

THE IMPACT OF FINANCIAL REPORTS OF THE VILLAGE-OWNED ENTERPRISES OF BERDAYA UNGGUL SEJAHTERA SUMUR BANDUNG VILLAGE LEBAK REGENCY BANTEN ON INDONESIAN MIGRANT WORKERS

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ABSTRACT Financial reports are a form of accountability for BUMDes (Village-Owned Enterprises), so it is hoped that the performance of BUMDes through the form of financial reports can encourage financial governance that is transparent, accountable, cooperative, emancipatory and sustainable. This community service activity generally aims to help BUMDes members in the Lebak District, Sumurbandung Village, to become skilled in preparing financial reports so that the results of financial reports can become information for users and then management can utilize financial reports in managing finances in BUMDes well. The output targets in this service can produce several results in the form of: Scientific articles (Journals) and service results reports. The approach methods used to achieve service objectives are as follows: training approaches such as public lectures aimed at increasing knowledge and understanding regarding making financial reports in theory, approaches to analyzing transactions with the aim of being able to record and enter them in journals and then making financial reports, mentoring approaches preparation of financial reports. In conclusion, the application of financial reports in a business entity is very important to achieve targets or goals, companies can find out the financial condition of their business through profit and loss reports, changes in cash flow, and changes in capital. Financial reports also provide information for each business or company in making further decisions. The result of the development activities of BUMDes Berdaya Unggul Sejahtera is to increase knowledge about recording transactions and preparing financial reports. It is hoped that the preparation of financial reports can be carried out very carefully and in accordance with the preparation of financial reports that are prepared properly and correctly. The impact for Indonesian migrant workers is that they gain knowledge about how to make financial reports, understand accounting in a simple way, but Indonesian workers who are young and old and already have skills still want to work abroad if there is an opportunity or chance to raise funds create capital to open your own business in Indonesia.

KEYWORDS: *Financial Report; Indonesian Migrant Workers*

1. INTRODUCTION

The implementation of the economy is a strength for the village government to take care of, organize and organize its own families, it also increases the burden of responsibility and obligations in the village, but its implementation must still be accountable. The accountability referred to is accountability in preparing financial reports. BumDes business management must be open, honest, participative and fair. And the function of BumDes is as a driver of the village economy, as a business institution that generates Original Village Income (PaDes), and as a means to encourage accelerated improvement in the welfare of village communities.

Financial Reports

The purpose of financial reports, according to IAI (2015:13), is to provide information regarding the financial position, financial performance and cash flow reports of an entity that is useful for most users of financial reports in making economic decisions. Financial reports also show the results of management's responsibility for the use of resources entrusted to them, in order to achieve these objectives, financial reports present information about the entity which includes: assets, liabilities, equity, income and expenses, including profits and losses, contributions from and contribution to the owner in his capacity as owner and finally cash flow.

Basically, financial reports are the result of the accounting process which can be used as a tool to communicate financial data or company activities to interested parties. The financial reports consist of:

1. The balance sheet is a list of a company's assets, liabilities and capital at a certain point in time, for example at the end of the month or the end of the year.
2. Profit and Loss Calculation is an overview of income and costs for a certain period of time, for example one month or one year
3. The Equity Changes Report is an overview of changes in equity, which occur over a certain period of time, for example one month or one year.
4. The Cash Flow Report is a report on cash turnover, which is used to finance company activities through cash.

Indonesian Migrant Workers

Indonesian migrant workers are individuals from Indonesia who work abroad. They often work in a variety of sectors, including domestic, healthcare, construction, and services. Many of them find work in countries such as Malaysia, Saudi Arabia, Taiwan and Singapore. The presence of migrant workers is often influenced by several factors, including the search for better economic opportunities, higher incomes compared to those that can be earned domestically, and labor market

conditions in Indonesia which may be inadequate to accommodate all job seekers. However, Indonesian migrant workers also face various challenges, such as:

1. **Working Conditions:** Often they have to work in less than ideal conditions, with long working hours and limited employment rights.
2. **Legal Protection:** Legal protection for migrant workers can be an issue, especially in countries with less stringent labor regulations.
3. **Social Isolation:** Distance from family and social circles can cause isolation and emotional difficulties.
4. **Fraud and Exploitation:** There is a risk of fraud by recruitment agencies or exploitation by employers.

The Indonesian government and various non-governmental organizations strive to provide protection and support for migrant workers through various programs and policies. However, challenges remain and require continued attention to ensure their welfare and rights are met. Indicators for Indonesian migrant workers cover various aspects that can provide an overview of their conditions, situations and contributions. Here are some important indicators:

1. **Number of Migrant Workers:** Statistics regarding the number of Indonesian migrant workers abroad. It includes data from government agencies and international organizations.
2. **Destination Country:** Geographical distribution of migrant workers, namely the countries where they work. This helps understand migration patterns and the countries that receive the most Indonesian migrant workers.
3. **Employment Sector:** Types of work performed by migrant workers, such as domestic work, construction, health care, or other services.
2. **Contract Duration:** The length of the work contract usually undertaken by migrant workers, as well as the frequency with which they re-migrate or return to their homeland.
3. **Working Conditions:** Information about working conditions, such as working hours, salary and facilities provided. It also covers occupational safety and health aspects.
4. **Income:** The amount of income earned by migrant workers compared to income at home. This includes monthly or annual wages.
5. **Legal Status:** Legal rights and protections provided to migrant workers, including visa status, work permits, and legal protection in the country where they work.
6. **Cases of Abuse or Exploitation:** The number and types of cases of abuse or exploitation faced by migrant workers, such as violence, fraud, or injustice.
7. **Remittances:** The amount of money sent by migrant workers to their families in Indonesia, and its impact on the family and country's economy.

8. Education and Skills Level: The educational background and skills of migrant workers, which can influence the type of work they do and their opportunities abroad.
9. Support and Protection: Availability of support from the government, non-governmental organizations or international organizations in terms of protection, training and legal assistance for migrant workers.
10. Social Welfare and Health: Migrant workers' access to health services, social welfare and emotional support in the destination country.

These indicators are important for measuring and evaluating the situation of migrant workers and for designing policies that better protect their rights and improve their welfare.

2. METHOD

Approach Method

The approach method used to achieve the goals of service is as follows:

1. Training approach with the aim of increasing knowledge and understanding regarding the preparation of financial reports theoretically.
2. Approach to analyzing transactions with the aim of being able to record and enter them in a journal and then prepare financial reports.
3. Approach to assisting in making financial reports.

Work procedures

1. Each member is given a practical module for making financial reports
2. All members practice making financial reports with case study examples
2. All results of making reports are saved by the members.

Activities Carried Out

The delivery of financial creation material in cooperatives is in the form of practical material which can be described as follows:

Tabel 1. Planning and Implementing Activities

Date	Type of Activity	Description
19/08/2023	Selection of Mentoring Partners	Selection of areas of concentration that will be used during field activities. Financial Accounting, Management Accounting, Cost Accounting, Accounting Information Systems
20/08/2023	Company Observation	Looking for a place of business where the assistance process will be proposed, namely at the Sumur Bandung Village Owned Business Entity.

Date	Type of Activity	Description
30/08/2023	Preparation of Mentoring Report	Preparation of Mentoring Report and preparation of mentoring
01/09/2023	Licensing Assistance for Activities	Carrying out assistance licensing for Sumur Bandung Village-Owned Business Entities
02/09/2023	Implementation of Mentoring	Carry out mentoring activities in accordance with the work plan that has been prepared and conduct interviews regarding financial reports that occur from September 2 onwards.
09/09/2023	Implementation of Assistance	Helping to record expenses and income that occur
16/09/2023	Implementation of Assistance	Recording evidence of transactions in a journal book
09/10/2023	Preparation of Reports	Preparation of financial reports for village-owned enterprises

Sumur Bandung Village, located in Cikukur District, Lebak Banten Regency, formed a BUMDes in January 2023 with the name BUMDes Berdaya Unggul Sejahtera. BUMDes Berdaya Unggul Sejahtera operates in the trading business, namely the Snack Shop. Based on the results and interviews, it is known that BUMDes Berdaya Unggul Sejahtera has never recorded financial reports using applicable accounting standards, even though in an effort to measure the financial performance of a business and to develop a business it is necessary to record financial reports in order to know whether a company is healthy or not in running a business. . By providing assistance in preparing financial reports, hopefully it can help BUMDes Berdaya Unggul Sejahtera to be more developed and organized in running its business. The activity documentation is as attached below:



Figure1. Documentation of Activity

Business Field Focus

The focus of the business carried out by BUMDes Sumur Bandung, Cikulur District, Lebak-Banten Regency is the Snack Shop business. An effort carried out by BUMDes Sumur Bandung, apart from aiming to encourage the opening up of the workforce and increasing the productivity of the MSME community, especially snack products, as well as getting profits from business results which will be put into the Village Treasury called PADes (Original Village Income).

Number and Quality of Labor

The workers at the BUMDes Sumur Bandung snack business are two graduates from a high school and one graduate from a university majoring in tourism. The number of workers at BUMDes Sumur Bandung is 3 people, namely 1 person as BUMDes Leader, 1 Secretary and also as a snack shop attendant and 1 person as Treasurer.

Marketing Segmentation

The target market carried out by BUMDes Berdaya Unggul Sejahtera, Sumur Bandung Village, is specifically all groups or communities around Sumur Bandung village, generally the people of Cikulur sub-district.

Identification of problems

During the mentoring process, identify problems found in the preparation of the financial report of BUMDes Berdaya Unggul Sejahtera, Sumur Bandung Village, including:

1. Accounting Recording Methods Have Not Been Implemented
2. The accounting cycle has not been carried out
3. Not yet able to prepare financial reports in accordance with accounting standards.

Accounting Analysis

Financial reports are information about a company's finances in a certain period and are also used for making decisions that are of interest to the company. According to Ely Suhayati & Sri Dewi Anggadini (2013:14) Financial Reports provide information regarding the financial position, performance and changes in the financial position of a company which is useful for a large number of users in making economic decisions. According to Sadeli (2014:18) Financial reports are reports that provide quantitative information about financial position and its changes, as well as the results achieved during a certain period. Basically, financial reports are the result of the accounting process which can be used as a tool to communicate financial data or company activities to interested parties. The financial reports consist of:

1. The balance sheet is a list of a company's assets, liabilities and capital at a certain point in time, for example at the end of the month or the end of the year.
2. Profit and Loss Calculation is an overview of income and costs for a certain period of time, for example one month or one year.
2. The Equity Changes Report is an overview of changes in equity, which occur over a certain period of time, for example one month or one year.
3. The Cash Flow Report is a report on cash turnover, which is used to finance company activities through cash.

Alternative Solutions

Based on the problems faced by the Facilitating Partners, the author tries to help provide solutions to fix these problems so that it is hoped that it can help BUMDes managers to make it easier to record things or things related to finance.

The author also provides several simple and easy to understand solutions to BUMDes snack shop managers so that these solutions can continue to be implemented by business managers in the future. The solutions suggested by the author are as follows:

1. Help prepare financial reports, then provide teaching on how to prepare financial reports so that they are easy for BUMDes managers to understand.
2. Provide examples of formats and assistance in filling out transactions and compiling financial reports to resolve problems in BUMDes.

3. RESULT AND DISCUSSION

Basically, this business partner mentoring activity is a student academic practice activity as well as a community service activity which aims to make a positive contribution to business actors. In this case, the author contributes to improvements in the financial sector, more precisely in assisting in the preparation of the financial reports of the BUMDes of Sumur Bandung Village so that the financial reports are arranged properly and correctly in accordance with accounting knowledge so that they can know how much income and expenses are. This is done in order to know and analyze the development of the business being run.

The results obtained from these activities, the author found that recording and preparing financial reports is very important to obtain information related to the results that have been achieved by mentoring partners, this is done in order to know and analyze the development of business activities carried out.

Before providing assistance, BUMDes Sumur Bandung Village had not recorded every transaction in accordance with accounting standards. In this way, the author provided assistance in

preparing financial reports during the September 2023 period. After conducting interviews, the author learned that the managers of the Berdaya Unggul Sejahtera BUMDes had various reasons why the managers of the Berdaya Unggul Sejahtera BUMDes had never prepared financial reports in any period, including the following:

1. Berdaya Unggul Sejahtera BUMDes managers do not have expertise in accounting, so they cannot prepare financial reports.
2. Empowered Unggul Sejahtera BUMDes managers pay little attention to the preparation of financial reports in their business activities.

Due to several reasons that the author received from the management of BUMDes Berdaya Unggul Sejahtera, the author finally took the initiative to help prepare financial reports including the following: Balance Sheet, Beginning Balance, General Journal, Ledger, Trial Balance, Profit and Loss Report, Capital Changes Report, Balance Sheet Report, and Cash Flow Statement.

Before the author helps in the process of preparing financial reports, the author can do several things for BUMDes Berdaya Unggul Sejahtera, namely:

1. Look for information regarding the data needed to prepare financial reports through interviews and requesting data from BUMDes.
2. Provide formats and types of financial reports.
3. Provide an understanding of the importance of financial reports in the Berdaya Unggul Sejahtera BUMDes.

From the description above, the author obtained results that are very helpful in preparing financial reports, namely:

1. Empowered Unggul Sejahtera BUMDes managers are starting to understand the importance of financial reporting in the business world, and BUMDes managers are immediately implementing it, although there are still many questions for the author.
2. The author obtained initial data through interviews and prepared financial reports.

In preparing the financial report, the author assisted the management of BUMDes Berdaya Unggul Sejahtera in preparing the financial report. The author helps prepare one month's financial reports. As far as the author's work is concerned, the results obtained by the author can help managers record operational finances and prepare financial reports, namely:

1. Berdaya Unggul Sejahtera BUMDes managers learn more about how to record transactions correctly.
2. Understand the importance of financial reports.
3. The author obtains initial data to prepare financial reports.

Apart from that, the author briefly introduces the preparation of financial reports in accordance with accounting standards, because mentoring partners cannot prepare financial reports in accordance with accounting standards because they need sufficient knowledge and time to make them. Therefore, the author needs some information from the manager, including initial financial reports, general journals, and profit and loss reports.

3.1. Results Achieved During Mentoring

1. Results of Mentoring Profit Loss

Tabel 2. Bumdes Berdaya Unggul Sejahtera Income Statement Period 30 September 2023 (In Full Thousand)

Income :		
Sale		Rp2.320.000
Income		Rp3.095.000
Total Income :		Rp5.415.000
Operating Costs :		
Salary Expense	Rp.1.600.000	
Depreciation Expense	Rp840.000	
Electrical Load	Rp40.000	
Total Expenses		Rp2.480.000
Profit 30 September 2022		Rp2.935.000

Source : Data is processed (2023)

The Company's Profit and Loss Report after operating for a full month shows that during September 2023 BUMDes Berdaya Unggul Sejahtera generated a profit of IDR 2,935,000 after income was deducted by expenses.

2. Results of Assistance with Capital Changes

Tabel 3. Bumdes Berdaya Unggul Sejahtera Statement Of Changes In Capital Period 30 September 2023 (In Full Thousand)

Initial Capital 1 September 2023		Rp 63.600.000
Profit of September	Rp 2.935.000	
Increase Capital		Rp 2.935.000
Final Capital 30 September 2023		Rp 66.535.000

Source : Data is processed (2023)

It can be seen in the table above that the final capital owned by BUMDes Berdaya Unggul Sejahtera is IDR 66,535,000 after adding profits in September.

3. Results of Accompanying Financial Position Reports

Tabel 4. Bumdes Berdaya Unggul Sejahtera Statement Of Financial Position (Balance Sheet) Period 30 September 2023 (In Full Thousand)

Activa		Passiva	
Current Activa :		Liability :	
Cash	Rp2.248.000		
Stock	Rp6.527.000		
Equipment	Rp1.000.000		Rp 0
Total Current Assets	Rp9.775.000		0
Fixed Assets:		Equity :	
Building	Rp45.000.000		
Equipment	Rp27.000.000		
Acc. Dep. Building	(Rp9.750.000)		
Acc. Dep. Equipment	(Rp5.490.000)	Capital of 30 Sept	Rp66.535.000
Total Fixed Assets	Rp56.760.000		
Total Assets	Rp66.535.000	Total Passiva	Rp66.535.000

Source : Data is processed (2023)

The results of assistance regarding the preparation of the Financial Position Report (Balance Sheet) for BUMDes Berdaya Unggul Sejahtera show that the Current Assets owned by BUMDes are IDR 9,775,000, Fixed Assets are IDR. 56,760,000 and capital of Rp. 66,535,000 total of the asset and liability value of BUMDES BERDAYA UGGUL SEJAHTERA amounting to Rp. 66,535,000 shows a balanced result between assets and liabilities.

4. Results of Accompanying Cash Flow Reports

Tabel 5. Bumdes Berdaya Unggul Sejahtera Cash Flow Reports Periode 31 September 2023 (Dalam Ribuan Penuh)

Profit		Rp2.935.000
Stock		(Rp6.527.000)
Equipment		(Rp1.000.000)
Building		(Rp45.000.000)
Equipment of Office		(Rp27.000.000)
Acc. Dep. Building		Rp9.750.000
Acc. Dep. Equip. of Office	-	Rp5.490.000
		(Rp61.352.000)
Initial Capital		Rp63.600.000
		Rp2.248.000

Source: BUMDes Berdaya Unggul Sejahtera

The results above show that the total cash is IDR 2,248,000, so the final cash obtained is IDR 2,248,000

3.2. Sustainability Potential

After carrying out the guidance process, the author realized the potential for sustainability of the Berdaya Unggul Sejahtera BUMDes from the assistance provided by the author. To support this potential, the author takes the following steps:

1. Keep communicating with mentoring partners and assist mentoring partners in discussing the preparation of financial reports and sharing financial accounting knowledge.
2. The local community can still determine their own future, want to remain in the surrounding area to develop the business they have started together or go abroad to another country to improve their lives in the future. For those who have higher skills than others and if there is an offer and opportunity to work abroad, they tend to choose to take this opportunity.

4. CONCLUSION

From the results of this activity it can be concluded that the application of financial reports in a company is very important to achieve targets or goals, a business or company can find out the financial condition of its business through profit and loss reports, changes in cash flow, and changes in capital. Financial reports also provide information for each business or company in making further decisions.

The result of the development activities of BUMDes Berdaya Unggul Sejahtera is to increase knowledge about recording transactions and preparing financial reports. The author hopes that the preparation of financial reports can be carried out very carefully and in accordance with the preparation of financial reports that are prepared properly and correctly. After providing guidance to BUMDes Berdaya Unggul Sejahtera, the author was able to find out that the initial capital of BUMDes was Rp. 63,600,000 and calculate the profit or gain for approximately one period in September, namely IDR 1,435,000.

The influence of the financial reports of Berdaya Unggul Sejahtera Village-Owned Enterprises in Sumurbandung Village, Lebak Banten Regency on Indonesian Migrant Workers, people tend to take the opportunity if there is an offer to work abroad to improve their lives because the profits from the shop business can only cover their living needs for now. cannot be used for new business development needs.

ACKNOWLEDGMENT

The suggestions that the author can recommend are as follows:

1. For Empowered, Superior and Prosperous BUMDes Managers:
 - a. Must have human resources with adequate knowledge in the field of accounting.
 - b. BUMDes managers must keep evidence of transactions that have occurred to strengthen transactions and help in preparing financial reports.
 - c. BUMDes managers must create a general journal every time a transaction occurs to make it easier to see expenses and income.
 - d. The results of the financial report guidance above should be used as a simulation in preparing financial reports.
 - e. In order to apply the accounting cycle as the basis for preparing financial reports
2. Meanwhile, for general readers, writing this activity report should be an inspiration for writing articles related to the preparation of financial reports.

CONFLICT OF INTERESTS

I would like to express my highest appreciation to the organizers of the III International Community Service activity located in Kuala Lumpur Malaysia, along with the management of the III International Community Service journal who have given me the opportunity to contribute to this activity. For future activities, I am always ready to contribute with fellow lecturers and government parties related to this international community service activity to be able to provide meaningful benefits to fellow believers.

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