statement presentation at BUMDes Adi Karya Mandiri based on the presentation of SAK ETAP financial statements and this data is obtained using the interview method with the Chairman of BUMDes.

BUMDes Adi Karya Mandiri and BUMDes Karanggan Bersatu in preparing its financial statements is still not in accordance with SAK ETAP, usually BUMDes management only provides a profit or loss calculation report which is self-calculated but does not present detailed financial reports of all income and expenditure in the current period since BUMDes was founded. So that it can raise suspicion over the management of BUMDes. This will cause problems when BUMDes funds are managed from their activities without going through a recording process based on SAK ETAP. So guidance is needed for BUMDes management on the management of financial reports in accordance with the standards of SAK ETAP.

## **Literature Review**

### **1. Definition of Financial Statements**

The Association of Accountants Indonesian (IAI) in the Statement of Standard Accounting Finance (2018 : IAS 1) put forward the notion reports Financial is representation structured from a position of financial and performance finance an entity. Lubis (2017 : 137) stated the report financial is the result of the end of the process of recording which is summary of transactions in financial that occurred during the years of the book that happened during the years of the book are concerned.

### **2. Purpose of Financial Statements**

IAI (2018: ETAP3) explains that the purpose of financial statements is to provide information about the financial position, financial performance and cash flow statement of an entity that is useful for most users of financial statements in making economic decisions by anyone who is not in a position to request specific financial reports. to meet specific information needs. In fulfilling its objectives, financial statements also show what management has done ( *stewardship* ) or management's accountability for the resources entrusted to it.

According to IAI in PSAK (2018: 1.3) it is known that financial statements aim to provide information about the financial position, financial performance and cash flow of an entity that is useful for most users of financial statements in making economic decisions. Financial reports also show the results of management's accountability for the use of resources entrusted to them.

### **3. Definition of Financial Accounting Standards for Entities without Public Accountability (SAK ETAP)**

Financial accounting standards for entities without public accountability or SAK ETAP are financial accounting standards intended for entities without public accountability. SAK ETAP was approved by eighteen members of the Financial Accounting Standards Board of the Indonesian Institute of Accountants (DSAK IAI) on May 19, 2009 in Jakarta. SAK ETAP consists of 30 chapters and is equipped with a glossary at the end. SAK ETAP is the second pillar of financial accounting standards in Indonesia after IFRS-based general SAK. SAK ETAP regulates accounting records that are simpler than general SAK in terms of recognition, measurement and

disclosure of transactions in financial statements. SAK ETAP is effective on financial statements starting on or after January 1, 2011 and earlier application is permitted. Financial Accounting Standards for Entities without Public Accountability (SAK ETAP) are intended for use by entities without public accountability. An entity without public accountability is an entity that:

1. Do not have the accountability of public significant
2. Issue general purposes for financial statements for external users. Examples of external users are owners who are not directly involved in managing the business, creditors, and credit rating agencies.

An entity has significant public accountability if:

1. The entity has submitted a registration statement, or is in the process of filing a registration statement, with the capital market authority or other regulator for the purpose of issuing securities in the capital market; or
2. Entities hold assets in the capacity as fiduciary for a large group of people, such as banks, insurance entities, brokers and / or securities traders, pension funds, mutual funds and investment banks.

Marota and Agung, 2020 in their book Village Development and Financial Supervision Systems, that it is very important for every organization, especially BUMDes, to make and be accountable for the use of village funds.

## **Research Methods**

### **Type of research**

Type of research is using research descriptive qualitative .

### **Objects, Unit of Analysis and Location Research**

Object of study in research this is Owned Village ( BUMDes ) Adi Karya Mandiri village wells Batu subdistrict Babakan Madang district , Bogor and BUMDes Karanggan Bersatu in Gunung Putri . The research is discussed about the preparation of reports finances. The unit of analysis are used in research this is the organization. In the case of this unit of analysis is part of an organization that is Owned village of Adi Karya Mandiri in the village wells Batu subdistrict Babakan Madang district, Bogor. Locations in research this is Owned Village ( BUMDes ) Adi Karya Mandiri in the village wells Batu, District of Babakan Madang, District Bogor Indonesia.

### **Type and source data in the study**

Type of data used in the study is more many use the data qualitatively , the analysis that is done to the data non numbers as the result of the interview , or record reports and books .

1. Sources of primary data, the data obtained by researchers directly from the unit of analysis were examined to obtain information directly about the condition of the organization the group as a whole , the involvement or participation of members , the perception of direct member of the BUMDes Adi Karya Mandiri village wells Batu subdistrict Babakan Madang district , Bogor and BUMDes Karanggan Bersatu in Gunung Putri and also other data which need to be observed in direct .
2. Source data secondary , the data obtained by researchers are not directly from newspapers , magazines , journals , and publications other. collection of data is done to obtain information about the diversity of location of research , institutional formal and parties are associated with BUMDes Adi Karya Mandiri village wells Batu subdistrict Babakan Madang district , Bogor and BUMDes Karanggan Bersatu in Gunung Putri.

### **Techniques Collection of Data In a study of this**

The author will use two techniques of collecting the data , namely : Field Research Methods Interviews , Methods of Observation , Documentation . Library Research ( Research Library ) , namely with mengumpulkan data obtained through the study of the library , by way of collecting data or documents - documents institutes and literature are associated with the research . Mechanical analysis of the data in the study this is to matode descriptive qualitative

## **Results and Discussion**

BUMDes Adi Karya Mandiri Sumur Batu Village, Babakan Madang Subdistrict, Bogor Regency, was formed through the Sumur Batu Village Deliberation forum on December 12, 2014. Management of Waste Bin Manufacturing that is professionally managed will provide good service to the community in terms of product quality. On the other hand, it will provide additional village income in the form of residual income that must be deposited into the village treasury every year.

BUMDes which is located on Jl. Customer no. 174 Karanggan Village, Kec. Gunungputri (in front of Jagorawi Golf or next to the Karanggan toll gate), this BUMDes is called Karanggan Bersatu. Date of Establishment of BUMDes on 02 February 2019

### **Business activities**

#### **1. Business Unit**

The Waste Bin Manufacturing Management Business Unit, BUMDes Adi Karya Mandiri has received many orders for trash cans from various places such as offices, schools, universities, the community and others. BUMDes Karanggan engaged in agribusiness, especially grass australia for horse feed.

#### **2. Financial resources obtained**

- a. Village capital participation,
- b. Equity participation of Village community groups in Rural Areas, and / or
- c. Government Assistance, provincial government, district / city government, and the private sector that are proposed for the development of Rural Areas.

### **The organizational structure**

The organizational structure of Bumdes Adi Karya Mandiri in Sumur Batu Village, Babakan Madang District consists of :

Advisor : Head of Sumur Batu Village Chairman: Acep Bin Cecep  
Secretary : Eka Nurdiyati  
Treasurer : Nelpiana  
Manager : Budianto  
Supervisor : Aspani

The organizational structure of Bumdes Karanggan in Karanggan Village, Kec. Gunungputri consists of :

Advisor : Adang  
Secretary : Ria Mayasari  
Treasurer : Husnia Oktaviani  
Manager : Ade Jumanta  
Supervisor : Purnomo Sidi

#### **2. Vision and Mission BUMDes**

##### **a. BUMDes vision:**

The realization of community independence towards a prosperous society based on faith and piety to Allah SWT.

##### **b. Bumdes mission:**

- i Encourage the development of businesses to increase people's income.
- ii To accommodate various economic businesses occupied by the community.
- iii Encourage and facilitate the process of strengthening community business organizations.
- iv Creating space and opportunities for empowering the poor to improve welfare.
- v Increase the capacity of community institutions in managing business activities and financial accountability.

#### **3. Purpose of Bumdes:**

- a. Encouraging the development of rural community economic activities in rural areas.
- b. Increase creativity and productive economic business opportunities (low-income rural community entrepreneurship).
- c. Increase village original income.
- d. Increase the processing of village potential in rural areas according to community needs.

#### **4. Legal Entity**

Bumdes Adi Karya Mandiri is not yet a legal entity, but it is legal because it has been stipulated by a Village Head Regulation so that its establishment has a legal basis. The Village Head Regulation regarding the establishment of Bumdes Adi Karya Mandiri is in accordance with existing laws and regulations in

Indonesia, especially Law Number 6/2014 concerning Villages, and PDRTT Permendesa Number 4/2015 concerning Procedures for the establishment, management and management, and dissolution of Bumdes.

BUMDes financial reporting is the final stage in the accounting cycle as the final report. Financial reporting is an accounting process that can be used to communicate financial data with the parties concerned. Financial reports can provide information with respect to the financial condition and results that can be achieved by the BUMDes within a certain period so that from this financial report, it is used as a guideline for evaluating parties working with BUMDes, both internal and external parties. So that the preparation of financial statements is always maximized in order to meet the requirements in accounting, in terms of function, relevance, and ease of understanding the contents of these financial statements.

SAK ETAP it self, complete financial statements including the statement of Financial Position, Statement of Profit or Loss, Statement Changes in Equity, Statement of Cash Flows and Notes on The Financial Statements that contain significant accounting policy summaries and other explanatory information. Meanwhile, in the financial statements of BUMDes "Adi Karya Mandiri", only Statement of Profit or Loss is presented. This is actually not surprising, in the BUMDes "Adi Karya Mandiri" the financial statements are prepared by one person who holds two responsibilities as the head of the BUMDes and concurrently the treasurer. All recording transactions and preparation of BUMDes financial reports are only submitted to one person who takes care of all BUMDes finances from recording transactions to preparing financial reports. In addition, the recording of financial reports is still done manually and not through the system.

BUMDes Adi Karya Mandiri reports to the Village Head only to provide a profit / loss calculation report, but the report does not specify the sources of income and expenditure made in the current period. This is due to a lack of understanding on the correct preparation of financial statements in accordance with financial reporting standards in because in BUMDes Adi Karya Mandiri lack of experts in administering BUMDes, so that the occurrence of *multi-tasking* in the execution of tasks that experienced by the chairman BUMDes. So this raises a problem when BUMDes funds are managed from their activities without going through a recording process based on SAK ETAP.

In recognition and measurement, the presentation of BUMDes Adi Karya Mandiri's financial statements has not fully implemented SAK ETAP properly. Obstacles faced by BUMDes Adi Karya Mandiri in Implementing SAK ETAP on Financial Statements of BUMDes Adi Karya Mandiri have not been fully realized. This is because there are inhibiting factors that cause difficulty in implementing the SAK ETAP. From the research conducted, the authors analyzed several things that hindered the application of SAK ETAP on the Financial Statements of the Adi Karya Mandiri BUMDes. The owner's understanding of SAK ETAP was low. The absence of intensive companion SAK related to the implementation of ETAP can be an obstacle because of ignorance will practice in the making of statements financial. Lack of socialization to BUMDes regarding Financial Statements that are in accordance with SAK ETAP by the Indonesian Institute of Accountants as the originators of this standard guideline. The occurrence of *multi-tasking* in performing tasks that in naturally by the chairman BUMDes in terms of administration and finance so that the transaction data mess. Lack of supervision from interested parties on the financial statements of the Adi Karya Mandiri BUMDes.

For the presentation of Statements of Financial BUMDes Adi Karya Mandiri data-data that is required in making the report the position of finance among others:

1. The data evidence of transaction revenue and expenditure BUMDes Adi Karya Mandiri, classifying the data assets are comprised of current assets, fixed assets.
2. Data depreciation of assets that are owned by BUMDes Adi Karya Mandiri where the calculation of depreciation using the methods of the lines straight.
3. Data on the obligations of the BUMDes Adi Karya Mandiri.
4. BUMDes Adi Karya Mandiri equity data.
5. Income data on the sale of goods produced by the BUMDes Adi Karya Mandiri.
6. Data on purchasing materials for the production of BUMDes Adi Karya Mandiri.
7. BUMDes Adi Karya Mandiri costs data.
8. Make a journal, post to the ledger, making trial balance, make a journal adjustment, Worksheet, then create reports Financial which consisted of reports the statement of Financial Position, Statement of Profit or Loss, Statement Changes in Equity, Statement of Cash Flows and Notes on The Financial Statements.

**Presentation Financial Statements**

The financial statements present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires fair presentation of the effects of transactions, other events and conditions consistent with the definitions and criteria for recognizing assets, liabilities, income and expenses. The study of the BUMDes Adi Karya Mandiri data includes evidence of transactions, an income statement, but in making an income statement it has not used standards in making correct financial statements. In this case, the BUMDes Adi Karya Mandiri has not prepared a financial report in accordance with the SAK ETAP .

**a. The Statement of Financial Position**

**BUMDES ADI KARYA MANDIRI  
DESA SUMUR BATU BABAKAN MADANG  
STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2019

<b>ASSETS</b>		<b>LIABILITIES</b>	
Current Assets		Trade Creditors	19.000.000
Cash	Rp 146.008.800		
Trade debtors	Rp 61.165.000		
<b>Total Current Assets</b>	<b>Rp 207.173.800</b>	<b>Total Liabilities</b>	<b>Rp 19.000.000</b>
Non- Current Assets			
Supplies	Rp 140.000	<b>EQUITY</b>	
Equipment	Rp 14.001.000	Balance Equity	Rp 194.431.800
Acumulated depreciation of equipment	Rp (7.883.000)		
<b>Total Non- Current Assets</b>	<b>Rp 6.258.000</b>	<b>Total Equity</b>	<b>Rp 194.431.800</b>
<b>TOTAL ASSETS</b>	<b>Rp 213.431.800</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>Rp 213.431.800</b>

Source: Compiled by the author 2020

**b. The Statement of Profit or Loss**

**BUMDES ADI KARYA MANDIRI  
DESA SUMUR BATU BABAKAN MADANG  
STATEMENT OF PROFIT OR LOSS**

AS AT 31 DECEMBER 2019

Net Sales		Rp 103.650.000
Cost Of Goods Sold :		
Direct Material	Rp 42.463.500	
Direct Labor	Rp 15.062.000	
Overhead Costs :		
Indirect Material	Rp 10.751.500	
Electric Expense	Rp 1.920.000	
Building Rent Expense	Rp 6.000.000	
Depreciation Expense	Rp 2.000.000	
Supplies Expense	Rp 201.500	
<b>TOTAL COST OF GOOD SOLD</b>		<b>Rp (78.398.500)</b>
Other Income		Rp 27.100.000
<b>GROSS PROFIT</b>		<b>Rp 52.351.500</b>
Expenses :		
Uniform Expense	Rp 1.000.000	
Administration Expense	Rp 1.700.000	
Fuel Expense	Rp 215.000	
Transportation Expense	Rp 88.000	
<b>TOTAL EXPENSES</b>		<b>Rp 3.003.000</b>

<b>PROFIT</b>		Rp	49.348.500
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Source: Compiled by the author 2020

**BUMDES ADI KARYA MANDIRI  
DESA SUMUR BATU BABAKAN MADANG  
RESIDUAL INCOME REPORT  
AS AT 31 DECEMBER 2019**

Village	30%	Rp	14.804.550
BUMDes	40%	Rp	19.739.400
Community Activities	10%	Rp	4.934.850
Employee	20%	Rp	9.869.700
<b>Total</b>		<b>Rp</b>	<b>49.348.500</b>

Source: Compiled by the author 2020

**c. The Statement of Changes in Equity**

**BUMDES ADI KARYA MANDIRI  
DESA SUMUR BATU BABAKAN MADANG  
STATEMENT OF CHANGES IN EQUITY  
AS AT 31 DECEMBER 2019**

Restated balance as at 31 December 2019			Rp	145.083.300
Paid Up Capital	Rp	-		
Retained Earning	Rp	-		
Net Profit	Rp	49.348.500		
<b>Balance Equity</b>			<b>Rp</b>	<b>194.431.800</b>

Source: Compiled by the author 2020

**a. The Statement of Cash Flows**

**BUMDES ADI KARYA MANDIRI  
DESA SUMUR BATU BABAKAN MADANG  
STATEMENT OF CASH FLOWS  
AS AT 31 DECEMBER 2019**

<b>Operating Activities</b>				
Sales			Rp	103.650.000
Other Income			Rp	27.100.000
Direct Material	Rp (42.463.500)			
Direct Labor	Rp (15.062.000)			
Overhead	Rp (20.873.000)			
Total Expenses	Rp (3.003.000)	<u>Rp</u>	<u>(81.401.500)</u>	
Net Profit			Rp	49.348.500
Increase in Trade Receivables			Rp	(50.650.000)
Purchase of Supplies			Rp	(140.000)
Acumulated depreciation of equipment			Rp	2.000.000
Reduction Supplies			Rp	201.500
Increase in Payable			Rp	20.000.000
Reduction in Payable			Rp	(1.000.000)
<b>Cash Flows From Operating</b>			<b>Rp</b>	<b>19.760.000</b>

<b>Activities</b>	
<b>Investing Activities</b>	
Purchase of Equipment	Rp (2.473.000)
<b>Cash Flow From Investing Activities</b>	Rp (2.473.000)
<b>Financing Activities</b>	
Paid Up Capital	Rp -
<b>Cash Flow From Financing Activities</b>	Rp -
Net Increase in Cash	Rp 17.287.000
Cash at the beginning of the year	Rp 128.721.800
Cash at the end of the year	Rp 146.008.800

Source: Compiled by the author 2020

BUMDES ADI KARYA MANDIRI  
 DESA SUMUR BATU BABAKAN MADANG  
 NOTES TO FINANCIAL STATEMENTS  
 IN 2019

1. GENERAL

a. Establishment of Village-Owned Enterprises (BUMDes)

Bumdes Adi Karya Mandiri Sumur Batu Village, Babakan Madang District, Bogor Regency was formed through the Sumur Batu Village Deliberation Forum on December 12, 2014 which is engaged in manufacturing. BUMDes Adi Karya Mandiri has made the management of Garbage Can Manufacturing a business unit.

1. Accounting Policies

a. Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with SAK ETAP and are prepared using an accrual basis, except for the statements of cash flows. The cash flow statement is prepared using an indirect method that focuses on net profit or loss by classifying cash receipts and disbursements into operating, investing and financing activities. The currency used in the preparation of these financial statements is Indonesian Rupiah (Rp).

b. Cash

Cash originates to meet daily operating costs, such as the purchase of equipment, equipment, other operating costs and from the proceeds from the sale of products obtained in the current period.

c. Accounts receivable

This BUMDes "Adi Karya Mandiri" receivable itself comes from the sale of trash can products that are sold on credit. The entity basically provides an allowance for the possibility of uncollectible receivables based on a percentage of the outstanding balance at the statement of financial position date.

d. Fixed assets

SAK ETAP specifies that costs for the acquisition of property, plant and equipment must be equivalent to the cash price at the date of recognition and includes all expenses that are directly related to the acquisition of fixed assets. The value of fixed assets is recognized at cost less accumulated depreciation, except for land which cannot be depreciated. Cost is all costs incurred to acquire fixed assets. Accumulation is calculated based on its useful lives using the straight-line depreciation method.

e. Income and Expenses

Revenue is recognized as revenue when the goods are delivered or delivered to consumers, while expenses are recognized according to their useful life (accrual basis) for the period concerned.

f. Equity

Equity is the capital used by the owner to build the entity. Development of BUMDes "Adi Karya Mandiri" based on capital provided by the central government through the village government with the aim of advancing the welfare of the village community.

**a. Notes to the Financial Statement**



### **Conclusion**

Financial statement were prepared by BUMDes consists Statement of Profit or Loss. This is still not in accordance with SAK ETAP standards. In SAK ETAP 3:12 mentioned that reports financial consisted of reports the statement of Financial Position, Statement of Profit or Loss, Statement Changes in Equity , Statement of Cash Flows and Notes on The Financial Statements. In this case, the head of BUMDes admits that there is limited knowledge regarding the preparation of financial reports and a lack of workers which causes multitasking in carrying out work. In recognition and measurement, presentation of reports financial not yet fully apply the SAK ETAP with properly. The constraints faced by BUMDes in implementing SAK ETAP in preparing their financial statements are as follows :

1. The owner's low understanding of SAK ETAP.
2. Yet their companion who intensively related application of SAK ETAP.
3. Lack of socialization to BUMDes regarding Financial Statements that are in accordance with SAK ETAP by the Indonesian Institute of Accountants as the originators of this standard guideline.
4. The occurrence of multitasking in workmanship task that in naturally by the chairman BUMDes in terms of administration and finance so that the data transaction falling apart because no in order to neatly.
5. Lack of supervision of the parties concerned as government village who should supervise to report financial BUMDes Adi Karya Mandiri because of the budget that remove from the budget of the village and must be held accountable to all the activities in BUMDes.

### **Suggestion**

1. In the discussion, recommendations for financial reports have been provided that are in accordance with the application of SAK ETAP, so that the recommendations can be applied in the preparation of subsequent financial reports
2. Recruit new employees for the administration and finance departments so that they can be neatly organized and BUMDes' finances can be well controlled.
3. There was socialization from the Indonesian Accountants Association (IAI) as the originator of the SAK ETAP guidelines.
4. There is assistance from the authorities such as the government, members of the Indonesian Accountants Association (IAI) and from the universities in Indonesia, especially in the accounting study program that serves intensively and provides guidance on the preparation of financial reports in accordance with SAK ETAP.
5. There are supervisors from the village government to be accountable for the results of BUMDes operations during the current period.

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