

Evaluation of the application PermenKUKM No. 13 in cooperative savings and loan accounting Bali State Polytechnic Cooperative

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Abstract. The ministry of cooperatives and small medium enterprises has issued Permen No. 13/Per/M.KUKM/IX/2015 concerning accounting guidelines for savings and loan business by cooperatives which must be used as a guide in preparing and presenting the financial statements of this business unit. With the issuance of the ministerial regulation, it is expected that cooperatives can increase accountability in the preparation of their financial statements. But the fact is that there are cooperatives that have not prepared and presented financial reports in accordance with the guidelines. This study was aimed at evaluating its application in the savings and loan unit of Bali State Polytechnic cooperative. Based on the results of research conducted, it was found that there were three reports that were not presented in the financial statements of the savings and loans unit, namely: statement of changes in equity, cash flow, and notes to financial statements. In addition, in presenting the financial position report, found several accounts that are not in accordance with the guidelines, namely: banks, bank loans, education funds, social funds, and development funds. Likewise, in the presentation of the remaining results business report, there were no cooperative expense accounts, such as: costs for education and training for cooperative hr, organizational meeting fees, and fees for supervisors. The findings of this study are expected to be used as recommendations to the management of the Bali State Polytechnic Cooperative in preparing and presenting the financial statements of the Savings and Loan Unit in the next period.

1. Introduction

In order to facilitate small businesses in preparing financial reports, the Indonesian Institute of Accountants (IAI) issued a statement of revocation of financial accounting standards number 8 (PPSAK 8) concerning revocation of financial accounting standards number 27 (PSAK 27). After that, IAI established the financial accounting standards for entities without public accountability (SAK-ETAP) since January 1, 2011 for entities that do not have public accountability such as; micro, small, medium enterprises and cooperatives.

Furthermore, to improve accountability in the preparation of cooperative financial statements, the Ministry of Cooperatives and Small Medium Enterprises stipulates PermenKUKM No. 13/Per/M.KUKM/IX/2015 concerning accounting guidelines for savings and loans for cooperatives. The guideline was prepared based on general financial accounting standards (SAK-Umum) and entity without public accountability (SAK-ETAP) financial accounting standards which

were modified in accordance with the purpose and uniqueness of transaction characteristics in savings and loan by cooperatives that are different from other commercial entities.

Based on PermenKUKM No. 13 of 2015, cooperative savings and loans accounting is a systematic recording system that reflects the management of cooperative savings and loan businesses in a transparent and responsible manner in accordance with the values, norms and principles of cooperatives. Where the preparation and presentation of financial statements for savings and loan cooperatives, consisting of: balance sheet, calculation of operating results, changes in equity, cash flow, and notes to the financial statements.

- Balance sheet, is a report that provides information on the financial position, namely the nature and amount of assets or resources of a cooperative savings and loan business, obligations to the lenders and depositors, as well as the equity of the cooperative owner at any given time, consisting of: assets, obligations and equity.

Assets are resources controlled by cooperatives as a result of past events and from which future economic benefits will be obtained by cooperatives. The asset component consists of: current assets, non-current assets, fixed assets, intangible assets, and non-permanent assets.

Current assets are assets that have a useful life of less than one year, such as: cash, placement of funds, securities, loans, allowance for uncollected loans, equipment, prepaid taxes, prepaid expenses, unpaid income.

Non-current assets are assets consisting of a number of assets with a useful life of more than one accounting period, which are owned and used in cooperative operations with compensation for use in the form of depreciation costs, such as: long-term investments, investment properties, and accumulated depreciation of investment property.

Fixed assets are tangible assets that are obtained in the form of ready-to-use or previously built, which are used in organizational operations, which are not intended to be sold in the framework of normal organizational activities and have a useful life of more than one year, such as: land, buildings, machinery and vehicles, office equipment and accumulated depreciation of fixed assets.

Intangible assets are non-monetary assets that can be identified but do not have a physical form, are owned for use in production activities or are leased to other parties or for administrative purposes, such as: software, accumulated amortization of intangible assets.

Non-permanent Assets are other assets that are not included as stated in the items, such as: buildings that have not yet been completed.

Liabilities are current transactions that arise as a result of past events, the settlement of which is expected to cause cash outflows from cooperative resources that contain economic benefits.

- Calculation of operating results, is a report that provides information about the calculation of income and expenses.
- Statement of changes in equity, is a financial statement that presents changes in the structure of the cooperative's equity over a certain period.
- Cash flow statement, is a report that describes the cash transactions and cash equivalents of the organization, both cash in and cash out so that it can be known the increase/ decrease in net cash and cash equivalents.
- Notes to the financial statements, is additional information presented in the financial statements, which contains narrative explanations or details of the amount presented in the financial statements and information items that do not meet the recognition criteria in the financial statements.

2. Findings and discussion

The Bali State Polytechnic Cooperative is located at the Bali State Polytechnic campus, Badung Regency. This cooperative was established on July 1, 2003 with deed of establishment No. 08/KPNB/2003 and approved by the Department of Cooperatives Small and Medium Enterprises on December 2, 2003.

The accounting policies adopted by the Bali State Polytechnic Cooperative are as follows:

- Inventory recording uses the perpetual method and inventory valuation uses the FIFO method.
- Recording payments in advance using the balance sheet approach.
- Fixed Assets are depreciated using the straight line method, with rates based on groups.
- Intangible assets are depreciated using the straight line method, with rates based on groups.
- Revenue and expense recognition is based on the accrual basis method.

The financial position of the Savings and Loans Unit in 2017-2018 can be shown in the Balance Sheet report in Table 1. Base on the data in Table 1, the total assets of the Bali State Polytechnic Cooperative savings and loans unit as of December 31, 2018 is seen Rp. 27,560,039,382. These assets were offset by liabilities Rp. 24,118,503,756 and equity Rp. 3,441,535,626.

Then the result operations of the savings and loans unit in 2017-2018 can be shown in the remaining results of operations report in Table II. Based on the data in Table 2, the total remaining operating income before tax for the savings and loans unit at the Bali State Polytechnic Cooperative in 2018 is seen Rp 489,677,003. The results of the operation were sourced from operating revenues of Rp. 2,413,327,664 after deducting operating expenses of Rp. 1,844,525,649 and other expenses of Rp. 79,125,012.

However, for the statement of changes in equity, cash flow statement, and notes to the financial statements are not presented. These reports are only presented in a joint report. Based on data analysis, it can be seen that in the preparation of the financial position report of savings and loans Unit in 2018 there are still several accounts whose presentation is not in accordance with PermenKUKM No. 13/Per/M.KUKM/IX/2015, namely: banks, debt banks, funds education, social funds, development funds. In this case, the bank account does not need to be presented for each bank, but only with a bank account of Rp 2.943.354.817. The names of banks and their balances can be presented in the notes to the financial statements. likewise, a bank debt account does not need to be presented for each bank, but a bank debt of Rp. 10,680,858,817. Details of each bank's debt can be presented in the notes to the financial statements. Furthermore, for the education fund of Rp. 114,854,656 social fund of Rp 162,960,007 and development fund of Rp. 198,292,551 should be presented in the short term liability component, not as a component of equity. Therefore, the allocation of these funds must be planned every year.

Likewise, in the presentation of the report on the calculation of operating results in 2018, it appears that the presentation of income has not been separated between the main operating income and other operating income. In this case the credit provision and commission income of Rp. 222,146,464 administrative payroll deductions of Rp. 10,236,848 and a fine income of Rp. 4,041,192 should be presented in other operating income. Likewise in the presentation of operating expenses, it appears that there is no separation between operating expenses and operating Expenses. In this case the allocation of the costs of education and training for cooperative human resources, the cost of organizational meetings, and the honorarium of the management / supervisor as part of the post of cooperative burden.

Table 1. The balance sheet report.

Description	At 31-12-2018 (Rp)	At 31-12-2017 (Rp)
Current Assets:		
Cash	267,998,689	199,298,436
Bank of Niaga	2,796,188	2,796,188
Bank of BNI	154,582,037	11,103,742
Bank of BPD	2,785,976,592	1,276,504,646
Loan Given	22,639,511,198	13,574,681,239
Other Receivable	684,692,030	312,533,241
Allo. for Bad Debt	(1,541,483)	(1,541,483)
Seal Inventory	108,000	108,000
Prepaid Lease	143,488,000	-
Total Curr,Assets	26,677,611,251	15,375,484,009
Fixed Assets:		
Building	881,093,748	881,093,748
Acum,Dep,Build	(139,020,559)	(139,020,559)
Office Inventory	434,760,794	367,610,794
Acum. Dep. Inven	(310,874,602)	(245,066,323)
Total Fix Assets	865,959,381	908,672,348
Intangible Assets:		
Software	16,468,750	-
License	-	375,000
Total Intan,Assets	16,468,750	375,000
Total Assets	27,560,039,382	16,284,531,357
Short Term Liabilities:		
Savings	8,306,971,666	7,064,968,278
Time Deposit	3,920,000,000	2,060,220,000
Deposit Like	1,038,414,263	897,810,309
Salary Payable	129,427,000	93,482,000
Tax Payable	1,157,758	1,716,511
Other Payable	1,700,000	-
Insurance Payable	39,974,251	-
Total S. T. Liab	13,437,644,938	10,118,197,098
Long Term Liabilities:		
BNI Loan	10,680,858,817	-
BPD Loan	-	3,087,752,203
Total L. T. liab	10,680,858,817	3,087,752,203
Equity:		
Principle Saving	5,130,000	5,300,000
Mandatory Saving	1,065,650,982	978,435,091
Reserve	1,423,364,186	1,180,492,802
Education Fund	114,854,656	92,800,841
Social Fund	162,960,007	156,074,434
Development Fund	198,292,551	160,412,578
Current Year RRO	471,283,244	505,066,310
Total Equity	3,441,535,626	3,078,582,056
Total Liab Equity	27,560,039,382	16,284,531,357

Table 2. The remaining operating result report.

Description	At 2018 (Rp)		At 2017 (Rp)
Operating Revenues			
Interest Income	2,166,676,160		1,890,822,896
Provision Fees	222,146,464		88,612,441
Fine Income	4,041,192		3,548,559
Stamp Income	9,166,000		6,263,000
Insuran Income			
Adm Income	10,236,848		11,035,852
Other Income	1,061,000	+	1,670,000
Total Revenues	2,413,327,664		2,001,952,748
Operating Expense			
Saving Interest	199,954,582		330,114,335
Deposit Interest	336,931,511		145,368,290
Loan Interest	562,711,849		449,832,879
Transport Exp	1,012,000		7,289,000
Telpon Exp	2,251,000		2,830,000
Light Exp	18,396,952		25,603,276
Depres. Exp	109,862,966		111,377,857
Amortis. Exp	906,250		748,752
Salary Exp	305,005,844		257,356,160
Supplies Exp	3,948,800		3,420,300
Stamp Exp	9,749,000		6,244,500
General Exp	122,829,200		44,396,902
Advertizing Exp	113,887,400		33,132,760
Rent Exp	11,432,000		9,000,000
Maintenan. Exp	7,515,000		7,845,400
Consumsi. Exp	31,420,395		20,857,000
Intertaim. Exp	6,710,900		6,720,100
Other Exp	-	+	33,000,000
Total Op. Exp	1,844,525,649		1,495,137,511
Other Rev/Exp:			
Bank Interest	40,997,489		23,423,259
Bank Adm,	120,122,501	-	5,152,657
Total O. R. E	- 79,125,012	+	18,270,602
Income Before Tax	489,677,003		525,085,839
Tax	18,393,759	-	20,019,529
Income After Tax	471,283,244		505,066,310

Source: Bali State Polytechnic Cooperative.

3. Conclusions

Based on the evaluation results of the application of PermenKUKM No. 13 in the savings and loan unit of the State Polytechnic Cooperative of Bali, it can be concluded as follows:

- Presentation of financial statements for savings and loans units have not been in accordance with the PermenKUKM guidelines. In this case there are three reports that have not been presented, namely: changes in equity, cash flow, notes to financial statements.
- In the financial position report, it appears that there are several accounts that are presented not in accordance with these guidelines, namely: deposits in banks, debt banks, education funds, social funds, and development funds.

- In the remaining results business report, there is no visible account of costs in the cooperative expense group such as: education and training costs for cooperative human resources, meeting fees, and fees.

Suggestions that can be submitted as recommendations to the cooperative management are:

- In presenting the financial statements of the savings and loans unit, it should be guided by PermenKUKM No.: 13 of 2015, which is to compile and present the five required reports.
- In presenting the financial position report, it is advisable to add an equipment account to present the value of stamp inventories, stationery and consumables in the Current Assets component, as well as investment properties and investment property accumulation in the non-current assets component. In addition to presenting education funds, social funds, and development funds in the short term liabilities component, not as equity.
- In compiling the remaining results business report, it should also be presented an account for expenses for cooperative expenses such as: education and training costs for cooperative HR, organizational meeting costs, and fees.

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