

Model for Presenting Financial Reports of Non-Profit Organizations at Educational Foundations

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ABSTRACT

The purpose of this research is to determine the process of preparing financial reports presented by the Foundation. Apart from that, it is also to present financial reports to the Foundation using the basis of ISAK (Interpretation of Financial Accounting Standards) 35. This research was conducted at the Al-Hidayah Kindergarten Education Foundation, Pasuruan City, East Java, Indonesia. The type of research used in this research is descriptive qualitative, using primary and secondary data. The informants in this research were the person in charge, secretary, and financial manager or treasurer. After conducting research at the Al-Hidayah Kindergarten Education Foundation, Pasuruan City, there were several conclusions that answered the questions in the research focus. The Al-Hidayah Kindergarten Education Foundation, Pasuruan City has not used the appropriate basis, namely ISAK 35, in its reporting, this is due to the lack of knowledge possessed by the finance department in providing financial information in accordance with applicable standards.

Keywords: Education Foundation, Financial Report, ISAK 35



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INTRODUCTION

We often encounter organizations or entities in the surrounding environment. Organizations are founded to achieve goals that have been discussed with several individuals (Battilana et al., 2022; Rizki & Sulistyan, 2022). With these goals, organizations can achieve targets effectively. Looking at the goals of an organization or entity, organizations are divided into 2 types according to their goals, namely social (non-profit) and commercial (profit) organizations. A commercial (profit) organization is an organization that has a focused objective on profit or gain for the prosperity of the organization and the members within the organization. The types of commercial organizations are as follows, Trading Business (UD), Cooperative, Commanditaire Vennotschap (CV), Firm (FA), Limited Liability Company (PT). Meanwhile, social organizations (non-profit) are organizations founded by the community or between individuals to become a means of contribution by the community in building the nation and state (Sopanah et al., 2023).

Looking at the definition above, organizations can be divided into 2 according to their objectives, including profit (profit) and non-profit organizations. A Profit Entity or Organization is a form of

business that aims to make a profit in order to maintain the productivity of the organization. Profit organizations include manufacturing companies and trading companies, while non-profit organizations are founded by a group of individuals in order to provide services to the general public in their respective fields such as educational institutions, social institutions, religious institutions (Sopanah et al., 2023, 2020).

Profit organizations operate using funding sources obtained from profits (profits) obtained by the organization (Sopanah et al., 2018). Meanwhile, non-profit organizations obtain funding sources from voluntary donations from the public and organizational members for operational costs (Lee et al., 2022). Because the source of funds in non-profit organizations is voluntary, in carrying out activities non-profit organizations must create a budget to reduce the costs that must be incurred (Ortega-Rodríguez et al., 2020). This is the basis that non-profit organizations need to prepare financial reports to become the basis for the following year's budget and financial transparency to the general public as a form of responsibility for the funds they have received (Pärl et al., 2022).

Financial reports in Public Sector Accounting are very different from financial reports usually presented by business entities. The focus in public sector accounting is to refer to entities that do not seek profit (for the public) (Sopanah, et al., 2023). According to Haryanto et al. (2007) public and private sector accounting have differences based on the environment (scope), such as revenue sources, objectives, entity structure, stakeholders (responsibility), accounting systems or methods. In this case, of course a financial report has accounting standards that are used to look at the accounting behavior and needs of an entity. As a basis for preparing an entity's financial statements, the entity must use one of the SAKs that have been regulated in PSAK in Indonesia, including SAK IFRS, SAK ETAP/EMKM through identifying the character of the entity. According to Rudianto (2012), in Indonesia the benchmarks for preparing financial reports are prepared by the IAI (Indonesian Accountants Association) and are called Financial Accounting Standards (SAK).

This research is very important to do, this is because remembering that financial reports in a non-profit entity are very useful for the entity because they can be a feedback medium in providing financial information and can have an impact on the increase in donors. However, there are still many foundations that do not use ISAK (Interpretation of Financial Accounting Standards) 35 in presenting their financial reports. This may be based on HR (Human Resources) not knowing about changes to the basic SAK references in non-profit entities.

As for previous research which provides better conclusions in conducting this research, Setiadi (2021) concludes that mosques, campuses and foundations must follow the applicable financial accounting standards, namely ISAK 35, many non-profit entities in Indonesia are found that still do not use accounting standards. which applies in preparing financial reports, Financial Accounting Standards in reporting are very important to reduce errors in calculating turnover and profit and loss in an entity. According to Purba (2022) concludes that the preparation of financial reports can provide information, especially the increase/decrease in assets, liabilities and net assets at the HKBP KM 55 Church through Comprehensive Income Reports, Net Asset Change Reports, Financial Position Reports, Cash Flow Reports, Notes Over Financial Reports. Meanwhile, according to Diviana et al. (2020) concluded that this research shows the nominal assets owned, so that there were increases and decreases in net assets in 2020 for the January and February periods. Seeing this, researchers used educational foundations as the object in this research.

METHODS

The object or place that supports this research is the Al-Hidayah Kindergarten Education Foundation, Pasuruan City. Al-Hidayah Pasuruan Kindergarten Education Foundation is a foundation or institution operating in the educational, social, religious and humanitarian fields

located on Jl. Gatot Subroto Gg. 8, Bukir, District. Gadingrejo, Pasuruan City, East Java, Indonesia. The type of research used in this research is descriptive qualitative. The types of data used are primary and secondary data.

Informants in the research are parties whose function is to provide information or data regarding the financial reports of the Al-Hidayah Kindergarten Education Foundation, Pasuruan City and also its obstacles. In this research, the informants are able to provide information or data needed by researchers, namely general description, organizational structure, accounting policies at the Al-Hidayah Kindergarten Education Foundation, Pasuruan City.

So the researcher determines the informants who will be studied, as follows:

1. Person in charge of the Al-Hidayah Kindergarten Education Foundation, Pasuruan City.
2. Secretary of the Al-Hidayah Kindergarten Education Foundation, Pasuruan City.
3. Manager of the financial section/Treasurer of the Al-Hidayah Kindergarten Education Foundation, Pasuruan City.

In conducting this research, a method for collecting data is needed, in order to produce data that suits research needs. So, based on this, there are 3 methods used to meet research needs, including documentation, interview, and observation. Data analysis will be carried out using an interactive model, according to Gunawan (2013) with an interactive model there are several components that must be carried out, namely data collection, data reduction, data display, and decision making and verification. This research uses source triangulation and technique triangulation, namely using more than one informant and data collection techniques to obtain the same data. Researchers obtained data regarding the research focus by interviewing several human resources at the Al-Hidayah Kindergarten Education Foundation, Pasuruan City.

RESULTS AND DISCUSSION

Al-Hidayah Pasuruan Kindergarten Education Foundation is a foundation or institution that operates in the educational, social, religious and humanitarian fields. This foundation is located on Jl. Gatot Subroto Gg. 8, Bukir, District. Gadingrejo, Pasuruan City, East Java, Indonesia. The Al-Hidayah Pasuruan Kindergarten Education Foundation was born in 2010 and has provided teaching using creative, interesting and fun learning methods that focus on Kindergarten (TK).

In the deed of establishment number 238, 14 September 2015, it is the basis for recognizing that the Al-Hidayah Pasuruan Kindergarten Education Foundation has been established. The foundation carries out activities that are useful for developing formal education at the Early Childhood level. Al-Hidayah Kindergarten Education Foundation has a vision, mission and goals, including;

- a. Vision: Instilling noble character and religious values in children. Helping students to grow and develop optimally
- b. Mission
 1. Organizing Integrative Holistic PAUD development services.
 2. Creating facilities and infrastructure that support the learning process.
 3. Creating activities that support children's creativity.
 4. Creating a fun learning while playing situation.
 5. Guiding children to get used to worshipping according to their religion

Financial Report on the Al-Hidayah Education Foundation, Pasuruan City

The basic data used before presenting the Foundation's financial reports using ISAK (Interpretation of Financial Accounting Standards) 35 is the financial report prepared by the foundation. The financial report that has been prepared by the Al-Hidayah Kindergarten Education Foundation, Malang City is prepared by the Treasurer and presented to the general public as well as a form of

accountability in the form of financial flows for parents of students or prospective students. The reporting is prepared every month and the recording is done manually on paper with recognition of income and expenditure transactions through the cash flow book. So far, the recognition of income at the Al-Hidayah Kindergarten Education Foundation has come from SOP and BOP funds, while sometimes compensation money or donations have been received for special activities such as the purchase of given inventory. Recognition of expenditure at the Al-Hidayah Kindergarten Education Foundation mostly comes from operational costs at the foundation such as for education and other activities. By using cash-based recording or only recognizing transaction recording for operational activities. This can lead to opportunities for errors in recording and calculations. This can affect the financial flow of the foundation, causing losses and deficits.

Table 1. Financial Report on the Al-Hidayah Pasuruan Kindergarten Education Foundation as of December 2022

Financial Statements of the Kindergarten Education Foundation Al-Hidayah Pasuruan as of December 2022			
Income			
Beginning balance	Rp		45.525.483
SPP for the month of april	Rp		5.350.000
Grant/BOP funds	Rp		1.500.000
Income Total	Rp		52.375.483
Expenditure			
ATK	Rp		222.000
Shooping	Rp		1.224.000
Teracher incentives	Rp		3.600.000
Cost of education	Rp		537.100
Activity needs	Rp		7.750.000
Electricity	Rp		222.000
Wifi	Rp		350.000
Learning facilities and infrastructure	Rp		-
Bank admin	Rp		7.500
Etc	Rp		470.000
Expenditure Total	Rp		14.382.600
Balance as of December 2022	Rp		37.992.883

Source: Data Processed (2023)

Based on the data above, there are several financial reports which are divided into 2, namely income and expenses. The income balance is divided into the initial balance account from the remaining balance for November, tuition fees (coming from payments from 30 family planning students and 55 kindergarten students), as well as additional information that there are 5 kindergarten students who paid the shortfall in tuition fees for October, and there is a shortfall in paying tuition fees. a total of 5 KB students this month.

The financial report in the table above is a monthly report owned by the Al-Hidayah Pasuruan Kindergarten Education Foundation which was created to provide information on income and expenses each month. In reporting, this report provides 2 pieces of information, namely cash income and expenditure or what is called cash basic. There are account balances or transactions that have been determined or are often used to provide financial information. Information on cash income or receipts in this report comes from SPP (Education Development Contributions), Grant Funds and BOP Funds. Meanwhile, expenses are divided into several accounts, namely ATK costs, shopping costs, incentive costs, education costs, activity needs costs, electricity costs, wifi costs, facilities and infrastructure costs, bank admin and other costs.

The account classification used when reporting foundations does not divide according to income and usage limits, so that the Al-Hidayah educational foundation in Pasuruan City can be ascertained that it has not used financial reports based on ISAK 35. ISAK 35 financial reports have differences in recognizing income and its use, which are divided into 2, namely with limitations and without limitations. This can provide a more informative and accurate classification of usage and revenue.

Evaluation of Financial Reports

In accordance with the analysis carried out on the foundation's financial reports, there are several things that provide discrepancies in the Al-Hidayah Kindergarten Education Foundation's financial reports with the SAK used in non-profit entities, namely ISAK 35. The following are:

1. Classification in revenue recognition that has limitations or not in its use and utilization
2. Classification in recognition of expenditure transactions which are differentiated according to their limitations.
3. Financial reports have weaknesses in providing accurate information.

This is the reason why financial reports are presented based on the SAK that apply to the entity in order to provide accurate and appropriate information as a form of responsibility in managing finances. As a foundation is a non-profit entity, the use of its funds is very crucial if it does not provide reports that provide transparent and accurate information. The analysis carried out after looking at the data received from the foundation, provided several problems that could trigger several cases at the foundation, including:

1. The absence of a Financial Position Report which functions to provide the financial status and all assets owned by the foundation can trigger errors in calculating next year's budget in the RAB submission.
2. The absence of a Net Asset Change Report which has the function of providing information on changes in the use or limits of assets from with limits to no limits or surplus (remaining balance) owned by the foundation causes errors and inaccuracies in providing information on its financial assets.
3. The absence of a Cash Flow Report or Comprehensive Income Report which functions to show management and the surplus received by the foundation for the use of its finances triggers a lack of trust from potential donors or donors.
4. The absence of notes on the financial reports held can also trigger misunderstandings by financial report users regarding several transactions or assets they own.

Looking at the financial report that was previously attached, the results of the analysis of the foundation's financial report show several discrepancies between the financial report presented by the treasurer and ISAK (Interpretation of Financial Accounting Standards) 35. The difference is the recognition of expenses and the recognition of income which are not classified according to the purpose of the income, In the expense account, there are several accounts where the total expenditure is mixed with the use of income which has limitations in its use. Meanwhile, income is separate but is not given an account name as Limitation or without Limitation.

This needs to be taken into account because the Al-Hidayah Pasuruan Kindergarten Education Foundation has special income for expenses that have been budgeted or planned by the funder. If income and expenses are not classified according to the purpose and limitations of their use, then the report is considered invalid, and can trigger financial misinformation to the public and parties who need accountability for the realization of the budget each month.

Financial Report of the Al-Hidayah Education Foundation of Pasuruan City based on ISAK 35

In presenting financial reports, non-profit entities are standardized using existing accounting principles. In presenting financial reports, non-profit-oriented entities have the applicable standard, namely ISAK 35. ISAK 35 financial reports contain reports of changes in net assets, cash flow reports, comprehensive income reports, financial position reports, and close with CALK (Notes to Financial Reports).

Cash Flow Statement

Table 2. Cash Flow Report for Al-Hidayah Kindergarten Education Foundation, Pasuruan City

Yayasan Pendidikan TK Al-Hidayah Kota Pasuruan			
Cash Flow Statement			
As of December 31, 2022			
Operational Activities			
Cash from Student Tuition Fees	Rp		65.145.000
Miscellaneous Receipts	Rp		-
ATK Requirements Expense	Rp	-	3.053.500
Equipment Expenses	Rp	-	1.680.000
Inventory Expense	Rp	-	1.762.500
Educational Activity Expenses	Rp	-	3.365.000
Non-Educational Activity Expenses	Rp	-	5.337.500
Transportation Expenses	Rp	-	1.325.000
IGTKI Contributions	Rp	-	1.575.000
Consumption Expenses	Rp	-	4.775.000
Salary expense	Rp	-	56.700.000
Printing Expenses	Rp	-	2.091.600
Bank Admin	Rp	-	90.000
Net Cash From Operating Activities	Rp	-	16.610.100
Investment Activities			
Purchase of Fixed Assets			-
Proceeds from Investment Sales			-
Receipt of Investment Results			-
Investment Purchases			-
Net Cash used for Investment activities			-
Funding Activities			
Acceptance of Funds is limited to	Rp		141.758.329
ATK Requirements Expense	Rp	-	8.135.250
Equipment Expenses	Rp	-	7.446.600
Inventory Expense	Rp	-	23.688.619
Educational Activity Expenses	Rp	-	19.347.600
Non-Educational Activity Expenses	Rp	-	36.495.900
Consumption Expenses	Rp	-	9.079.310
Electricity, Water and Wifi Expenses	Rp	-	6.864.000
Salary expense	Rp	-	675.000
Printing Expenses	Rp	-	2.739.000
Transportation Expenses	Rp	-	1.260.000
Net Cash used for funding activities	Rp		26.027.050
Increase (Decrease) in Net Cash and Cash Equivalents	Rp		9.416.950
Cash and Cash Equivalents at the Beginning of the Period	Rp		28.575.933
Cash and Cash Equivalents at the End of the Period	Rp		37.992.883

Source: Data Processed (2023)

Based on the report above, there is information regarding the remaining cash balance or net cash in the operational activities of the Al-Hidayah Education Foundation for the 2022 period amounting to

(-Rp. 16,610,100). This is because in this year what is calculated is the actual income (SPP) without mixing it with the remaining balance from the previous year. The information on the remaining cash balance or net cash in the foundation's funding activities (with limits) is IDR 26,027,050. The cash balance at the beginning of the 2022 period is IDR 28,575,933 which is added together with cash from operational activities and financing activities to get a cash balance at the end of the period of 37,992,883. there was an increase in the balance at the end of this year's period which was shown at IDR 9,416,950.

Comprehensive Income Statement

Table3. Comprehensive Income Report for Al-Hidayah Kindergarten Education Foundation, Pasuruan City

Yayasan Pendidikan TK Al - Hidayah Kota Pasuruan			
Comprehensive Income Report			
As of December 31, 2022			
Without Limitations from the Resource Provider			
Income			
Student Tuition Fees		Rp	65.145.000
Long Term Investment Income		Rp	-
Short Term Investment Income		Rp	-
Other income		Rp	28.575.933
Income Total		Rp	93.720.933
Expense			
ATK Requirements Expense		Rp	3.053.500
Equipment Expenses		Rp	1.680.000
Inventory Expense		Rp	1.762.500
Educational Activity Expenses		Rp	3.365.000
Non-Educational Activity Expenses		Rp	5.337.500
Transportation Expenses		Rp	1.325.000
IGTKI Contributions		Rp	1.575.000
Consumption Expenses		Rp	4.775.000
Salary expense		Rp	56.700.000
Printing Expenses		Rp	2.091.600
Bank Admin		Rp	90.000
Total Expense		Rp	81.755.100
Surplus (Deficit)		Rp	11.965.833
With Restrictions from the Resource Provider			
Income			
Grant Funds/BOP		Rp	141.758.329
Other income		Rp	-
Income Total		Rp	141.758.329
Expense			
ATK Requirements Expense		Rp	8.135.250
Equipment Expenses		Rp	7.446.600
Inventory Expense		Rp	23.688.619
Educational Activity Expenses		Rp	19.347.600
Non-Educational Activity Expenses		Rp	36.495.900
Consumption Expenses		Rp	9.079.310
Electricity, Water and Wifi Expenses		Rp	6.864.000
Salary expense		Rp	675.000
Printing Expenses		Rp	2.739.000
Transportation Expenses		Rp	1.260.000
Total Expense		Rp	115.731.279
Surplus (Deficit)		Rp	26.027.050

Total Other Comprehensive Income	Rp	-
Total Comprehensive Income	Rp	37.992.883

Source: Data Processed (2023)

Based on the report above, there is information regarding the balance of funding sources that have no restrictions at the Al-Hidayah Education Foundation for the 2022 period amounting to IDR 93,720,933, and funding sources that have restrictions on their use amounting to IDR 141,758,329 with a combined total value of IDR 235,479,262. Apart from that, the report above provides information on all deferred liabilities or expenses according to the classification of limitations, total expenses without limitations worth IDR 81,755,100, and total expenses with limitations worth IDR 115,731,279 with a combined total value of IDR 197,486,379. Total Balance of Comprehensive Income is IDR 37,992,883.

Net Asset Change Report

Table 4. Report on Changes in Net Assets of the Al-Hidayah Kindergarten Education Foundation, Pasuruan City

Yayasan Pendidikan TK Al - Hidayah Kota Pasuruan		
Net Asset Changes Report		
As of December 31, 2022		
Net Assets Without Limitations from Resource Providers		
Beginning balance	Rp	28.575.933
Current Year Surplus	-Rp	16.610.100
Net Assets that are exempt from Restrictions		
Ending balance	Rp	11.965.833
Comprehensive Income		
Beginning balance	Rp	-
Comprehensive Income for the Year		
Ending balance	Rp	-
Total	Rp	11.965.833
Net Assets with Resource Restrictions		
Beginning balance	Rp	-
Current Year Surplus	Rp	26.027.050
Net Assets that are exempt from Restrictions	Rp	-
Ending balance	Rp	26.027.050
Total Net Assets	Rp	37.992.883

Source: Data Processed (2023)

Based on the report above, there is information regarding the final balance of Net Assets without Restrictions amounting to IDR 11,965,883 which is obtained from the Initial Balance value added together with the Surplus of Net Assets without Restrictions in 2022. Meanwhile, the final balance of Net Assets With Restrictions is IDR 26,027,050 obtained from the net asset surplus with restrictions in 2022. Total net assets obtained from the sum of the ending balance of Net Assets Without Limitations and Net Assets With Limitations amounting to IDR 37,992,883.

Financial Position Report

Table 5. Report on the Financial Position of the Al-Hidayah Kindergarten Education Foundation, Pasuruan City

Yayasan Pendidikan TK Al - Hidayah Kota Pasuruan	
Statement of Financial Position	
As of December 31, 2022	
ASSET	
Current assets	

Cash and cash equivalents	Rp	37.992.883
Receivables	Rp	175.000
Equipment	Rp	9.126.600
Prepaid expenses	Rp	-
Total Current Assets	Rp	47.294.483
Non-Current Assets	Rp	
Investment Property	Rp	-
Long term investment	Rp	-
Fixed assets	Rp	25.451.119
Total Non-Current Assets	Rp	25.451.119
Total Assets	Rp	72.745.602
LIABILITIES		
Short-term liabilities		
Prepaid Income	Rp	-
Short Term Debt	Rp	-
Total Short Term Liabilities	Rp	-
Long Term Liabilities		
Long-term debt	Rp	-
Employee Benefits Liabilities	Rp	-
Total Long Term Liabilities	Rp	-
Total Liabilities	Rp	-
Net Assets		
No restrictions	Rp	15.583.333
With Restrictions	Rp	57.162.269
Total Net Assets	Rp	72.745.602
Total Liabilities and Net Assets	Rp	72.745.602

Source: Data Processed (2023)

Based on the report above, there is information regarding Total Current Assets which is obtained by adding up the final balance of cash and cash equivalents with receivables and equipment amounting to IDR 47,294,483. while the Total Non-Current Assets obtained from the Value of Fixed Assets owned is Rp. 25,451,119, which if you add up the Total Current and Non-Current Assets is Rp. 72,745,602 which has a similar value to the Total Liabilities and Net Assets.

Notes to Financial Reports

1. General: Al-Hidayah Pasuruan Kindergarten Education Foundation is a foundation or institution that operates in the educational, social, religious and humanitarian fields. This foundation is located on Jl. Gatot Subroto Gg. 8, Bukir, District. Gadingrejo, Pasuruan City, East Java – 67138. The Al-Hidayah Pasuruan Kindergarten Education Foundation was born in 2010, and was recognized by deed of establishment number -238-, 14 September 2015. This foundation is led by Mrs. HJ. Taslimah, S. Pd.
2. Accounting Policies: Accounting Standards in financial reporting use non-profit-oriented Interpretation of Financial Accounting Standards (ISAK) 35 at the Al-Hidayah Kindergarten Education Foundation, Pasuruan City. The financial reporting period reported by the Al-Hidayah Kindergarten Education Foundation, Pasuruan City starts from January 1 – December 31, 2022. The initial balance of cash and cash equivalents presented in the Statement of Financial Position for this period was IDR 28,575,933. The total balance of Income has sources divided into two, namely Income without restrictions originating from tuition fees and Income with restrictions originating from Grant Funds and BOP Money presented in this period is without restrictions on student tuition fees amounting to Rp. 65,145,000, and using a grant/BOP funding limit of Rp. 141,758,329. The balance of receivables comes from unpaid SPP (without limitation) income with a value of IDR 175,000. There were purchases of APE

Lockers, Portable Stainless Drink Racks, APE Blocks, Tables, Printers, Globes, Laptops and TVs in this period in June with a value of IDR 25,451,119.

CONCLUSION

After conducting research at the Al-Hidayah Kindergarten Education Foundation, Pasuruan City, there were several conclusions that answered the questions in the research focus. The Al-Hidayah Kindergarten Education Foundation, Pasuruan City has not used the appropriate basis, namely ISAK 35, in its reporting, this is due to the lack of knowledge possessed by the finance department in providing financial information in accordance with applicable standards. This can be proven by the attached form of the foundation's financial report which only provides information on the source of funds, but the distribution is not divided according to the limitations on how to use it. So the reporting is less transparent and accurate.

This is further research in presenting financial reports using ISAK 35. This research produces several presentations of financial reports according to the basis used, including the Cash Flow Report, Comprehensive Income Report, Net Asset Change Report, Financial Position Report, and CALK. This aims to provide a form of financial reporting that is in accordance with standards.

The limitations in this research are limitations in obtaining the entire value of assets owned, making the financial reports presented less accurate because the fixed assets owned come from grants or gifts. In this regard, the assets presented in this research are the total assets in 2022. Paper based transaction recording provides limitations in that the documentation used for research is less accurate because some documents are recorded on paper and some have been entered in soft files. Paper-based recording can cause recording errors, therefore the data used is processed first so that it can be used efficiently and accurately.

After analyzing and concluding on this research, the statements submitted as input can be used as material in considering the appropriate use of the basis, including that the Al-Hidayah Kindergarten Education Foundation is expected to improve the transaction recording used so that it is more efficient in presenting its financial reports in a good manner. transparency and level of accuracy. The Al-Hidayah Kindergarten Education Foundation is expected to be able to follow and be aware of applicable standards or new rules, especially in presenting its financial reports, so that when presenting financial reports they have greater transparency and accuracy. This can influence the considerations of donors and management in making decisions on the budget used

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