

SIMPLE FINANCIAL RECORDING TRAINING FOR LOCAL INDUSTRY PLAYERS

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) play an important role in supporting economic growth and employment in Indonesia. However, many MSMEs still face challenges in managing financial records properly and systematically. Limited financial literacy, lack of accounting knowledge, and low adoption of bookkeeping practices often result in poor financial management, inaccurate business decisions, and limited access to financing. This community service activity aimed to improve MSME financial literacy and bookkeeping skills through simple financial recording training based on the Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM). The program was conducted in Mangkukusuman Village, Tegal City, involving 30 MSME owners from various business sectors. The activity used a participatory and practice-based approach consisting of training, mentoring, and evaluation stages. The training included lectures, discussions, simulations, practical bookkeeping exercises, and the introduction of digital accounting applications. The results showed significant improvement in participants' understanding of financial recording and business financial management. Most participants were able to prepare simple financial reports independently and demonstrated greater awareness regarding the importance of separating personal and business finances. Overall, the program successfully strengthened MSMEs' financial management capacity and business accountability.

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Introduction

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in supporting economic growth, employment creation, and poverty reduction in Indonesia. MSMEs contribute significantly to national Gross Domestic Product (GDP) and strengthen economic resilience, particularly during periods of economic instability. Recent studies indicate that MSMEs are one of the main drivers of sustainable economic development because they support local communities and increase employment opportunities (Arafah et al., 2025;

Hamzah & Rahmawati, 2025). In Indonesia, the rapid growth of MSMEs reflects their substantial contribution to regional and national economic stability. However, despite their important role, MSMEs continue to face major challenges, particularly in financial recording and reporting practices.

Financial recording is an essential aspect of business management because it provides relevant and reliable information for planning, controlling, and decision-making processes. Proper bookkeeping allows business owners to monitor cash flow, evaluate profitability, and

distinguish between personal and business finances. According to Natalia (2025), the implementation of accounting standards significantly improves the quality and transparency of MSME financial reports. Likewise, Saraswati and Yulianti (2025) found that digitalized accounting practices positively influence MSME financial performance and operational efficiency. Nevertheless, many MSME owners still lack the capability to prepare simple and structured financial records.

Several studies have shown that low financial literacy and limited accounting knowledge are among the primary causes of weak financial management practices among MSMEs. Hamzah and Rahmawati (2025) explained that inadequate financial literacy negatively affects bookkeeping practices, financial reporting quality, and business sustainability. Similarly, Rahmadani and Lubis (2025) reported that many MSME owners continue to combine personal and business finances and rely on informal transaction records, resulting in inaccurate financial information and poor business decision-making. This condition prevents MSMEs from effectively evaluating their financial performance and planning future business development.

The problem is further aggravated by limited human resources and negative perceptions toward accounting practices. Many MSME actors perceive accounting as difficult, time-consuming, and complicated, particularly for small businesses managed independently or by family members. Research conducted by Minanari et al. (2025) revealed that bookkeeping activities are often considered an administrative burden rather than a strategic management tool. Consequently, MSME owners tend to prioritize production and marketing activities over financial administration, even though proper financial management is essential for business sustainability and growth.

The inability to prepare formal financial reports also creates barriers for MSMEs in accessing external financing. Financial institutions such as banks and cooperatives

require transparent and credible financial statements as the basis for lending and investment decisions. Tanjung et al. (2025) emphasized that the quality of financial reporting significantly affects MSMEs' access to financing and business development opportunities. However, because many MSMEs fail to produce standardized financial reports, they often depend on informal financing sources with limited capital availability. This condition restricts their ability to expand operations, improve product quality, and enhance competitiveness in increasingly competitive markets.

To address these challenges, the Indonesian Institute of Accountants introduced the Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM), which provide simplified accounting guidelines specifically designed for MSMEs. The implementation of SAK EMKM is expected to improve financial accountability, transparency, and access to financing among MSMEs. Recent studies demonstrate that the adoption of SAK EMKM positively affects the quality of MSME financial statements and increases business credibility (Putra et al., 2025; Wibawa et al., 2025). However, the implementation of these standards remains limited due to inadequate dissemination, low accounting literacy, and minimal mentoring activities.

Technological advancements have also created opportunities to improve MSME financial management through digital accounting applications. Mobile-based accounting systems allow business owners to record transactions, generate financial reports, and manage finance more efficiently. Saraswati and Yulianti (2025) found that digital accounting adoption improves MSME financial performance by increasing reporting accuracy and reducing recording errors. Similarly, Ihsan et al. (2025) reported that the implementation of digital accounting applications based on SAK EMKM significantly improves bookkeeping accuracy and accounting compliance among MSMEs. However,

differences in digital literacy levels among MSME owners remain a major challenge in technology adoption.

Considering these conditions, improving financial literacy and providing practical bookkeeping training are essential to strengthen MSME financial management capacity. Practice-based training and mentoring programs have proven effective in improving accounting skills and encouraging the implementation of simple financial recording systems among MSMEs (Musyaffi et al., 2025). Community service programs, workshops, and educational initiatives can help MSME owners understand that accounting is not merely an administrative obligation but also a strategic tool for sustainable business development. Therefore, this community service activity aims to provide simple financial recording training to improve MSME financial literacy, bookkeeping skills, and business accountability.

Literature Review

1. Financial Literacy

Financial literacy is an essential factor influencing the sustainability and growth of Micro, Small, and Medium Enterprises (MSMEs). Financial literacy refers to the ability of business owners to understand and apply financial knowledge in managing business operations, including budgeting, bookkeeping, cash flow management, and investment planning. Recent studies have shown that MSME owners with higher levels of financial literacy tend to demonstrate better financial decision-making and stronger business performance (Hamzah & Rahmawati, 2025). Financial literacy also contributes significantly to improving business resilience, particularly in uncertain economic conditions.

In the context of MSMEs, financial literacy is closely related to the ability to maintain proper financial records and prepare financial reports. Arafah et al. (2025) explained that accounting literacy positively influences the

implementation of e-accounting systems and financial transparency among MSMEs. MSME actors with adequate financial literacy are more likely to adopt structured bookkeeping systems and utilize digital accounting applications to support business management. Conversely, limited financial knowledge often causes MSME owners to rely on informal financial practices, such as memory-based recording and the mixing of personal and business finances.

Furthermore, financial literacy plays a crucial role in increasing MSMEs' access to financing. Financial institutions require transparent and reliable financial information before approving loans or investment proposals. Musyaffi et al. (2025) found that improving financial literacy through accounting training programs significantly enhances MSME owners' understanding of financial reporting and increases their confidence in managing business finances. Therefore, strengthening financial literacy is considered one of the most effective strategies for improving MSME competitiveness and sustainability.

In Indonesia, low levels of financial literacy remain a major challenge for MSMEs. Many business owners still perceive accounting and bookkeeping as complex and difficult activities. This perception limits their willingness to implement proper accounting practices. Consequently, educational programs and financial training initiatives are needed to increase MSME awareness of the importance of financial management and business accountability.

2. Financial Recording and SAK EMKM

Financial recording is a fundamental activity in business management because it provides information regarding financial performance, profitability, and cash flow. Proper bookkeeping allows MSMEs to monitor business transactions systematically and evaluate operational performance effectively. According to Natalia (2025), the implementation of accounting standards improves the quality and reliability of

MSME financial statements, enabling business owners to make more informed decisions.

To support MSMEs in preparing financial reports, the Indonesian Institute of Accountants introduced the Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM). SAK EMKM is designed as a simplified accounting standard tailored to the characteristics and capacities of small businesses. The standard includes basic financial statements such as statements of financial position, income statements, and notes to financial statements. The implementation of SAK EMKM is expected to improve transparency, accountability, and access to external financing for MSMEs.

Recent studies indicate that the adoption of SAK EMKM positively affects the quality of MSME financial reporting. Putra et al. (2025) stated that the implementation of SAK EMKM enhances transparency and accountability in financial reporting practices among MSMEs. Similarly, Rahmadani and Lubis (2025) found that financial structuring based on SAK EMKM increases business readiness and improves MSMEs' ability to access formal financial institutions.

Despite its benefits, the implementation of SAK EMKM among MSMEs remains relatively low. Several factors contribute to this condition, including limited accounting knowledge, low educational backgrounds, and lack of training opportunities. Many MSME owners still use manual bookkeeping systems or fail to record transactions consistently. Consequently, financial reports are often incomplete, inaccurate, and unable to provide meaningful information for business development.

Another major challenge is the limited dissemination and mentoring regarding SAK EMKM implementation. Wibawa et al. (2025) emphasized that continuous assistance and practical guidance are necessary to help MSMEs understand and apply accounting standards

effectively. Therefore, community service programs and accounting training activities are considered important instruments for promoting financial recording practices based on SAK EMKM.

3. Digital Accounting

Technological advancements have significantly transformed financial management practices among MSMEs. Digital accounting systems provide practical solutions that enable business owners to record transactions, generate financial reports, and monitor financial performance more efficiently. Mobile-based accounting applications have become increasingly popular because they are simple, accessible, and suitable for small businesses with limited accounting knowledge.

Saraswati and Yuliarti (2025) explained that digital accounting adoption positively influences MSMEs' financial performance by improving reporting accuracy, reducing recording errors, and increasing operational efficiency. Digital accounting systems also help business owners access real-time financial information, which supports better decision-making and financial planning.

The use of digital accounting applications is closely related to digital literacy among MSME owners. Tanjung et al. (2025) found that digital literacy significantly affects the quality of financial reporting and the effectiveness of accounting processes in MSMEs. Business owners who possess better digital skills tend to adopt accounting technology more easily and utilize it more effectively in business operations.

In addition, digital accounting applications support MSMEs in implementing accounting standards such as SAK EMKM. Ihsan et al. (2025) reported that the use of the LAMIKRO accounting application improves the accuracy of financial recording and increases compliance with SAK EMKM guidelines. Through automated recording systems, MSMEs can prepare financial reports more quickly and

accurately compared to manual bookkeeping methods.

However, the adoption of digital accounting among MSMEs still faces several obstacles. Older business owners and those with limited technological experience often experience difficulties in using digital applications. Inadequate internet access, lack of training, and low digital literacy also hinder the successful implementation of accounting technology. Therefore, continuous training and mentoring programs are needed to improve MSME readiness for digital transformation in financial management.

4. MSME Training Programs

Training programs are one of the most effective approaches for improving MSMEs' financial management capabilities. Training activities provide business owners with practical knowledge and skills related to bookkeeping, financial reporting, and accounting technology implementation. Practice-based training methods are particularly effective because MSME actors tend to learn more easily through direct experience and real-life business cases.

Minanari et al. (2025) found that accounting training significantly improves MSMEs' understanding of bookkeeping and increases the adoption of digital accounting systems. Training programs that combine theoretical explanations with practical exercises help participants understand accounting concepts more clearly and apply them directly in their businesses. Through hands-on activities, MSME owners become more confident in recording transactions and preparing financial statements.

Community service programs also play an important role in strengthening MSME capacity. Universities and educational institutions frequently collaborate with local communities to provide accounting assistance and financial literacy education. According to Musyaffi et al. (2025), training and mentoring activities significantly improve financial literacy and

accounting knowledge among MSMEs, particularly in the use of cloud-based accounting systems.

Effective MSME training programs generally emphasize participatory learning approaches, where participants actively engage in discussions, simulations, and practical exercises. This approach allows MSME owners to identify financial problems in their businesses and develop appropriate solutions. In addition, mentoring activities following the training process are essential to ensure the sustainability of bookkeeping practices and the successful implementation of accounting systems.

Although training programs provide substantial benefits, several challenges remain. Differences in educational background, technological skills, and business characteristics often affect participants' ability to absorb training materials. Therefore, MSME training programs should be designed using simple language, practical examples, and flexible learning methods tailored to participants' needs and business conditions.

Method

This community service activity employed a participatory and practice-based approach aimed at improving the financial literacy and bookkeeping skills of Micro, Small, and Medium Enterprises (MSMEs). The participatory approach was selected because it encourages active involvement of participants throughout the training process, enabling MSME owners to directly identify and solve financial management problems encountered in their daily business activities. This approach is considered effective in community empowerment programs because it emphasizes collaborative learning and practical experience.

The activity was conducted in Mangkukusuman Village, Tegal Timur District, Tegal City, Central Java and involved 30 MSME actors operating in various sectors, including culinary businesses, retail trade, handicrafts, and

service enterprises. Participants were selected through coordination with local community leaders and MSME associations. The main criteria for participant selection included MSME owners who had not yet implemented structured financial recording systems or who still relied on simple manual bookkeeping methods without standardized accounting formats.

The implementation of the program consisted of four stages: preparation, training, mentoring, and evaluation.

1. Preparation Stage

The preparation stage involved preliminary coordination with local stakeholders, identification of participant needs, preparation of training materials, and development of evaluation instruments. A preliminary needs assessment was conducted through brief interviews and direct observations to identify participants' financial management practices and challenges. The results indicated that most MSME owners still mixed personal and business finances, relied on memory-based transaction recording, and lacked understanding of financial reporting based on SAK EMKM.

Training materials were developed based on MSME characteristics and focused on simple bookkeeping practices, including daily cash recording, preparation of profit and loss statements, and introduction to financial position statements. In addition, the materials also introduced participants to simple digital accounting applications that support financial recording activities.

2. Training Stage

The training stage was conducted through face-to-face workshops using interactive lecture methods, discussions, simulations, and case studies. Participants received explanations regarding the importance of financial literacy, business financial management, bookkeeping practices, and the implementation of SAK EMKM in MSME financial reporting.

To improve participants' understanding, practical exercises were incorporated into the training process. Each participant was provided with a bookkeeping module containing examples of daily transaction records, cash books, simple profit and loss statements, and financial position reports. Participants were asked to record actual business transactions based on their own business activities. This practice-based approach was intended to ensure that participants could directly apply the knowledge gained during the training process.

The training also introduced digital accounting applications that can assist MSMEs in recording transactions and preparing financial reports more efficiently. Participants were guided in using the applications to input financial data and generate simple financial statements automatically.

3. Mentoring Stage

Following the training session, participants received direct mentoring from the community service team. Mentoring activities aimed at assisting participants in implementing bookkeeping practices consistently in their businesses. During this stage, the facilitators provided technical guidance regarding transaction classification, recording procedures, and preparation of simple financial reports based on SAK EMKM principles.

Participants were encouraged to discuss difficulties encountered during the implementation process, including problems related to transaction recording, digital application usage, and financial report preparation. The mentoring process was conducted both individually and in groups to ensure that participants received adequate support according to their business needs and levels of understanding.

4. Evaluation Stage

The evaluation stage was conducted to assess the effectiveness of the training and

mentoring activities in improving participants' financial literacy and bookkeeping skills. Evaluation was carried out using formative and summative approaches.

Formative evaluation was conducted throughout the training and mentoring process through direct observation of participant involvement, practical exercises, and discussions. Meanwhile, summative evaluation was conducted at the end of the program using questionnaires, interviews, and simple case-study assessments.

The questionnaire used a Likert scale to measure three main aspects:

1. Participants' understanding of financial literacy and bookkeeping concepts,
2. Participants' ability to prepare simple financial records and reports,
3. Participants' perceptions regarding the usefulness of bookkeeping for business management.

In addition, participants were asked to complete a simple bookkeeping case study based on simulated business transactions. The case study was intended to evaluate participants' practical abilities in recording transactions and preparing financial statements.

The collected data were analyzed descriptively to identify improvements in participants' understanding, bookkeeping skills, and readiness to implement financial recording practices in their businesses. The results of the evaluation were then used as the basis for assessing the effectiveness of the community service activity and formulating recommendations for future MSME empowerment programs.

Result

The community service activity entitled *Simple Financial Recording Training for MSMEs* was conducted successfully and involved 30 MSME owners from various business sectors, including culinary businesses, retail trade, handicrafts, and service enterprises. The activity

aimed to improve participants' understanding and practical skills related to financial literacy, bookkeeping, and the preparation of simple financial reports based on SAK EMKM principles. The implementation of training and mentoring activities demonstrated positive outcomes in terms of participant participation, knowledge improvement, and bookkeeping practices.

1. Initial Condition of MSME Financial Management

Before the training was conducted, the community service team carried out preliminary observations and interviews to identify participants' financial management conditions. The findings indicated that most MSME owners had not implemented structured bookkeeping systems in their business operations. Many participants only recorded cash inflows and outflows informally using notebooks or relied solely on memory-based transaction tracking.

In addition, most participants still combined personal and business finances, making it difficult to identify actual business profits and operational costs. Several participants admitted that they had never prepared financial reports such as profit and loss statements or statements of financial position. Financial management activities were generally considered secondary compared to production and marketing activities. These findings are consistent with previous studies indicating that low accounting literacy and limited bookkeeping practices remain major challenges among MSMEs in Indonesia (Rahmadani & Lubis, 2025).

The preliminary assessment also revealed that participants had limited knowledge regarding SAK EMKM and digital accounting applications. Only a few participants had previously heard about accounting standards for MSMEs, while none had implemented them consistently in business operations. This demonstrated the need for practical training and continuous mentoring related to financial recording practices.

2. Implementation of Training Activities

The training activities were conducted through interactive workshops combining lectures, discussions, simulations, and practical exercises. During the training sessions, participants received explanations regarding:

- a. The importance of financial literacy in business sustainability,
- b. The role of bookkeeping in business management,
- c. Simple financial recording techniques,
- d. Preparation of financial reports based on SAK EMKM,
- e. Introduction to digital accounting applications for MSMEs.

The training materials were delivered using simple language and practical examples adjusted to participants' business characteristics. Participants were highly enthusiastic throughout the training process and actively engaged in discussions and question-and-answer sessions. Many participants shared their experiences regarding financial management difficulties, particularly related to transaction recording and profit calculation.

To improve practical understanding, participants were asked to record simulated business transactions using simple bookkeeping templates provided by the facilitators. The practical sessions included daily cash recording, expense classification, sales recording, and preparation of simple profit and loss statements. This hands-on learning approach helped participants understand bookkeeping concepts more easily because they could directly apply the material to their own business situations.

The introduction of digital accounting applications also attracted considerable interest from participants. Younger participants and those familiar with smartphone technology showed strong enthusiasm toward the use of digital bookkeeping systems. Participants stated that the applications could simplify transaction recording and reduce calculation errors. However, some

older participants still experienced difficulties in operating digital applications and required additional guidance.

3. Improvement of Participants' Knowledge and Skills

The evaluation results demonstrated significant improvement in participants' understanding and bookkeeping skills after participating in the training program. Based on questionnaire results and practical assessments, more than 85% of participants reported increased understanding regarding the importance of financial recording for business management.

Furthermore, approximately 80% of participants were able to prepare simple daily transaction records using the bookkeeping format provided during the training. Around 75% of participants successfully completed simple profit and loss statements independently based on case-study exercises. Participants also demonstrated better understanding regarding the separation of personal and business finances, which had previously been one of the main problems in financial management practices.

The mentoring sessions further strengthened participants' practical skills. Through direct guidance, participants became more confident in recording transactions and preparing financial reports. Several participants stated that they previously considered bookkeeping complicated, but after the training, they realized that simple financial recording could be implemented easily using practical formats and digital tools.

These findings support previous studies indicating that practice-based financial training significantly improves accounting literacy and bookkeeping skills among MSMEs (Minanari et al., 2025; Musyaffi et al., 2025).

4. Participants' Perceptions of the Training Program

Interviews conducted after the training revealed positive participant perceptions

regarding the usefulness of the program. Most participants stated that the training provided practical knowledge directly applicable to their businesses. Participants particularly appreciated the simple bookkeeping templates and practical exercises because they helped them understand financial recording procedures more clearly.

Several participants reported that they had started implementing daily transaction recording immediately after the training sessions. A culinary business owner explained that the training helped her identify operational costs more accurately, allowing her to calculate actual business profits more effectively. Similarly, a handicraft business owner stated that bookkeeping practices improved his ability to control expenses and plan future business purchases.

Participants also acknowledged that financial recording could increase business credibility when applying for loans or seeking external funding. This awareness represented a significant change in participants' perceptions because bookkeeping was previously viewed only as an administrative burden rather than a strategic business tool.

5. Challenges Encountered During the Program

Although the training program produced positive outcomes, several challenges were identified during implementation. One of the main obstacles was the varying educational backgrounds and accounting knowledge among participants. Some participants required more intensive assistance to understand transaction classification and financial reporting concepts.

Digital literacy also became a challenge, particularly among older participants who were less familiar with smartphone applications and accounting technology. In addition, several participants experienced difficulties in maintaining consistent transaction recording habits because they were not accustomed to documenting daily business activities systematically.

Another challenge involved time limitations during mentoring activities. Some participants required additional practice sessions to fully understand bookkeeping procedures and digital accounting applications. Therefore, continuous mentoring and follow-up training programs are recommended to ensure the sustainability of bookkeeping practices among MSMEs.

Overall, the results of this community service activity indicate that simple financial recording training effectively improves MSME financial literacy, bookkeeping skills, and awareness regarding the importance of business financial management. The integration of practical exercises and digital accounting introduction contributed positively to participants' understanding and readiness to implement financial recording systems in their businesses.

Discussion

The results of the community service activity demonstrate that simple financial recording training has a significant positive impact on improving MSMEs' financial literacy, bookkeeping skills, and awareness regarding the importance of financial management. The findings indicate that most participants experienced increased understanding of bookkeeping concepts and were able to apply simple financial recording practices in their businesses after participating in the training and mentoring sessions. These results confirm that practice-based financial education is highly effective in strengthening MSME managerial capacity.

One of the main findings of this activity is the improvement of participants' financial literacy. Prior to the training, many MSME owners lacked understanding regarding the importance of financial recording and relied on informal transaction tracking systems. This condition is consistent with the findings of Hamzah and Rahmawati (2025), who reported that low financial literacy remains one of the

primary obstacles affecting MSME financial management and business sustainability. Through practice requirements sessions, participants became more aware that bookkeeping is not merely an administrative requirement but also an important tool for monitoring business performance, calculating profits, and supporting decision-making processes.

The findings also indicate that the implementation of simple bookkeeping practices can improve business accountability and financial transparency among MSMEs. Participants who previously mixed personal and business finances began to understand the importance of separating financial transactions systematically. This result supports the study conducted by Rahmadani and Lubis (2025), which emphasized that structured financial recording enhances business readiness and improves MSMEs' credibility in accessing external financing institutions. Proper bookkeeping enables business owners to generate more reliable financial information, which is essential for evaluating operational efficiency and planning business development strategies.

Another important aspect identified in this activity is the relevance of SAK EMKM in supporting MSME financial reporting practices. The training introduced participants to simplified accounting standards specifically designed for small businesses. Most participants acknowledged that the bookkeeping formats based on SAK EMKM principles were easier to understand and more applicable to their business activities. This finding aligns with the research conducted by Putra et al. (2025), which found that the implementation of SAK EMKM positively affects the transparency and accountability of MSME financial reports. By adopting simple accounting standards, MSMEs can gradually improve the quality of financial reporting while maintaining practicality in bookkeeping activities.

The results further demonstrate that participatory and hands-on training methods are highly effective in improving bookkeeping skills among MSME owners. Participants showed

greater enthusiasm during practical exercises compared to theoretical explanations alone. Through simulations and direct transaction recording activities, participants were able to understand bookkeeping concepts more clearly and apply them to real business situations. This finding supports the study by Minanari et al. (2025), which stated that accounting training combined with practical exercises significantly improves MSME understanding of financial recording and digital accounting adoption.

In addition, the introduction of digital accounting applications provided new insights for participants regarding technology-based financial management. Several participants, particularly younger business owners, responded positively to the use of smartphone-based accounting applications because the systems simplified transaction recording and automated financial calculations. This finding is consistent with Saraswati and Yulianti (2025), who explained that digital accounting adoption improves financial reporting accuracy, operational efficiency, and financial performance among MSMEs. The use of digital accounting applications can reduce human error in bookkeeping processes and provide real-time financial information for business decision-making.

However, the activity also identified several challenges related to digital accounting adoption. Older participants and those with limited digital literacy experienced difficulties in operating accounting applications and understanding technology-based bookkeeping systems. This condition confirms the findings of Tanjung et al. (2025), who emphasized that digital literacy significantly influences the effectiveness of accounting technology implementation among MSMEs. Therefore, technology adoption among MSMEs requires continuous mentoring and user-friendly training approaches tailored to participants' educational backgrounds and technological capabilities.

Another important finding from this activity is the role of mentoring in ensuring the

sustainability of bookkeeping practices. The mentoring sessions allowed participants to discuss practical problems encountered during financial recording implementation and receive direct guidance from facilitators. Participants who received intensive mentoring demonstrated better understanding and stronger commitment to implementing bookkeeping practices consistently. This result supports Musyaffi et al. (2025), who found that continuous assistance and mentoring significantly improve MSMEs' accounting literacy and readiness to implement digital financial management systems.

Despite the positive outcomes, several limitations were identified during the implementation process. First, differences in educational backgrounds and accounting knowledge affected participants' ability to absorb training materials uniformly. Some participants required additional explanations and repeated practice sessions to understand transaction classification and financial reporting concepts. Second, time limitations during the mentoring process restricted the depth of assistance that could be provided to each participant. Third, the sustainability of bookkeeping practices after the completion of the program remains a challenge because behavioral changes in financial management require long-term consistency and monitoring.

Nevertheless, the overall findings indicate that simple financial recording training is an effective strategy for improving MSMEs' financial management capacity. The integration of financial literacy education, bookkeeping practice, SAK EMKM introduction, and digital accounting applications contribute positively to participants' understanding and practical skills. Community service programs such as this can therefore play an important role in strengthening MSME competitiveness, improving financial accountability, and expanding access to financing opportunities.

Furthermore, this activity highlights the strategic role of higher education institutions in

community empowerment and MSME development. Through training and mentoring programs, universities can contribute directly to improving financial literacy and managerial skills among local business communities. Collaborative programs involving academics, government institutions, and MSME associations are expected to strengthen the sustainability of MSME empowerment initiatives and support inclusive economic development in Indonesia.

Conclusion

The community service activity conducted through the Simple Financial Recording Training for MSMEs program successfully improved participants' financial literacy, bookkeeping skills, and awareness regarding the importance of financial management in sustainability. The training and mentoring activities demonstrated that practice-based learning approaches are effective in helping MSME owners understand and implement simple financial recording systems in their daily business operations.

The results showed that most participants experienced significant improvement in their understanding of bookkeeping concepts, transaction recording procedures, and preparation of simple financial statements based on SAK EMKM principles. Participants also demonstrated greater awareness regarding the importance of separating personal and business finances, maintaining consistent transaction records, and utilizing financial reports for business decision-making. In addition, the introduction of digital accounting applications broadened participants' knowledge regarding technology-based financial management systems that can improve efficiency and reporting accuracy.

The implementation of SAK EMKM within the training program provided participants with practical guidance in preparing transparent and accountable financial reports suitable for MSME characteristics. The simplified bookkeeping formats and practical exercises

helped participants understand that accounting practices can be implemented in a simple and manageable manner without requiring advanced accounting expertise. Furthermore, the mentoring activities strengthened participants' confidence and readiness to apply bookkeeping systems consistently in their businesses.

Despite the positive outcomes, several challenges remain, particularly related to differences in educational backgrounds, accounting knowledge, and digital literacy among participants. Some participants still required additional assistance in understanding transaction classification and operating digital accounting applications. Therefore, continuous mentoring and follow-up training programs are necessary to ensure the sustainability of bookkeeping practices and the successful adoption of digital accounting systems among MSMEs.

Overall, this community service activity highlights the strategic role of financial literacy education, practical bookkeeping training, and digital accounting introduction in strengthening MSME managerial capacity and business accountability. The findings indicate that collaborative programs involving higher education institutions, local governments, and MSME communities can contribute significantly to improving MSME competitiveness, expanding access to financing opportunities, and supporting sustainable economic development.

For future programs, it is recommended that training activities be conducted continuously with more intensive mentoring sessions and broader integration of digital accounting technology. In addition, collaboration with financial institutions and local government agencies may further support MSMEs in implementing financial reporting standards and accessing formal financing services. Through sustainable empowerment programs, MSMEs are expected to develop stronger financial management capabilities and achieve long-term business growth.

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