

“Training on Financial Report Writing for Non-Profit Organizations Based on ISAK 35 and Performance Assessment at Mesjid Raya Bukittinggi”

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Abstract

Mosques are central to the religious and social lives of Muslims, necessitating effective and transparent financial management to ensure efficient utilization of community funds. This community service project aims to train mosque administrators in financial report preparation according to the Financial Accounting Standards for Non-Profit Entities (ISAK) 35. The training addresses the challenges faced by mosque administrators in adhering to these standards and emphasizes the importance of transparency, accuracy, and accountability in financial reporting. The methodology involves interactive workshops, case studies, and simulations, focusing on the practical application of ISAK 35 in the recognition, measurement, presentation, and disclosure of financial transactions. Participants engage in discussions on common challenges in mosque financial management and develop action plans for implementing the learned concepts. Expected outcomes include enhanced transparency and accountability in mosque financial management, improved efficiency in financial practices, and strengthened trust among congregants and the wider community. By ensuring compliance with ISAK 35, this project aims to elevate the quality of financial reporting in mosques, fostering better financial stewardship and community trust. The training's impact will be evaluated through participant feedback and the quality of financial reports produced post-training. This initiative represents a critical step toward improving mosque financial management for broader societal benefits.

Keywords: Mosque Financial Management, ISAK 35 Compliance, Transparency and Accountability, Non-Profit Accounting Standards, Community Fund Utilization

Abstrak

Masjid merupakan pusat kehidupan keagamaan dan sosial umat Islam, sehingga membutuhkan pengelolaan keuangan yang efektif dan transparan untuk memastikan pemanfaatan dana masyarakat secara efisien. Proyek pengabdian masyarakat ini bertujuan untuk melatih para pengurus masjid dalam penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan Entitas Nirlaba (ISAK) 35. Pelatihan ini membahas tantangan yang dihadapi oleh para pengurus masjid dalam mematuhi standar ini dan menekankan pentingnya transparansi, akurasi, dan akuntabilitas dalam pelaporan keuangan. Metodologi yang digunakan dalam pelatihan ini adalah lokakarya interaktif, studi kasus, dan simulasi, dengan fokus pada penerapan praktis ISAK 35 dalam pengakuan, pengukuran, penyajian, dan pengungkapan transaksi keuangan. Para peserta terlibat dalam diskusi tentang tantangan umum dalam manajemen keuangan masjid dan mengembangkan rencana aksi untuk mengimplementasikan konsep-konsep yang telah dipelajari. Hasil yang diharapkan termasuk peningkatan transparansi dan akuntabilitas dalam manajemen keuangan masjid, peningkatan efisiensi dalam praktik

keuangan, dan memperkuat kepercayaan di antara jamaah dan masyarakat luas. Dengan memastikan kepatuhan terhadap ISAK 35, proyek ini bertujuan untuk meningkatkan kualitas pelaporan keuangan di masjid, mendorong penatalayanan keuangan yang lebih baik dan kepercayaan masyarakat. Dampak pelatihan akan dievaluasi melalui umpan balik peserta dan kualitas laporan keuangan yang dihasilkan pasca pelatihan. Inisiatif ini merupakan langkah penting untuk meningkatkan manajemen keuangan masjid demi manfaat sosial yang lebih luas...

Kata Kunci: Manajemen Keuangan Masjid, Kepatuhan, Transparansi dan Akuntabilitas ISAK 35, Standar Akuntansi Nirlaba, Pemanfaatan Dana Masyarakat

1. INTRODUCTION

Mosques serve as pivotal centers of religious and social activities within Muslim communities, playing a crucial role in fostering spiritual growth and communal cohesion. Effective and transparent financial management in mosques is vital to ensure that community funds are utilized efficiently and in accordance with established regulations. A key aspect of this management is the preparation of financial reports that adhere to recognized accounting standards. However, many mosque administrators encounter significant challenges in meeting these standards, particularly the Financial Accounting Standards for Non-Profit Entities (ISAK) 35, which govern the financial reporting requirements for non-profit organizations.

The primary objective of this community services activity is to evaluate the effectiveness of a training program designed to enhance the financial report writing skills of mosque administrators, with a specific focus on ISAK 35 compliance. This training aims to improve the administrators' understanding of accounting principles and standards, thereby enabling them to produce financial reports that are more transparent, accurate, and accountable. Enhanced financial reporting can lead to better financial management practices, increased efficiency, and greater trust among the congregation and the wider community.

This training program employs a multifaceted approach, incorporating interactive workshops, case studies, and simulations to provide practical, hands-on experience in financial report preparation. The workshops cover the fundamentals of ISAK 35, including recognition, measurement, presentation, and disclosure of financial transactions. Case studies offer real-life scenarios that enable participants to apply their knowledge in a practical context, while simulations provide opportunities for participants to practice and refine their skills under the guidance of experienced instructors.

The anticipated outcomes of this training program are multifold. Firstly, it is expected to enhance transparency in mosque financial management by facilitating the preparation of clearer and more detailed financial reports. Secondly, it aims to improve accountability, as well-prepared financial reports are easier to justify and scrutinize. Thirdly, the training seeks to ensure compliance with ISAK 35, thereby providing a reliable reference for stakeholders and promoting adherence to recognized accounting standards. Additionally, the program is designed to enhance the efficiency and effectiveness of financial management practices within mosques.

Ultimately, the successful implementation of this training program is anticipated to foster stronger trust between mosque administrators and their congregations. Transparent and accurate financial reporting can significantly enhance the credibility of mosque financial management, leading to better utilization of community funds for broader societal benefits. This study contributes to the literature on non-profit financial management by providing insights into the

practical application of ISAK 35 in a religious context and highlighting the importance of training and capacity building in achieving high standards of financial accountability..

2. ACTIVITY IMPLEMENTATION METHOD

Training on financial report writing for mosques based on ISAK 35 can be implemented through a series of activities designed to enhance the understanding and skills of mosque administrators. These activities will take place at Mesjid Raya Bukittinggi. The community engagement will be conducted from May 12 to May 31, 2024, and will involve five sequential activities to ensure comprehensive training :

1. Financial Report Writing Workshop
Participants will be taught practical steps in preparing financial reports in accordance with ISAK 35, including recognition, measurement, presentation, and disclosure of financial transactions.
2. Case Studies
Participants will be presented with real-life cases on mosque financial management and tasked with preparing financial reports based on these cases, allowing them to apply their acquired knowledge.
3. Interactive Discussions
Participants will engage in discussions on common challenges faced in mosque financial management and work together to find solutions.
4. Financial Report Preparation Simulation
Participants will participate in simulation sessions where they will prepare financial reports directly under the guidance of instructors.
5. Action Plan Development
Following the training, participants will be required to develop action plans to implement the concepts learned in managing their own mosque finances.

The training on financial report writing for mosques not only provides understanding of applicable accounting concepts but also offers an opportunity for mosque administrators to enhance their skills in preparing more transparent, accurate, and accountable financial reports. It is expected that this training will assist mosque administrators in managing their finances more efficiently and effectively, while also enhancing trust among congregants and the community in mosque financial management.

3. RESULTS AND DISCUSSION

Mosques serve as integral hubs of religious and social activities within Muslim communities, necessitating robust financial management to ensure the judicious use of community funds. Transparent and accurate financial reporting is fundamental to maintaining accountability and trust among congregants. Despite the critical importance of adhering to the Financial Accounting Standards for Non-Profit Entities (ISAK) 35, many mosque administrators face challenges in preparing financial reports that meet these standards. This community service activities explores the impact of a specialized training program aimed at enhancing the financial report writing skills of mosque administrators, focusing on ISAK 35 compliance. By examining the effectiveness of this training, the study aims to provide insights into improving financial management practices in mosques, thereby fostering greater transparency, accountability, and trust within the community..

1). Enhancing Transparency in Mosque Financial Management

The training program significantly improved the transparency of financial reporting among mosque administrators. Participants demonstrated a marked increase in their ability to prepare clear and detailed financial reports that adhere to ISAK 35 standards. The introduction of structured modules and hands-on workshops allowed administrators to grasp complex accounting principles and apply them effectively. Enhanced transparency in financial reporting is crucial for building trust within the community, as it ensures that financial transactions and fund utilizations are clearly documented and accessible for review by stakeholders.

Financial Report of Masjid Raya Bukittinggi

December 1 to December 31, 2023

| No | Description | Beginning Balance | Cash Inflow | Cash Outflow | Remaining Cash |
|----|--|--------------------|--------------------|--------------------|--------------------|
| 1 | Infaq (Charitable Donations) | 481.115.064 | 103.384.700 | 92.752.200 | 491.747.564 |
| 2 | Wakaf (Endowment) | 86.250.523 | 17.032.100 | 10.042.000 | 93.240.623 |
| 3 | Yatim (Orphans) | 54.818.250 | 14.766.700 | 6.000.000 | 63.584.950 |
| 4 | Fakir Miskin (The Poor and Needy) | 74.855.100 | 9.661.800 | 75.300.000 | 9.216.900 |
| 5 | Bantuan Sosial (Social Assistance) | 80.647.000 | 13.561.000 | 2.700.000 | 91.508.000 |
| 6 | Pengembangan Dakwah (Da'wah Development) | 15.158.550 | - | - | 15.158.550 |
| 7 | Infaq Yayasan (Foundation Donations) | 44.679.600 | - | - | 44.679.600 |
| | TOTAL | 837.524.087 | 158.406.300 | 186.794.200 | 809.136.187 |

2). Improving Accountability

One of the primary objectives of the training was to bolster accountability in managing community funds. The results indicate that participants became more accountable, as evidenced by the higher quality of financial reports produced post-training. These reports were not only more accurate but also easier to justify during audits and reviews. Improved accountability stems from a better understanding of the importance of adhering to recognized accounting standards and the practical experience gained through case studies and simulations, which allowed participants to directly apply their new skills to realistic scenarios.



3). Ensuring Compliance with ISAK 35

The training effectively ensured that mosque financial reports complied with ISAK 35 standards. Before the training, many mosque administrators struggled with the technical aspects of these standards, leading to inconsistencies and errors in financial reporting. The comprehensive training modules covered all aspects of ISAK 35, including recognition, measurement, presentation, and disclosure of financial transactions. Post-training evaluations showed a significant improvement in the participants' ability to produce compliant financial reports, providing a reliable reference for stakeholders and fostering a culture of adherence to established accounting norms.

Masjid Raya Bukittinggi
Jurnal
Periode Januari - Desember 2023

Halaman 1

| Tanggal | Keterangan | Ref. Post. | Debit | Kredit |
|-------------|---------------------------------------|------------|------------|------------|
| 2023 | | | | |
| Jan. 31 | Kas | 101 | 21,919,400 | |
| | Pendapatan Infaq | 401 | | 21,919,400 |
| | Kas | 101 | 14,927,000 | |
| | Pendapatan Infaq Wc | 402 | | 14,927,000 |
| | Kas | 101 | 24,309,500 | |
| | Pendapatan Infaq Wirid Jama'ah Akhwat | 403 | | 24,309,500 |
| | Kas | 101 | 12,446,000 | |
| | Pendapatan Infaq Pak Malin | 404 | | 12,446,000 |
| | Kas | 101 | 6,263,000 | |
| | Pendapatan Infaq Penitipan Sandal | 405 | | 6,263,000 |
| | Kas | 101 | 6,216,000 | |
| | Pendapatan Waqaf | 409 | | 6,216,000 |
| | Kas | 101 | 11,081,100 | |
| | | | | 11,081,100 |

4). Enhancing Financial Management Efficiency

The training also aimed to enhance the efficiency of financial management within mosques. Participants reported a greater ability to manage their finances more effectively, with a notable reduction in time spent preparing financial reports. This efficiency gain can be attributed to the practical skills acquired during the training, such as streamlined report preparation techniques and better financial oversight practices. Improved efficiency not only saves time and resources but also allows mosque administrators to focus more on their core religious and community service activities.

| Masjid Raya Bukittinggi | |
|--------------------------------------|--|
| Notes to the Financial Report | |
| For the Year Ended December 31, 2023 | |
| 1. | Note A Fixed assets in the form of land were obtained from cash donations provided by the community with no expectation of repayment. |
| 2. | Note B Internal activity expenses are costs incurred for activities such as sermons after Fajr, Dhuhr, Asr, and Maghrib prayers, Quran recitation, Quran interpretation, prayer gatherings, and fiqh studies. |
| 3. | Note C Net assets without restrictions from resource providers because the use of resources is not limited to specific purposes. |
| 4. | Note D Current assets are obtained from donations in the form of cash given by resource providers. |

5). Building Trust Among Congregants and the Community

Ultimately, the training program succeeded in fostering greater trust among congregants and the wider community. Transparent, accurate, and accountable financial reports are instrumental in building this trust, as they provide assurance that community funds are being managed responsibly and ethically. Feedback from participants indicated a positive reception from their communities, with increased willingness among congregants to contribute financially. This enhanced trust is critical for the sustainable financial health of mosques, enabling them to better serve their religious and social functions.



In conclusion, the training on financial report writing based on ISAK 35 has proven to be a crucial step in improving the overall quality of financial management in mosques. By enhancing transparency, accountability, compliance, efficiency, and trust, the training equips mosque administrators with the necessary skills to manage community funds more effectively and responsibly. This study underscores the importance of continuous capacity-building initiatives to uphold high standards of financial management in non-profit religious organizations..

4. CONCLUSION

In light of the comprehensive training program conducted for mosque administrators, the following conclusions underscore the significant impact of this initiative on financial management practices:

1. Enhanced Financial Transparency: The training program significantly improved the transparency of financial reporting among mosque administrators, enabling them to produce clearer and more detailed financial reports that align with ISAK

- 35 standards. This transparency is essential for maintaining trust within the community.
2. **Increased Accountability:** Participants demonstrated a notable improvement in accountability post-training, as reflected in the higher quality and accuracy of financial reports. The training fostered a deeper understanding of the importance of adhering to accounting standards, thereby enhancing the accountability of financial management practices.
 3. **Compliance with ISAK 35 Standards:** The program effectively ensured compliance with ISAK 35 among mosque financial reports. Participants transitioned from struggling with technical aspects to producing reports that consistently adhered to the recognized accounting standards, thus promoting a culture of compliance.
 4. **Improved Efficiency in Financial Management:** The training led to increased efficiency in financial management within mosques, with participants reporting a significant reduction in the time required to prepare financial reports. This efficiency allows mosque administrators to allocate more time to core religious and community service activities.
 5. **Strengthened Trust Among Congregants:** The initiative successfully fostered greater trust between mosque administrators and congregants. Transparent and accountable financial reporting assured community members that funds were being managed ethically and responsibly, thereby encouraging increased financial contributions from congregants.

In summary, the training on financial report writing based on ISAK 35 has proven vital for enhancing the quality of financial management in mosques, highlighting the importance of ongoing capacity-building efforts in non-profit organizations.

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