Original Paper

Assistance in Preparing Simple Bookkeeping and MSME Taxation for the East Java Fatayat Business Group

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Abstract

The Pawon Urip Program in Lumajang Regency is community empowerment in terms of food security and community nutrition with the aim of empowering the socio-economic sector of the Pejarakan Village community. Physical observations, social observations, and interviews, as well as exploratory descriptive analysis, were used to answer the research objectives. The economy of the people of Pejarakan Village is classified as lower middle class; this, of course, cannot be separated from the influence of less than optimal levels of education and land use; the social phenomenon of apathy is also reflected when people are too busy. Pawon Urip planting actually provides benefits to the community; although insignificant, all the processes that go through until the results can be enjoyed have an impact on the knowledge, psychological, and economic aspects of the community. The managerial implication in this research is that with assistance, MSME owners will better understand the basics of accounting and taxation, which will help them prepare their books correctly. Good bookkeeping will also help increase financial transparency and may impact investor or lender confidence. With accurate financial data, MSME management can make better business decisions. Whether in terms of investment, expenses, or other business strategies.

Keywords: Community Empowerment, Socio-Economic Community, Pawon Urip

JEL Classification: L26, M41, H25


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1. Background

Micro, Small, and Medium Enterprises (MSMEs) in Indonesia really support the country's economy because the existence of MSMEs really helps business actors in supporting and moving the wheels of the economy (Irawan et al., 2020). The existence of MSMEs in Indonesia greatly reduces unemployment, and the contribution of MSMEs to the business sector throughout the world reaches 80%, so the existence of MSMEs really supports economic growth both nationally and regionally (Abdurrahman et al., 2020). In Indonesia, especially East Java, the number of MSMEs reached 9,783,920 business units, of which 85% were micro-businesses, 14% were small businesses, 0.6% were medium businesses, and only 0.15% were large-scale businesses (East Java Province Cooperative and SME Service, 2018) (East Java Province Department of Cooperatives and SMEs, 2018). Likewise, the role of women in Micro, Small and Medium Enterprises (MSMEs).
In the 2019 Economic Report, it was stated that of the 52 million Micro, Small, and Medium Enterprises (MSMEs), 60% were women (Mawesti et al., 2018). Based on the significant role of female MSME entrepreneurs in East Java, through the signing of a joint agreement and Cooperation Agreement between the East Java Provincial Government and Seven Women's Organizations in East Java on March 8, 2019, the Governor of East Java, Mrs. Khofifah Indar Parawansa, emphasized her commitment to empowering women entrepreneurs which involves collaboration with the East Java Provincial MSME Cooperative Service and one of which is forming an organization consisting of MSME actors in East Java, namely the East Java Fatayat women's business group. The Fatayat East Java women's business group has members who have businesses in various fields, such as food and beverage, salons, clothing, agriculture, animal husbandry, and others.

To sustain MSMEs, one of the factors that business actors must carry out is bookkeeping. Simple bookkeeping in small and medium businesses is quite important for the sustainability of the business itself. One of the reasons why MSMEs need help developing and surviving is the absence of bookkeeping that can show the profits they have made. This problem is caused by a lack of knowledge and outreach from the relevant agencies regarding how to do simple bookkeeping, and there are still many business actors who do not want to think about complicated things such as accounting and financial management issues (Yuliati et al., 2019). They only think that if they make a profit, their business or MSMEs can run and develop (Manoppo & Pelleng, 2018). Based on the results of observations and interviews with the Fatayat East Java women's business group in January 2021, several general financial management problems that are often encountered include the owner's finances still needing to be mixed up with business finances and poor methods of recording transactions carried out. Rivai (2013) states that recording financial reports can help business actors provide financial information in one accounting period, can provide information that can help interested parties assess the condition and potential of a business, and can provide other important information that is relevant to parties. Other interested parties. The solution to answer problems for the MSMEs of the Fatayat East Java women's business group is to provide Simple Bookkeeping training. This method is very easy and simple with the hope of being able to record every financial transaction and being able to separate business money and household expenses and provide knowledge regarding the implementation of simple bookkeeping and simple taxation to the MSMEs of the Fatayat East Java women's business group.

Micro, small, and medium enterprises (MSMEs) are one of the primary drivers of the Indonesian economy; as a result, if the MSME sector is disrupted, the national economy could also be eroded (Ida et al., 2020). These MSMEs also really help the state/government in terms of creating new job opportunities, and through UKM, many new work units are also created that use new workers that can support household income (Ahmad et al., 2019). Supriadin (2022), the policy of empowering MSMEs is generally directed at supporting efforts to overcome poverty and inequality, create job opportunities and increase exports, as well as revitalize agriculture and rural areas, which are national development priorities. Solving the nation's economic problems includes strengthening various aspects in the Micro, Small and Medium Enterprises (MSME) sector. MSME business actors keep records only to find out the amount of income, expenses, and profits earned. This finding is because the knowledge possessed by business actors regarding financial reporting is inadequate, is made based on their desires, and is not in accordance with financial reporting standards (Sutisna et al., 2021). Apart from capital, one alternative for increasing the productivity of MSMEs is to modernize the business system and its systemic policy tools so that it will have a wider impact on increasing regional competitiveness (Chairi et al., 2022). The educational background of most Micro and Small Business entrepreneurs still needs to improve, so their abilities are also limited. They run their business based only on instinct. With adequate financial management skills, it is easier for the business to win the competition, so the tendency to fail is very large (Lies, 2013).

2. Method
The activity methods carried out in this service are:

a. Problem identification (mapping) online: The identification mechanism is carried out by self-
assessment using a previously prepared questionnaire. Providing questionnaires and collecting them will be done via Google Forms.

b. Online training regarding simple bookkeeping and taxation was provided via Zoom meeting for 30 (thirty) participants. This aims to facilitate the absorption and delivery of material. In-depth material is delivered through question-and-answer forums during online training and at subsequent stages.
   • Separation of personal and business entity finances
   • Simple recording of daily transactions
   • Making simple financial reports
   • Introduction of MSME tax

c. Online assistance via WhatsApp group: MSMEs will apply what they learned during the training to their respective businesses over seven (seven) days. The implementation process is carried out using an online supervision system via a WhatsApp group.

d. Online evaluation monitoring (money) regarding material through the output requested after the mentoring stage, such as MSME social media profiles, simple financial reports, and tax calculations.

Framework

Figure 1. Framework of Thought

3. Results
Community service is an activity that aims to help a particular community in several activities. In general, this program was designed by the Indonesian College of Economics (STIESIA) Surabaya to make a real contribution to society, especially in developing the welfare and progress of Indonesian society. Community service activities are one part of the Tridharma of Higher Education that every lecturer must carry out. Community service activities as a manifestation of STIESIA Surabaya’s responsibility as an educational institution were carried out on January 28 - March 26, 2021, 08.00 - completed online with simple bookkeeping and taxation material.

In the first stage, on January 28, 2021, the team distributed questionnaires to map target MSMEs. From this distribution, data was obtained on 30 MSMEs originating from Batu, Bojonegoro, Bondowoso, Gresik, Jember, Lamongan, Lumajang, Madiun, Magetan, Malang, Nganjuk, Pacitan, Pamekasan, Pasuruan, Ponorogo, Probolinggo, Situbondo, Sumenep, and Trenggalek.

Table 1. Names of MSME Business Actors in the Fatayat East Java women's business group

<table>
<thead>
<tr>
<th>No</th>
<th>Full name as a business owner</th>
<th>Full Business Name</th>
<th>Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hanik Nur Kholida</td>
<td>Haima Store</td>
<td>Pacitan</td>
</tr>
<tr>
<td>2</td>
<td>Mariyatul Qibtiyah</td>
<td>UD. Women'</td>
<td>Pamekasan</td>
</tr>
<tr>
<td>3</td>
<td>Sulistyowati</td>
<td>Nuris Batik</td>
<td>Bojonegoro</td>
</tr>
<tr>
<td>4</td>
<td>Nur Hudana, S. Hi</td>
<td>Blessed Raudlah</td>
<td>Probolinggo</td>
</tr>
</tbody>
</table>
In the second stage, the 30 participants were gathered in a WhatsApp group to facilitate coordination before providing the material. From the formation of the WhatsApp group until the day the material was given, participants were asked to fill out a letter of willingness to commit to participating in the activity. This process succeeded in collecting 25 letters of confirmation of willingness on Saturday, March 20, 2021. General Chairperson Dewi Winarti, S.Pd, represented the team from PW Fatayat East Java. I. and Dewi Aisah as observers. The number of participants who attended until the Zoom session ended in the afternoon was 25 participants. 2 participants logged off. They could not enter the Zoom session again due to signal problems. The attendance link was distributed at the end of the event, therefore only 28 participants were recorded in attendance. At the end of the event session, the material was provided in PDF form in the WhatsApp group to make it easier for participants to view and study it again. Participants are also asked to fill in financial data in the format provided to make it easier to prepare financial reports and submit them by Monday, March 26, 2021.

The third stage, in the form of assistance, is carried out through a question-and-answer session in the WhatsApp group. Participants asked several questions, such as the placement of numbers, account position, and recognition of some expenses. The team from STIESIA guided the participants until they finally obtained 2 financial reporting data from participants who were able to take the time to fill in the format.

From the fourth stage, namely monitoring and evaluation, several resumes of problems and solutions were obtained that could be applied in future service. Some of these resumes will be presented in the next section.
Figure 2. Online training activities, Saturday, March 20, 2021

Figure 3. Online mentoring activities, 20-26 March 2021
4. Conclusion

In community service activities that have been carried out online for the East Java PW Fatayat business group, it is concluded that online community service allows for wider outreach and is not limited by time. Prior to the implementation of Community Service, the MSME actors of the Fatayat East Java women's business group had not recorded financial transactions because these actors had never been familiar with financial recording, and personal money was often mixed up with business money, so this simple bookkeeping training activity was very helpful for MSME actors, in recording every financial transaction related to their business. The implementation of this service activity was carried out for 2 months. When monitoring and evaluation activities were in place, some were able to implement simple bookkeeping for the smooth running and development of their business. The development of MSME businesses continues to grow, so the application of Simple Bookkeeping must be developed. The MSMEs of the Fatayat East Java women's business group must follow technological developments so as not to be left behind by MSMEs from other regions. Manual simple bookkeeping must be developed using Microsoft Office for simple bookkeeping. Moreover, to market products, you must use an online-based product marketing strategy. The role of the East Java Province MSME Cooperative Service is very helpful in the development of the MSME business of the East Java Fatayat women's business group.

The managerial implication in this research is that with assistance, MSME owners will better understand the basics of accounting and taxation, which will help them prepare their books correctly. Good bookkeeping will also help increase financial transparency. This condition may impact investor or lender confidence. With accurate financial data, MSME management can make better business decisions. Whether in terms of investment, expenses, or other business strategies.
Recommendation
Suggestions for MSMEs in the Women's business group in Fatayat, East Java, to realize this simple bookkeeping of financial reports by recording every financial transaction in order to increase economic productivity and find out how the business is run is developing.

Acknowledgment
Thanks are expressed to the STIESIA Surabaya Research and Community Service Institute and the Fatayat East Java Women's Business Group, who have supported efforts to improve the performance of MSMEs to continue to develop.

Reference


