

Socialization Of Preparation Of Financial Reports In Kesesi Village IPNU & IPPNU Organizations

Santi Nailul Izatya ^{a,1,*}, Fatma Azzahra Puspita Sarib ^{a,2}, Arga Dwi Titandy ^{a,3}, Hendri Hermawan Adinugraha ^{a,4}, Ria Anisatus Sholihah ^{a,5}

^a Sharia Accounting, Faculty of Islamic Economics and Business UIN K.H Abdurrahman Wahid Pekalongan, Central Java, Indonesia
¹ santinailuliztay@gmail.com; ² faatmaazzahra@gmail.com; ³ argadwititandy1@gmail.com; ⁴ hendri.hermawan@uingusdur.ac.id; ⁵ ria.anisatus.sholihah@uingusdur.ac.id

* Corresponding Author

ABSTRACT

Accounting knowledge is often considered difficult for many people. Many are unable to apply it. Because the practice is complicated and confusing. The benefits of this service are expected to increase understanding of basic accounting and preparation of financial reports for the IPNU & IPPNU organizations in Kesesi village. The urgency of this training is because the implementation of basic accounting and the preparation of financial reports in the IPPNU organization is still said to be not in accordance with the basic accounting standards. The service method is in the form of delivering material related to accounting and regarding how to prepare financial reports according to accounting standards. The material provided can provide insight and knowledge in the field of accounting. Through this activity it is hoped that in the future the IPNU & IPPNU organization of Kesesi village will be even better in terms of compiling financial reports, this activity will provide motivation to participants and benefit the importance of accounting in the IPNU & IPPNU organizations they participate in and with this socialization they will be helped so that they hope for activities like This may be held again in the coming year.

KEYWORDS

Accountancy;
Socialization;
Financial Report;
IPNU & IPPNU



This is an open-access article under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license

1. Introduction

Students are often referred to as the vanguard who brings big changes and influences. Therefore students are expected to be able to contribute and provide benefits to the surrounding environment, especially within the community. The form of these contributions can be material and non-material. For example, it can provide thoughts or ideas in the face of globalization that can build on society. Students are also the young generation who care about the welfare of society and are responsible for the development of the next generation. All of this is inseparable from the support and cooperation of the community and all organizations within it. Education plays an important role in everything. In this case, students can contribute to the educational aspect. Government regulation, no. 19 of 2005 concerning National Education standards stated that education must have academic qualifications and competencies as a source of learning, be physically and mentally healthy, and have the ability to realize national education goals. The system that we distribute in this educational activity provides insight and training on how to prepare good and correct financial reports by accounting procedures in a financial institution which is practiced directly with IPNU & IPPNU members in Kesesi.

Accounting knowledge is often considered difficult for many people. Many are unable to apply it. Because the practice is complicated and confusing. Accounting can be defined as an information system that produces reports to interested parties regarding economic activity and internal conditions. The basis of accounting is a fundamental matter related to the application of this knowledge which usually consists of equations, journalizing, preparing balance sheets, to presenting financial reports. The ultimate goal is to make reports regarding financial conditions as a basis for organizational/company decision-making. Organizational financial reports are useful, so we need a standard measure that regulates the preparation of organizational financial reports. Non-profit organizations also need financial reports to find out the organization's activities in one period and the organization's ability to provide services, channel funds, and other social activities to those in need. One of the non-profit organizations

namely IPNU (Nadhlutul Ulama Student Association) IPPNU (Nadhlutul Ulama Female Student Association). IPNU & IPPNU are one of the organizations in Indonesia and are autonomous bodies of Nahdlatul Ulama.

Accounting, which is a reference in community service, has been researched by previous researchers. Financial statements are the final step in the accounting process which plays an important role in determining and evaluating the performance of a company or organization. Financial reports should provide information that is useful to users in assessing accountability and making decisions whether economic, social, or political decisions. The purpose of financial reports is to provide information on the financial position, financial performance, and cash flow statements of an entity that is useful to a large number of users in economic decision-making by anyone who is not in a position to request specialized financial reports to meet specific information needs. Financial reports are widely used by investors, management, and governments. Financial reports assist investors in deciding whether to acquire, hold or sell their investment. Financial reports are used by management when preparing plans for the company's activities for the coming period. Financial reports are used by governments to control business actions, determine tax laws, and compile national and other income figures. Users of financial statements will find the information provided by financial reports very useful if presented in a timely and correct manner. This shows the importance of presenting financial accounts to the public efficiently.

Finance, which is a reference in community service, has been researched by previous researchers. New insights into financial time series modeling through machine learning methods: Evidence from cryptocurrency markets researched by Khosravi [1]. Bank Concentration and Economic Volatility in OIC Countries: The Role of Financial Development researched by Smolo [2]. Citizen Participation in Public Financial Decision Making in Serbia was researched by Trtovac Šabović [3].

The Proximity of Disaster Experience and Financial Preparedness for Emergencies in the US was researched by Feng [4]. Stock Market Interdependence, Contagion, Subprime Financial Crisis and European Sovereign Debt Crisis: Evidence from the Chinese Stock Market researched by Jayech [5]. Julia Sets and their Controls in Three-Dimensional Discrete Fractional Order Financial Models were researched by Zhao [6].

Inclusive bank-based financial development in special needs countries: Semiparametric analysis researched by Das [7]. Guided Discovery Learning Strategies and Student Achievement in Financial Accounting Concepts were researched by Taiwo [8]. Increasing Financial Payments From Industry to Medical Oncologists in the United States, 2014–2017 was studied by Rahman [9].

Shared Financial Services, Digital Transformation and Enterprise Value Creation were researched by Wang [10]. The interpretability of the financial fraud detection model by the SHAP group was investigated by Lin [11]. Financial risks of seeking malaria services by rural households in Jimma Zone, Oromia Region, Southwest Ethiopia: a cross-sectional study researched by Assebe [12].

Determinants of financial risk tolerance: Evidence from the Indonesian millennial generation researched by Suherman [13]. Analysis of the impact of financial stress on the healthcare industry with explainable machine learning methods: China versus the United States was researched by Weng [14]. Business financial performance under the conditions of the Covid-19 pandemic – a comparative study researched by Kubiczek [15].

Dynamic interconnectedness between China's green bonds, carbon markets, and traditional financial markets: Evidence from the quantile interconnectedness approach was researched by Zhang [16]. Audit Committee Effectiveness, Internal Audit Function and Financial Reporting Delays: Evidence from Malaysia researched by Ismail [17]. Economic and Legal Analysis of Cryptocurrencies: Scientific Views from Russia and the Muslim World was researched by Shovkhalov [18].

Practical machine learning: Forecasting daily financial market direction was researched by Henrique [19]. Economics and finance are key factors for training success researched by Guenette [20]. Banking crises and financial instability: Empirical and historical lessons researched by Honningdal Grytten [21].

Understanding financial risk protection in China's health system: a descriptive analysis using data from various national household surveys was researched by Li [22]. Analysis of the Havrda–Charvat

Dispersion Entropy Field in Financial Time Series was researched by Wang [23]. More paternalism in the regulation of consumer financial investments? Private sector tasks and public goods analysis were examined by Chiu [24].

Do the educational profile, gender, and professional experience of audit committee financial experts improve the quality of financial reporting? researched by Bilal [25]. Dynamic Analysis of a New Financial System with Diffusion Effects and Two Delays was researched by Wu [26]. What are the financial implications of open right hemicolectomy for hospital trusts in the UK NHS? Cost analysis was researched by Daniels [27].

Children's understanding of financial literacy and parents' choice of financial knowledge learning methods in Malaysia were researched by Murugiah [28]. How Do Depositors Respond to Bank Dividend Policy? Evidence from Market Discipline, the Global Financial Crisis and the COVID-19 Pandemic was researched by Tran [29]. The Impact of Sustainable Certification on Financial and Market Performance: Evidence from Indonesian Palm Oil Companies researched by Suroso [30].

IPNU IPPNU is one of the organizations in Indonesia and is an autonomous body of Nahdlatul Ulama. This organization is called the Nahdlatul Ulama Student Association, abbreviated as IPNU which is education, family, community, and religious in nature. This organization has a very significant role in today's millennial era. This is inseparable from the functions of IPNU & IPPNU as a meeting place, a forum for communication, a forum for actualization, and a forum that is an integral part and potential of the Indonesian young generation as a whole. Therefore the existence of IPNU & IPPNU has a strategic position for the regeneration of NU students as well as a means of NU's struggle in placing youth as a vital human resource, who are required to take more part in the development of the nation and state. IPPNU in Kesesi village is one of the organizations that is still active in the village community. IPNU IPPNU members at Kesesi consist of female students ranging from elementary, junior high, and high school students/equivalent. There are many activities carried out by this organization, for example, routines every Friday night, and once a month IPPNU holds joint routines. IPNU and IPPNU offices are located on Jalan Watugajah, Desa Kesesi.

The urgency of this training is because the implementation of basic accounting and the preparation of financial reports in the IPNU & IPPNU organizations is still said to have not been conceptualized and not by the basic accounting standards. In addition, general financial reports at IPNU & IPPNU are still managed by students who can be said to be unfamiliar with accounting financial reports. Therefore, from the service team, we want to provide a basic understanding of accounting theory and training on the accounting report preparation system in the organization.

The purpose of this service is to conduct training for the IPNU IPPNU Non-profit organization in Kesesi village in understanding the basic theory of accounting and preparation of financial reports. The benefits of this dedication are expected to increase understanding of basic accounting and the preparation of financial reports by PSAK that are suitable for IPNU IPPNU non-profit organizations in Kesesi. The benefits for IPNU IPPNU in Kesesi are that it can provide an understanding so that financial reports can be more directed and conceptualized for the future and avoid misrecording or reporting that is less accountable because either way the IPNU IPPNU organization is an organization that is quite active in society. Benefits for UIN K.H. Abdurrahman Wahid Pekalongan, this dedication is expected to measure the extent to which students understand the material that has been taught to be applied to the community and as reference material for other researchers who wish to conduct research related to the basic theory of accounting and its application. This service is expected to provide solutions and additional useful information to the parties concerned regarding the preparation of financial reports that are by accounting standards and they feel helped by the dedication that we are doing.

2. Method

This training activity was carried out for one day on May 21 2023 offline specifically for IPNU and IPPNU participants in Kesesi village. The methods used in this training are Lecture Method, which is a face-to-face method in which the team describes and explains theories related to how to prepare simple financial reports, as well as introduces techniques for making simple financial reports. These theories are explained in detail and clearly in an easy-to-understand language of communication so that participants are able to understand the material provided by the team well and master the material so that later they

can practice it. Discussion and Question and Answer, this method is carried out after the material is given to IPNU and IPPNU participants in the village of Kesesi. financial statements

On May 19-21 2023, the dedication team compiled a planning process in the form of compiling basic accounting theories and preparing financial reports to be submitted as material for socialization and planning for the selection of an object to be addressed. on May 21, 2023, the team conducted socialization directly with an IPNU IPPNU organization in Kesesi Village. Then the team immediately compiled a service report.

- Planning, at this stage the team prepares the intended object and subject as service material and organizes material related to the theme of service. This planning was carried out on May 19, 2023.
- Lobbying, at this stage is in the form of an approval and confirmation process to the agreed party, namely IPNU IPPNU Desa Kesesi. This lobbying was carried out on Saturday (20/05) and was approved by the relevant parties on Saturday (20/05).
- Training, at this stage mentoring was carried out for several IPNU IPPNU members of Kesesi Village. This training is in the form of material delivery and discussion regarding basic accounting material and preparation of financial reports as well as sharing to socialization participants.
- Evaluation of activities in the form of monitoring, and reporting on the final results of community service activities. From the work related to the preparation of three financial statements including the Profit and Loss Report, Report on Changes in Capital and the Financial Balance Sheet.

In this training the participants looked excited and enthusiastic, this was shown from the beginning of the delivery of the material to the end of the training. Participants showed their understanding of the material presented, this was indicated by the results of the exercises provided by the service team. The following are the people in charge of this community service activity: Planning: All Team member Lobbying: Arga Dwi Titandy. Socialization: Santi Nailul Izaty, and Evaluation: Fatma Azzahra Puspita Sari.

3. Results and Discussion

This research activity discusses socialization by delivering basic accounting material, explaining how to prepare and report accounting financial reports by PSAK, and observing the financial reports made by IPNU IPPNU in Kesesi village whether they are accountants appropriate or not.

- The time and place for the socialization was carried out at the Kesi Mosque, Kesi Subdistrict, Pekalongan Regency, Central Java. Held on Friday 21 May and starts at 16.00 – finishes.
- The number of participants who took part in this socialization was 40 people.
- The equipment used in this socialization is a book, microphone, sound system, blackboard, and PPT which are shared with the socialization participants through the WA group. 4) Implementation of socialization

3.1. Opening ceremony



Fig. 1.Opening Ceremony

This socialization event was opened directly by the IPNU IPPNU vice chairman of Kesesi village on behalf of Lia Khusnul Khotimah. The opening started at 16.00 WIB with approximately 40 participants. Participants in this socialization came from IPNU IPPNU members from Kesesi village, starting from those who were still in junior high school, high school, university students, and those who were already working. The opening ceremony took place smoothly and continued with the presentation of the material.

3.2. Introductions continued with the delivery of socialization material



Fig. 2.Introduction continued with the delivery of socialization material

Socialization material was delivered by Santi Nailul Izzaty and assisted by Fatma Azzahra Puspita Sari in terms of providing the material to be delivered. The submission of the first material regarding the basic theory of accounting was listened to carefully by IPNU IPPNU colleagues from the village of Kesesi. Then the second material is continued regarding how to prepare and report financial reports in a good and correct organization by PSAK. Submission of this material aims to provide an understanding of basic accounting before the practice of preparing financial reports and provide a clearer picture of how to make financial reports that are arranged systematically and of course by applicable regulations.

Submission of this material delivered for 1 hour. The presentation of the material is also interspersed with entertainment and jokes so as not to seem tense and scary.

3.3. Question and answer session with socialization participants regarding the difficulties encountered in preparing financial reports in the IPNU IPPNU organization of Kesesi village



Fig. 3. Session question and answer

At this stage, the dedication team opened a question and answer session hosted by Arga Dwi Titandy with IPNU IPPNU colleagues who were present at the socialization activity. The enthusiasm from them was quite good, many asked about the preparation of financial reports in the organization, especially IPNU IPPNU, what was good and correct, then some asked about the importance of studying accounting in terms of the organizational world, especially those responsible for the treasurer's section, then there were also who asked about the impact that would occur if the financial statements were not prepared systematically and by the rules. We answer all these questions according to the knowledge we have gained while studying and taking courses in this Islamic accounting department as well as taking some reliable information from journals and other scientific works. In addition to opening the question session, the dedicated team also provided an opportunity for IPNU IPPNU colleagues to complain about what difficulties or challenges were often experienced while compiling financial reports. It turned out that the response from them was very good and some of them conveyed their complaints and the service team did their best to provide the best solution to this problem. The question and answer session lasted for approximately 1 hour.

3.4. Private discussion session with the IPNU IPPNU treasurer in Kesesi village



Fig. 4. Session private discussion with the IPNU IPPNU treasurer

In this session, the service team tried to find information about how the IPNU IPPNU organization of this session village carried out in terms of preparing the financial reports they had been making. In addition, we asked several questions regarding transparency and the period for recording reports which were carried out at the end of each period or the end of the month, or the end of each activity, we asked the treasurer concerned because he usually takes care of matters related to the preparation of these financial reports. It turns out that the mechanism used by the IPNU IPPNU organization of Desa Kesi is by the applicable PSAK rules and is open and transparent in nature and the reporting is at the end of each activity.

3.5. Event Closing

The closing session of the event was chaired by Santi Nailul Izzaty and accompanied by the IPNU IPPNU vice chairman of the session village. The event ends at 18.00 WIB. After the closing was over, the dedication team said goodbye and did not forget to express their thanks to all IPNU IPPNU colleagues from the village of Kesesi who were willing to take the time to attend this socialization event for making good and correct financial reports.

4. Conclusion

It can be concluded that this service activity can be useful for IPNU IPPNU members in Kesesi Village. The material provided can provide insight and knowledge in the field of accounting. Participants were also very enthusiastic about participating in this training from the beginning to the end of the event. This activity has given participants motivation and important benefits of accounting in the IPNU IPPNU organization which they participate in and in their daily lives. Through this socialization activity, it is hoped that in the future the IPNU IPPNU organization of Kesesi village will be even better in terms of preparing their financial reports, and the knowledge they have gained will not only be applied within the organization but also distributed to the community and families so that it will be more useful. Members of IPNU IPPNU Desa Kesesi feel happy and helped by the existence of socialization activities like this and hope that socialization activities in the field of accounting can be held again in the coming year.

Acknowledgment

Special thanks to IPNU and the IPPNU organization of Kesesi village.

Author Contribution

The activity plan is to implement a solution so that the preparation of IPNU and IPPNU financial reports in the village of Kesesi can be done by accounting procedures.

Funding

Special thanks to the IPNU and IPPNU organization of Kesesi village.

Conflict of Interest

The authors declare no conflict of interest.

References

- [1] M. Khosravi and M. M. Ghazani, "Novel insights into the modeling financial time-series through machine learning methods: Evidence from the cryptocurrency market," *Expert Syst. Appl.*, vol. 234, p. 121012, Dec. 2023.
- [2] E. Smolo, "Bank Concentration and Economic Volatility in the OIC Countries: The Role of Financial Development," *Croat. Econ. Surv.*, vol. 24, no. 2, pp. 79–121, Dec. 2022.
- [3] M. Trtovac Šabović, M. Milosavljevic, and S. Benkovic, "Participation of Citizens in Public Financial Decision-Making in Serbia," *Slovak J. Polit. Sci.*, pp. 209–229, Dec. 2021.
- [4] G. Feng and Z. Cong, "The Proximity of Disaster Experiences and Financial Preparedness for Emergencies in the US," *Disaster Med. Public Health Prep.*, vol. 17, p. e257, Dec. 2023.

- [5] S. Jayech, L. J. Mazigh, and E. Abdennadher, "Stock Market Interdependence, Contagion, the Financial Subprime Crisis and the European Sovereign Debt Crisis: Evidence from the Chinese's Stock Market," *Asian Acad. Manag. J. Account. Financ.*, vol. 18, no. 2, Dec. 2022.
- [6] Z. Zhao and Y. Zhang, "Julia Sets and Their Control in a Three-Dimensional Discrete Fractional-Order Financial Model," *Int. J. Bifurc. Chaos*, vol. 31, no. 16, Dec. 2021.
- [7] M. Das and S. R. Basu, "Inclusive bank based financial development in countries with special needs: A semiparametric analysis," *Econ. Anal. Policy*, vol. 80, pp. 740–753, Dec. 2023.
- [8] W.-F. Taiwo and O. A. IGE, "Guided Discovery Instructional Strategy and Students' Attainment in Financial Accounting Concepts," *Pedagogika*, vol. 147, no. 3, pp. 147–163, Dec. 2022.
- [9] M. W. Rahman, N. U. Trivedi, P. B. Bach, and A. P. Mitchell, "Increasing Financial Payments From Industry to Medical Oncologists in the United States, 2014–2017," *J. Natl. Compr. Cancer Netw.*, pp. 1–9, Dec. 2021.
- [10] Z. Wang, "Financial Shared Service, Digital Transformation and Corporate Value Creation," *Int. J. Comput. Intell. Syst.*, vol. 16, no. 1, p. 157, Sep. 2023.
- [11] K. Lin and Y. Gao, "Model interpretability of financial fraud detection by group SHAP," *Expert Syst. Appl.*, vol. 210, p. 118354, Dec. 2022.
- [12] L. F. Assebe et al., "Financial risks of care seeking for malaria by rural households in Jimma Zone, Oromia Region, Southwest Ethiopia: a cross-sectional study," *BMJ Open*, vol. 11, no. 12, p. e056162, Dec. 2021.
- [13] S. Suherman, H. Kurniawati, and R. Mohidin, "Determinants of financial risk tolerance: Evidence from the Indonesian millennials," *Humanit. Soc. Sci. Lett.*, vol. 11, no. 1, pp. 67–82, Feb. 2023.
- [14] F. Weng, J. Zhu, C. Yang, W. Gao, and H. Zhang, "Analysis of financial pressure impacts on the health care industry with an explainable machine learning method: China versus the USA," *Expert Syst. Appl.*, vol. 210, p. 118482, Dec. 2022.
- [15] J. Kubiczek and W. Derej, "FINANCIAL PERFORMANCE OF BUSINESSES IN THE COVID-19 PANDEMIC CONDITIONS – COMPARATIVE STUDY," *Polish J. Manag. Stud.*, vol. 24, no. 1, pp. 183–201, Dec. 2021.
- [16] H. Zhang, Z. Gong, Y. Yang, and F. Chen, "Dynamic connectedness between China green bond, carbon market and traditional financial markets: Evidence from quantile connectedness approach," *Financ. Res. Lett.*, vol. 58, p. 104473, Dec. 2023.
- [17] R. Ismail, N. Mohd-Saleh, and R. Yaakob, "Audit Committee Effectiveness, Internal Audit Function and Financial Reporting Lag: Evidence from Malaysia," *Asian Acad. Manag. J. Account. Financ.*, vol. 18, no. 2, pp. 198–217, Dec. 2022.
- [18] S. Shovkhalov and H. Idrisov, "Economic and Legal Analysis of Cryptocurrency: Scientific Views from Russia and the Muslim World," *Laws*, vol. 10, no. 2, p. 32, May 2021.
- [19] B. M. Henrique, V. A. Sobreiro, and H. Kimura, "Practical machine learning: Forecasting daily financial markets directions," *Expert Syst. Appl.*, vol. 233, p. 120840, Dec. 2023.
- [20] M.-F. Guenette, "Economic and financial translation: key factors for successful training," *Transl. Matters*, vol. 4, no. 2, pp. 90–105, 2022.
- [21] O. Honningdal Grytten, "Banking crises and financial instability: Empirical and historical lessons," *Banks Bank Syst.*, vol. 16, no. 4, pp. 179–192, Dec. 2021.
- [22] Y. Li, H. Guan, and H. Fu, "Understanding financial risk protection in China's health system: a descriptive analysis using data from multiple national household surveys," *BMC Public Health*, vol. 23, no. 1, p. 1820, Sep. 2023.
- [23] Z. Wang and P. Shang, "Analysis of the Dispersion Havrda–Charvat Entropy Plane in Financial Time Series," *Int. J. Bifurc. Chaos*, vol. 32, no. 16, Dec. 2022.
- [24] I. H.-Y. Chiu, "More paternalism in the regulation of consumer financial investments? Private sector duties and public goods analysis," *Leg. Stud.*, vol. 41, no. 4, pp. 657–675, Dec. 2021.
- [25] Bilal, B. Komal, E. Ezeani, M. Usman, F. Kwabi, and C. Ye, "Do the educational profile, gender, and professional experience of audit committee financial experts improve financial reporting quality?," *J. Int. Accounting, Audit. Tax.*, vol. 53, p. 100580, Dec. 2023.

-
- [26] H. Wu, Z. Jiang, and X. Wu, "Dynamic Analysis of a New Financial System with Diffusion Effect and Two Delays," *Int. J. Bifurc. Chaos*, vol. 32, no. 16, Dec. 2022.
- [27] I. Daniels, R. Tuson, and J. Hargreaves, "What are the financial implications of an open right hemicolectomy to hospital trusts within NHS England? A cost analysis," *BMJ Open*, vol. 11, no. 12, p. e053187, Dec. 2021.
- [28] L. Murugiah, R. Ismail, H. M. Taib, S. D. Applanaidu, and M. N. H. B. H. Long, "Children's understanding of financial literacy and parents' choice of financial knowledge learning methods in Malaysia," *MethodsX*, vol. 11, p. 102383, Dec. 2023.
- [29] D. V. Tran, "How Do Depositors Respond to Bank Dividend Policy? Evidence from Market Discipline, Global Financial Crisis and COVID-19 Pandemic," *Asian Acad. Manag. J. Account. Financ.*, vol. 18, no. 2, Dec. 2022.
- [30] A. I. Suroso, H. Tandra, and I. Wahyudi, "The Impact of Sustainable Certification on Financial and Market Performance: Evidence from Indonesian Palm Oil Companies," *Int. J. Sustain. Dev. Plan.*, vol. 16, no. 8, pp. 1495–1500, Dec. 2021.