

The Influence of the Use of Accounting Information Systems and Understanding of EMKM SAK on the Quality of Financial Reports

Rosi Fitrianti^{*1}, Amad Murad¹

Universitas Gunung Rinjani, Indonesia¹

*Corresponding Email: Rosifitria94@gmail.com

ABSTRACT

This study explores how the use of accounting information systems and understanding of EMKM SAK affect the quality of financial reports in MSMEs in East Lombok. Accounting information systems can help MSMEs optimize financial resources, while the application of EMKM SAK can help prepare credible, accountable, and objective financial reports. The method in this study uses a quantitative research method, the sample in this study were MSME actors in East Lombok Regency with a total of 70 respondents. The analysis in this study is Partial Least Square (PLS). The results of the study indicate that the use of accounting information systems has a positive and significant effect on the quality of financial reports in East Lombok. Understanding of micro, small and medium entity financial accounting standards (EMKM SAK) does not have a positive and insignificant effect on the quality of financial reports in East Lombok.

ARTICLE INFO

Article history:

Submitted: 22 April 2025

Revised: 24 July 2025

Accepted: 02 August 2025

Published: 28 August 2025

Keyword:

Accounting Information Systems,
EMKM SAK.

Financial Report Quality.

To cite this article (APA Style):

Fitrianti, R., And Murad, A. (2025).
The Influence of the Use of
Accounting Information Systems and
Understanding of EMKM SAK on the
Quality of Financial Reports. *JASa :
Jurnal Akuntansi, Audit dan Sistem
Informasi Akuntansi*. Vol 9 (2), p.00-
00.
<https://doi.org/10.36555/jasa.v9i2.2828>

INTRODUCTION

Economic and industrial growth in Indonesia, especially MSMEs, are increasingly required to make changes to increase competitiveness. MSMEs are one of the drivers of the economy because they play an important role in economic growth and labor absorption, indicating that MSMEs can improve people's standard of living and help open up jobs for the community. MSMEs or Micro, Small and Medium Enterprises are business units owned by agencies or individuals whose establishment is in accordance with the specified requirements. The majority of MSME business actors come from home businesses. According to Law Number 20 of 2008, article 3, the purpose of MSMEs is to grow and develop businesses in order to build a national economy based on equitable economic democracy. The Ministry of Cooperatives and Small and Medium Enterprises released that by 2024 the number of MSMEs in Indonesia is estimated to reach more than 65 million business units. In East Lombok, which is a city in the Province of West Nusa Tenggara (NTB), the number of MSMEs by 2024 reached 4,297 units (East Lombok Cooperative and MSME Service). The current phenomenon is that many MSMEs still do not realize the importance of neat financial records and bookkeeping. In today's digital era, many MSMEs still do not understand accounting. As a result, many MSMEs do not have bookkeeping for their businesses that have the potential to grow bigger. To encourage this, software can be used by MSMEs who want to tidy up their bookkeeping. Based on the existing phenomenon, it can be concluded that many MSMEs still do not understand the importance of quality financial reports in order to obtain creditor funds to encourage the progress of



This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License.

<https://creativecommons.org/licenses/by-nc-nd/4.0/>

their business. Febrian & Maulina (2018); Kurniawan et al. (2023) stated that MSMEs may need assistance in terms of competitiveness and efficiency due to their limited experience and resources in utilizing technology effectively for their operations. In addition, MSMEs face challenges in competing with large companies in the market due to limited resources and smaller scale (Jatmiko et al., 2021; Khourouh et al., 2020).

To improve operational efficiency, MSMEs need accurate financial reports, allowing them to obtain additional funding from financial institutions for business expansion (Bokol et al, 2020). The quality of financial reports is the final result or the number of financial transactions from accounting activities carried out during a certain period. Therefore, quality financial reports are needed. When determining quality financial reports, special accounting expertise is required. Therefore, MSMEs are required to provide financial reports that comply with applicable accounting standards. A financial report functions as a tool for analyzing financial performance to obtain information about cash flow, financial position and performance of a company that can be used as a basis for decision making (Erawati & Setyaningrum, 2021).

(Widyaningrum & Purwanto, 2022). A good understanding of accounting can be a moderation in influencing the quality of an entity's financial reports. Through the implementation of a good accounting information system, an entity can be assured that its financial reports meet accounting standards and avoid the risk of errors and misuse. (Hermawan, 2022) accounting tools and principles improve the financial performance of MSMEs. In order for MSMEs to operate efficiently, a reliable accounting information system is essential. This technology helps companies speed up inventory management, improve resource allocation, and make the right operational decisions. (Wibowo et al., 2022) stated that MSME turnover may be disrupted if financial recording is done manually through a financial reporting system. The unavailability of accurate and up-to-date financial data can have an impact on the decision-making process, financial transparency, and the performance and sustainability of MSMEs.

The Accounting Information System is one of the business tools used as an activity control in order to produce good information for business actors. With the existence of an AIS that is useful for monitoring activities, it will make it easier for a business to determine how well it is performing and the difficulty in tracing the influence of various activities on the resources under its supervision. According to (Wijaya et al., 2023) accounting information can be the basis for making business decisions so that it has a very important influence on achieving business success, including MSMEs. Information is the result of processed data that is useful for information users (Nugroho et al., 2024). Also included in this information activity is the preparation of printing reports on the results of the information examination before being published to users and the activity of disseminating the information to related users. Therefore, an effective accounting information system is beneficial for the long-term success of the company (Hajar & Pratiwi, 2023). When a business has implemented a good information system, it will also provide good financial report results.

In accordance with the development of MSMEs in reporting their financial statements, now the Financial Accounting Standards for Micro, Small and Medium Entities (SAK EMKM) have been issued. The application of this accounting standard is expected to provide an overview of MSME management performance in the past and future prospects, so that it can be trusted and relied on by both management and members of MSMEs and external parties who have other interests related to MSMEs. Since the implementation of SAK EMKM, perceptions from various parties have emerged in response to the level of effectiveness, efficiency, level of ease and usefulness of the new standard. general for external users. Financial reports for Micro, Small and Medium Enterprises (MSMEs) have been regulated in the Financial Accounting Standards for Micro, Small and Medium Entities SAK EMKM issued by the Indonesian Institute of Accountants (IAI) which are effective as of January 1, 2018.

According to Salmiah et al, (2018) In realizing independent and advanced MSMEs,

one of the things that must be considered is the understanding of SAK EMKM (Financial Accounting Standards for Micro, Small and Medium Entities) which is a person's ability to measure, classify (distinguish) and summarize the presentation of elements of financial reports in accordance with the provisions applicable in SAK EMKM.

On the other hand, MSMEs also still experience weaknesses in the financial system, especially in the recording process. SAK EMKM issued by IAI which is intended to help MSMEs improve their accounting cycles actually experiences various obstacles in its application. MSME actors in East Lombok, for example, still experience difficulties in implementing accounting in accordance with SAK EMKM in the accounting process in their businesses.

This difficulty will certainly make MSMEs not know for sure the amount of assets, debts and capital they have. On the other hand, MSMEs will have difficulty getting loans from investors when they do not have comprehensive and standardized financial reports. Thus, East Lombok was used as a research location because there are still many MSMEs who have not used AIS and have not implemented or have not fully understood the MSME SAK. This study was conducted to capture how the use of AIS and the implementation of MSME SAK in East Lombok is carried out considering that MSME SAK is a guideline for assessing financial performance, decision-making processes and the sustainability of MSMEs in East Lombok.

Research on the influence of the use of accounting information systems and SAK EMKM on the quality of financial reports has previously been conducted by (Simarmata & Afriani, 2021) (Lufriansyah & Alis, 2023) the results of the study showed that the application of accounting information systems had an effect on the quality of financial reports in MSMEs. The same thing was also expressed by (Sri Ayem and Luk Luk In Maknun, 2020) with the title The Effect of the Use of Accounting Information Systems and SAK EMKM on the Quality of Financial Reports of MSMEs in Yogyakarta City. showed that the use of accounting information systems had a positive and significant effect on the quality of financial reports and understanding of SAK EMKM had a positive and significant effect on the quality of financial reports. In contrast to research (Ashfahani, et al., 2024) which stated that the use of accounting information systems had a positive and significant effect on the quality of financial reports. quality of financial reports while understanding of EMKM SAK does not have a positive and insignificant effect on the quality of financial reports. Based on the background above, the purpose of this study is to determine the effect of the use of accounting information systems and understanding of EMKM SAK on the quality of financial reports in MSMEs in East Lombok.

LITERATURE REVIEW

Accounting Information System

The Financial Accounting Standards for Micro, Small, and Medium Enterprises (SAK EMKM) are designed to simplify financial reporting for small and medium-sized enterprises. Although the implementation of SAK EMKM has been ongoing in recent years, there has been no consistent empirical findings that clearly identify the extent to which the adoption of these standards actually improves the quality of financial reports. The research gap lies in the lack of strong and comprehensive evidence regarding the causal relationship between the use of SAK EMKM and dimensions of financial report quality, such as relevance, reliability, and comparability. Some studies only describe user perceptions without directly linking them to measurable quality indicators. Therefore, further research is needed that integrates quantitative and qualitative approaches to evaluate the impact of SAK EMKM implementation on financial report quality objectively and comprehensively, especially in the context of MSMEs in various industrial sectors.

Accounting information system (AIS) is a system that enters, stores and manages financial data (finance), along with accounting for use by decision makers or stakeholders concerned. Meanwhile, accounting information is a computer-based system using a special

method to track every activity in accounting that is closely related to information technology resources (Saputri, et al., 2023).

The use of information technology is a must to ensure the continuity of operations and maintain competitive advantage. Among the various IT solutions, accounting information systems, especially those related to financial reporting, are an indispensable tool, offering real benefits to MSMEs by helping them adapt to dynamic environments and strengthening their competitiveness (Grande et al., 2011).

The use of AIS requires the establishment and management of a comprehensive system that aims to provide financial reports that are in line with stakeholder demands and serve as a foundation for an effective decision-making process. As stated by (Simarmata & Afriani, 2021) the implementation of the system facilitates compliance with regulatory requirements governing the presentation of financial statements, ensuring transparency and accuracy in financial reporting practices. By utilizing advanced technology solutions and following best practices in accounting information management, organizations can simplify their reporting processes, improve data accuracy, and increase overall operational efficiency.

SAK EMKM

According to Chairunnisa & Fadilah (2023) SAK EMKM is a simpler financial accounting standard when compared to SAK ETAP. Understanding SAK EMKM is a person who has a comprehensive understanding of how to evaluate financial statements by comparing personal financial statements with related financial statements and business results. SAK EMKM is an independent financial accounting guideline that can be used by certain substances that not only receive significant public accountability. Understanding SAK EMKM is very important for the quality of financial statements. By understanding these provisions, MSME actors can not only meet their accounting needs but also improve their daily business operations. High-quality financial reports support sustainable growth and decision making. This is in accordance with the research results of Annisa (2020).

Financial Report Quality

According to Malinowski & Jabłońska-Porzuczek (2020), the quality of financial reports is the financial explanation provided by the entity to complement the accounting provisions adopted. Quality financial reports provide an explanation that can be used when making decisions. By increasing the quality of financial reports, information about the entity in the financial reports becomes more accurate. The quality of financial reports is related to the work carried out by the financial report evaluator; the evaluator is required to comply with financial accounting provisions. At the same time, the quality of the audit produced by the auditor is also getting better.

Financial reports serve as an important tool for MSMEs, assisting in decision making and ensuring transparency. MSMEs use various measures to assess and report their financial well-being (Fachruzzaman et al., 2021).

Framework of Thinking

Based on the theoretical study above, the researcher has developed a framework of thinking for this study to explore several possibilities that can reveal how the use of accounting information systems and understanding of EMKM SAK affect the quality of financial reports. This conceptual framework aims to provide clearer direction for the research process.

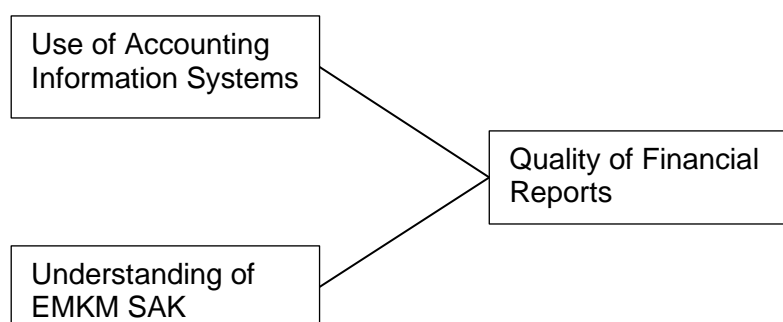


Figure 1. Conceptual Framework
Source: Secondary Data Processed 2025

METHODS

This study aims to test the influence of SAK EMKM and Accounting Information Systems on the quality of financial reports in East Lombok. Based on the research framework, this study uses a quantitative method. The population in this study were MSME actors registered on the East Lombok MSME List website. Namely 70 MSME actors. The sampling technique in this study was purposive sampling.

The reason for using the Purposive Sampling technique is because not all samples have criteria that match the phenomenon being studied. Therefore, the author chose the Purposive Sampling technique which determines certain considerations or criteria that must be met by the samples used in this study.

The sample criteria are as follows:

1. Location of MSMEs in East Lombok.
2. Age of MSME actors 20 to 45 years.
3. Education of MSME actors from elementary school to college.
4. Age of MSME > 1 to 3 years
5. MSME has used Accounting Information System.
6. MSME has financial report that is in line with existing SAK standard.
7. MSME owned including individual business, stand alone and not including branch of company that is controlled or as part of exclusive or non-exclusive with total net income asset so that it can increase sales turnover and develop business capital.

The type of data used in the study uses the primary data type, Research data is obtained through the results of questionnaires/questionnaires that have been filled out by respondents who support the research. The research instrument used in the study is by creating and distributing questionnaires. The questionnaire method is an information collection technique that provides the possibility of analyzing the behavior, attitudes, characteristics, beliefs of various individuals who are influenced by the formulated system and the questionnaire is usually a series of questions that must be answered by the respondent. What is obtained from the questionnaire is understanding the experience, conditions, knowledge and variables that are based on respondents is the main thing. Respondents can easily provide answers because the answer choices have been prepared in the form of a checklist in the column, besides that the questionnaire only takes a short time to answer questions. The statistical analysis used in this study is a structural model with Partial Least Square (PLS) analysis using SmartPLS 4. PLS is a structural equation analysis (SEM) based on variance that can simultaneously test the model measurement model and test the structural.

RESULTS AND DISCUSSION

Descriptive statistics is an analysis method used to provide an overview of research variables. Table 1 shows the results of descriptive analysis of the processed data.

Table 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Use of Accounting Information Systems	70	13	35	27.80	3.855
Understanding of EMKM SAK	70	14	35	25.99	3.774
Quality of Financial Reports	70	11	35	27.39	3.850
Valid N (listwise)	70				

Source: Secondary Processed Data 2025

Based on the table above, the use of accounting information systems has a minimum value of 13 while the maximum value is 37. The average value (mean) is 27.80 with a standard deviation value of 3.855. Because the standard deviation value is small from the average, the data on the variable use of accounting information systems is not very large, so the data used is good data. Understanding of SAK EMKM has a minimum value of 14 while the maximum value is 35. The average value (mean) is 25.99 with a standard deviation value of 3.774. Because the standard deviation value is small from the average, the data on the variable understanding of SAK EMKM has a data distribution that is not very large, so the data used is good data. The quality of financial reports has a minimum value of 11 while the maximum value is 35. The average value (mean) is 27.39 with a standard deviation value of 3.850. Because the standard deviation value is small from the average, the data on the financial report quality variable has a data distribution that is not that large, so the data used is good data.

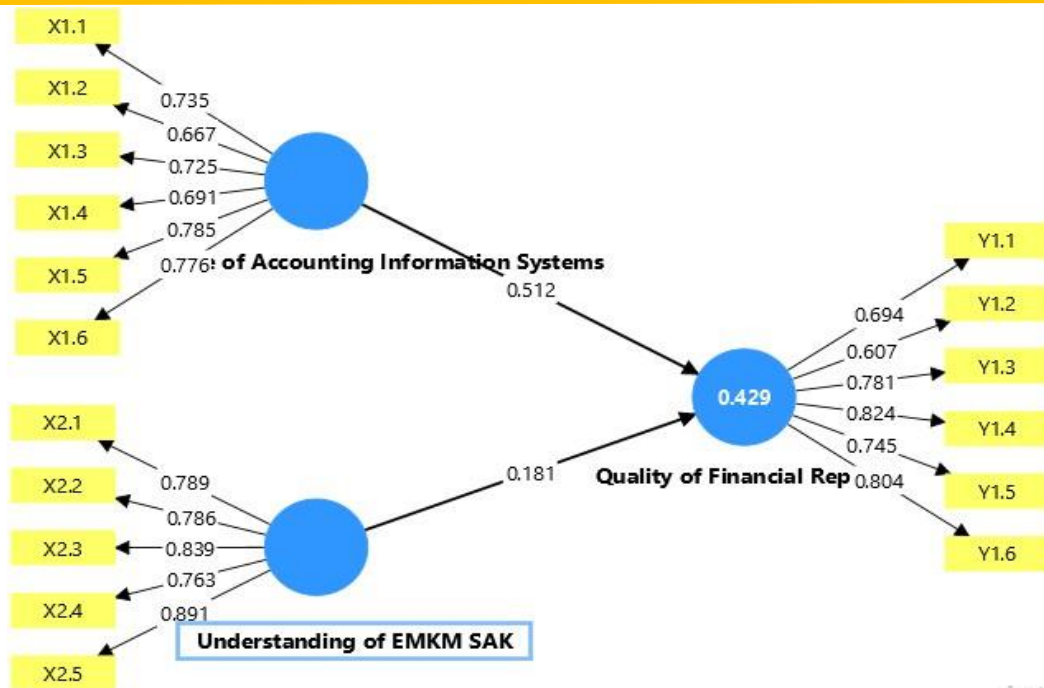


Figure 2. PLS-Algorithm Calculation Path Model

Source: Secondary Data Processed 2025

Convergent Validity is related to the principle that the measures (manifest variables) of a construct should be highly correlated. This test is seen from the loading factor value for each construct indicator. The loading factor value range of 0.5 to 0.6 is considered sufficient. PLS for outer loading is as follows:

Table 2.Outer Loading

	Use of Accounting Information Systems	Understanding of EMKM SAK	Quality of Financial Reports
X1.1			0,736
X1.2			0,667
X1.3			0,725
X1.4			0,691
X1.5			0,785
X1.7			0,776
X2.1		0,789	
X2.2		0,786	
X2.5		0,839	
X2.6		0,763	
X2.7		0,891	
Y1.1	0,694		
Y1.2	0,607		
Y1.3	0,781		
Y1.4	0,824		
Y1.6	0,745		
Y1.7	0,804		

Source: Secondary Data Processed 2025

The results of the analysis above show that the loading factor value for the use of accounting information systems on the construct of financial report quality has a value

greater than 0.60. This means that all statements on the use of accounting information systems can measure the quality of financial reports and have a correlation with the construct of financial report quality in this study. For, the loading factor value on the statement of understanding of SAK EMMKM has a value above 0.60, this means that all statements on the SAK EMMKM construct can measure the quality of financial reports and have a correlation with the construct of financial report quality in this study.

Discriminant validity is used to assess how well the constructs in a model can be distinguished from each other. One method to test discriminant validity is to analyze the cross-loading between the indicator and the construct being measured. Validity is assessed by comparing the mean square of the variance extracted (AVE) for each construct with the correlation between constructs. In order for discriminant validity to be valid, the correlation within a construct must be greater than the correlation with other constructs in the model. The construct that shows the highest correlation value indicates valid discriminant validity.

Table 3. Cross Loading

	Use of Accounting Information Systems	Understanding of EMKM SAK	Quality of Financial Reports
X1.1	0,528	0,618	0,735
X1.2	0,509	0,511	0,667
X1.3	0,420	0,407	0,725
X1.4	0,391	0,375	0,691
X1.5	0,466	0,485	0,785
X1.7	0,475	0,710	0,776
X2.1	0,432	0,789	0,543
X2.2	0,369	0,786	0,509
X2.5	0,396	0,839	0,629
X2.6	0,520	0,763	0,625
X2.7	0,487	0,891	0,607
Y1.1	0,694	0,406	0,278
Y1.2	0,607	0,287	0,440
Y1.3	0,781	0,466	0,468
Y1.4	0,824	0,401	0,462
Y1.6	0,745	0,469	0,500
Y1.7	0,804	0,422	0,634

Source: Secondary Data Processed 2025

Based on the discriminant validity data above, the diagonal value represents the square root of the average variance extracted (EVE), while the value below the diagonal indicates the correlation between constructs. The square root of AVE is greater than the correlation value indicating that the model is valid and meets the discriminant validity criteria. In addition, for the discriminant validity value, we tested the square root of AVE, with a recommended value above 0.50, the following are the validity test values based on the AVE value in the table:

Table 4. Avarage Variance Extracted (AVE)

Variabel	Average variance extracted (AVE)	Keterangan
Use of Accounting Information Systems	0,557	Valid
Understanding of EMKM SAK	0,664	Valid
Quality of Financial Reports	0,534	Valid

Source: Secondary Data Processed 2025

Reliability testing is used to assess a questionnaire as an indicator of several

variables. A measuring instrument such as a questionnaire is said to be reliable if it provides stable or consistent measurement results. Thus, reliability testing is carried out to verify the accuracy, consistency, and precision of the instrument in measuring the questionnaire variable is considered reliable if the respondent's answers to the statement remain consistent over time. In this study, the reliability of the instrument was assessed using Cronbach's alpha and composite reliability.

Table 5. R-square

	R-square
Quality of Financial Reports	0,412

Source: Secondary Data Processed 2025

Based on Table 5, it can be seen that the R-square value of the relationship between the variables of the use of accounting information systems and SAK EMKM on the quality of financial reports is 0.412 R-square 0.412 or 41.2% is not classified as a strong influence. This shows that the construct of financial report quality can be explained by the variables of the use of accounting information systems and understanding of SAK EMKM by 41.2% percent. The remaining 58.2% percent is explained by other variables outside the model explained in this study.

The inner model test was also carried out by looking at the significance value to see the influence between variables. For the significant value of the hypothesis support, a comparison of the T-table and T-Statistics values can be used in the estimation results for path coefficients (path coefficient values). If the T-statistics is greater than the T-table, it means that the hypothesis is supported. The significant value used for the directional hypothesis (one-tailed) with a confidence level of 95 percent (alpha 5 percent) is 1.66. In addition, to test the hypothesis can be done by analyzing the pvalue compared to the error set in this study, namely one-tailed testing with alpha 5% (0.05). If pvalues <0.05 means the hypothesis is accepted but if pvalues >0.05 means the hypothesis is rejected. The results of the path coefficient analysis are presented in Table 6 below:

Tabel 6. Path Coefficients Analysis Results

Variabel	Original Sampel	T Statistic	P Values	Description	Decision
SIA> Quality of Financial Reports	0,512	2,768	0,006	Significant	Hypothesis Accepted
SAK EMKM> Quality of Financial Reports	0,181	1,046	0,296	Not Significant	Hypothesis Rejected

Source: Secondary Data Processed 2025

The Effect of Using Accounting Information Systems on the Quality of Financial Reports

The first hypothesis states that the use of accounting information systems affects the quality of financial reports. Table 4.2 shows that the t-statistic value for the effect of using accounting information systems on the quality of financial reports is 2.768. This value is greater than the t-table value at the 5 percent significance level, 1.66, so it can be concluded that the hypothesis is accepted. The p-value for the effect of using accounting information systems on the quality of financial reports is 0.006, which is smaller than the alpha value of 0.05. This means that the relationship between the use of accounting information systems and the quality of financial reports is significant, so the hypothesis is accepted.

This study supports the research of Ashfahani, et al., (2024) who stated that the cause of the accounting information system has a positive effect on the quality of financial reports is because the accounting information system is assisted by the use of technology

such as still using cash registers and Microsoft Excel so that it can help MSME owners in Lowokwaru, Malang City to be more accurate and can minimize errors in recording transactions. In addition, the information system can make it easier for MSME owners to plan the right steps to increase their business growth.

This is in line with research from Purbowanti & Lutfi (2023) that the application of increasingly developing information technology is a condition that also plays a role in influencing the accounting information system on the quality of financial reports. The use of technology that is commonly carried out, especially for business continuity, is also inseparable from MSMEs. This is also supported by research conducted by Ifanka & Sari (2022) that the implementation of an accounting information system plays an important role in improving the quality of financial reports because the accounting information system can facilitate the recording and presentation of financial reports and can ensure the completeness and accuracy of the presentation of financial reports.

Entity Theory is one of the fundamental concepts in accounting that emphasizes that a business entity must be separated from its owner or other parties. In this context, every economic activity carried out by an entity must be recorded and reported independently, without mixing the owner's personal transactions with the business entity's transactions. Meanwhile, the Accounting Information System (AIS) is a tool designed to collect, store, process, and report relevant financial information for a particular entity. The relationship between entity theory and AIS becomes very significant because the basic principles of this theory form the operational framework of the accounting system used.

The use of AIS in MSMEs significantly affects the quality of financial reports. Although there are many challenges in its implementation, such as costs and limited skills, the benefits are much greater in supporting effective decision-making and increasing the competitiveness of MSMEs. Support from the government and the private sector in providing access to technology and training is very important to encourage the adoption of AIS in the MSME sector.

The MSME Financial Accounting Standards (SAK) are designed as financial reporting guidelines specifically designed to meet the needs of micro, small, and medium-sized entities, which often face limited accounting resources. In this context, entity theory asserts that an entity is viewed as a legal entity or economic unit separate from its owners. Therefore, it must present financial statements that reflect its financial condition and performance objectively and independently. Based on this theory, the quality of financial statements is crucial as an accounting representation of the entity's financial position, not the individual owner's.

However, findings from various studies indicate variability in the quality of MSME financial statements despite the implementation of SAK EMKM. Most MSMEs still mix personal and business finances or have not prepared financial statements in full compliance with standards. This reflects that although SAK EMKM is designed based on the separate entity principle, its implementation has not fully guaranteed the establishment of reporting practices that reflect the entity as an independent unit. This gap explains why the relationship between the implementation of SAK EMKM and the quality of financial statements requires further research, particularly to assess whether the understanding and application of the entity principle have been truly internalized in MSME accounting practices.

The Effect of Using EMKM SAK on the Quality of Financial Reports

The second hypothesis states that the use of EMKM SAK does not affect the quality of financial reports. Table 4.2 shows that the t-statistic value for the effect of understanding EMKM SAK on the quality of financial reports is 1.046. This value is smaller than the t-table value at the 5 percent significance level of 1.66, so it can be concluded that the hypothesis is rejected. The p-value for the effect of understanding EMKM SAK on the quality of financial reports is 0.296, which is greater than the alpha value of 0.05. This means that

the relationship between understanding EMKM SAK and the quality of financial reports is not significant, so the hypothesis is rejected. This study is supported by the research of Ashfahani, et al., (2024) who stated that the reason why SAK-EMKM has no effect on the quality of financial reports is because the educational background of the respondents, most of whom are high school/equivalent, makes information about SAK-EMKM not very important for respondents and MSME actors in Lowokwaru, Malang City tend to still try to develop their business and increase turnover rather than understanding by keeping financial reports in accordance with the understanding of SAK-EMKM. This is supported by Purbowanti & Lutfi (2023) who stated that the lack of socialization and understanding of SAK EMKM resulted in the non-implementation of SAK EMKM by MSME owners, which resulted in the implementation of SAK EMKM having no effect on the quality of financial reports. SAK EMKM for MSMEs is still considered foreign and only some employees or business owners who have a bachelor's degree in Accounting know about it. Even for employees or business owners who have a bachelor's degree in Accounting, SAK EMKM is considered unnecessary because it is not suitable for their business financial needs and some even do not prepare financial reports at all. In contrast to Maknun (2020) that understanding and using SAK EMKM can make it easier for MSME actors to prepare financial reports and be accountable to interested parties.

Understanding of SAK EMKM does not have a significant effect on the quality of MSME financial reports. The higher the understanding of business actors regarding this standard, it does not have an impact on the quality of the financial reports produced, because the lack of education, training, and complexity of the standards are still the main obstacles in its implementation. For this reason, collaboration is needed between the government, educational institutions, and financial organizations to improve accounting literacy among MSME actors.

Entity Theory is a fundamental concept in accounting that states that a business entity must be treated as an economic unit separate from its owner or other parties. All business transactions are recorded and reported separately from the owner's personal transactions. This concept is the basis for accounting standards, including SAK EMKM, which are designed to meet the financial reporting needs of micro, small, and medium entities.

The results of this research have two implications, namely theoretical and practical implications. The theoretical implication in this study is that this study can contribute to the development of financial accounting research, especially those related to the quality of financial reports originating from the use of accounting information systems (AIS) and understanding of EMKM SAK.

The more research that is conducted will provide a lot of input related to the quality of financial reports. The implications of entity theory on this study can explain the quality of financial reports because financial reports are records of information on an entity in an accounting period that can be used to describe the performance of the entity.

In practice, the results of this study can be used by MSME actors as a reference in improving the quality of financial reports. MSMEs in East Lombok Regency must strive to improve the accounting information system to make it easier for MSMEs to prepare financial reports.

CONCLUSION

The results of this study indicate that the use of accounting information systems (AIS) has a positive and significant impact on the quality of financial reports of MSMEs in East Lombok. This finding confirms that the existence and use of appropriate accounting information systems can help MSMEs produce more reliable, relevant, and timely financial reports. Conversely, understanding the Indonesian Accounting Standards (SAK) for MSMEs had no positive or significant impact on the quality of financial reports, indicating that simply understanding accounting standards without being supported by effective

implementation and technical skills is insufficient to improve reporting quality.

The theoretical implication of this finding is the need to reconsider the assumption that understanding the Indonesian Accounting Standards (SAK) for MSMEs automatically positively impacts the quality of financial reports. This opens up space for the development of a more contextual theory that considers implementable factors, such as digital literacy, technical training, and managerial capacity of MSMEs as mediating or moderating elements of this relationship.

The practical implication of this study is the importance of increasing the capacity of MSMEs to effectively use accounting information systems through training, mentoring, or digitalization based on business needs. Regional governments and MSME support institutions need to focus more on providing access to relevant technology and practical education, rather than solely emphasizing theoretical dissemination of the MSME SAK. This practical approach is expected to strengthen MSME competitiveness and improve the accountability of their financial reports on an ongoing basis.

REFERENCES

- Annisa, D. (2020). Pengaruh Pendidikan, Ukuran Usaha, dan Pengetahuan SAK EMKM Terhadap Kualitas Laporan Keuangan. *Studi Kasus UMKM Kota Jambi*, Volume 1, (3), 285-296 e-ISSN 2747-1187.
- Ashfahani, A., Maslichah, M., & Fakhriyyah, D. D. (2024). Pengaruh Sistem Informasi Akuntansi dan Pemahaman SAK EMKM Terhadap Kualitas Laporan Keuangan yang Dimoderasi Pemahaman Akuntansi bagi Usaha Kecil dan Menengah. *e_Jurnal Ilmiah Riset Akuntansi*, 13(01), 659-669.
<https://jim.unisma.ac.id/index.php/jra/article/view/24712>
- Bokol, D. D., Ratnawati, R., & Perdana, S. (2020). Understanding of Accounting and Training for the Development of MSME's Financial Statements Based on Sak Emkm. *International Journal of Small and Medium Enterprises*, 3(1), 43–47.
<https://doi.org/10.46281/ijsmes.v3i1.560>
- Chairunnisa, T. F., & Fadilah, S. (2023). Pengaruh Penerapan Standar Akuntansi Keuangan Entitas Mikro Kecil dan Menengah dan Persepsi Pelaku UMKM terhadap Kualitas Laporan Keuangan UMKM di Kota Bandung. In *Bandung Conference Series: Accountancy* (Vol. 3, No. 1, pp. 170-176).
- Erawati, T., & Setyaningrum, L. (2021). Pengaruh Lama Usaha dan Pemahaman Akuntansi Terhadap Kualitas Laporan Keuangan UMKM. *Jurnal Ilmiah Akuntansi Kesatuan*, 9(1), 53-60.
<https://doi.org/10.37641/jiakes.v9i1.449>
- Fachruzzaman, F., Indriani, R., Mediastuty, P. P., Fitranita, V., & Zaman, A. A. P. (2021). The accounting information system impact on micro, small, medium-sized enterprises performances in Bengkulu. *Jema*, 18(2), 236–246.
<https://doi.org/10.31106/jema.v18i2.12530>
- Febrian, A. F., & Maulina, E. (2018). The influence of social capital and financial capability on sustainable competitive advantage through entrepreneurial orientation: Empirical evidence from Small and Medium Industries in Indonesia using PLS- SEM. *Advances in Social Sciences Research Journal*, 5(12), 218–232
<https://doi.org/10.14738/assrj.512.5720>
- Grande, E. U., Estébanez, R. P., & Colomina, C. M. (2011). The impact of Accounting Information Systems (AIS) on performance measures: empirical evidence in Spanish SMEs. *The International Journal of Digital Accounting Research*, 11, 25– 43.
https://www.uhu.es/ijdar/10.4192/1577-8517-v11_2.pdf
- Hajar, K. I., & Pratiwi, E. (2023). Penerapan sistem informasi akuntansi dan penyajian laporan keuangan berdasarkan SAK EMKM. *Jrak*, 9(2), 287–302.
<https://doi.org/10.54367/jrak.v9i2.2894>

-
- Hermawan, A. (2022). Impact of Mixed Household and Business Financial Statements on MSMEs JIE TOOM Grati Pasuruan. *International Journal Of Humanities Education and Social Sciences (IJHESS)*, 2(3)
<https://doi.org/10.55227/ijhess.v2i3.288>
- Ifanka, D. D., & Sari, R. P. (2022). Kualitas Laporan Keuangan: Implementasi Sistem Informasi Akuntansi Dan Komitmen Organisasi Dimoderasi Pemahaman Akuntansi. *Ekonomis: Journal of Economics and Business*, 6(2), 420-427.
<http://dx.doi.org/10.33087/ekonomis.v6i2.550>
- Jatmiko, B., Udin, U., Raharti, R., Laras, T., & Ardhi, K. F. (2021). Strategies for MSMEs to achieve sustainable competitive advantage: The SWOT analysis method. *The Journal of Asian Finance, Economics and Business*, 8(3), 505–515.
<https://doi.org/10.13106/JAFEB.2021.VOL8.NO3.0505>
- Khourouh, U., Sudiro, A., Rahayu, M., & Indrawati, N. (2020). The mediating effect of entrepreneurial marketing in the relationship between environmental turbulence and dynamic capability with sustainable competitive advantage: An empirical study in Indonesian MSMEs. *Management Science Letters*, 10(3), 709–720
https://www.growing-science.com/msl/Vol10/msl_2019_259.pdf
- Kurniawan, K., Maulana, A., & Iskandar, Y. (2023). The Effect of Technology Adaptation and Government Financial Support on Sustainable Performance of MSMEs during the COVID-19 Pandemic. *Cogent Business & Management*, 10(1), 2177400.
<https://doi.org/10.1080/23311975.2023.2177400>
- Lufriansyah, L., & Alis, A. (2023). The Influence of Accounting Information Systems and Understanding of Accounting Standards on the Quality of Financial Reports Moderated by Locus of Control for Small and Medium Enterprises Kabupaten Batubara. *Journal of International Conference Proceedings (JICP)*, 6(3), 480–494.
<https://doi.org/10.32535/jicp.v6i3.2808>
- Maknun, L. L. I. (2020). Pengaruh Penggunaan Sistem Informasi Akuntansi Dan Pemahaman Standar Akuntansi Keuangan Entitas Mikro Kecil Menengah Terhadap Kualitas Laporan Keuangan (Studi Kasus Pada Usaha Mikro Kecil Menengah Kota Yogyakarta). *Krisna: Kumpulan Riset Akuntansi*, 12(1), 1–6.
<https://doi.org/10.22225/Kr.12.1.1491.1-6>
- Malinowski, M., & Jabłońska-Porzuczek, L. (2020). Female activity and Education Levels in Selected European Union Countries. *Research in Economics*, 74(2), 153–173.
<https://doi.org/10.1016/j.rie.2020.04.002>
- Nugroho, M. I., Muksin, A., & Awaludin, M. (2024). Determinan penggunaan informasi akuntansi, lokasi usaha, dan modal usaha terhadap keberhasilan usaha kecil menengah (Studi pada pasar Lokbin Muria dalam Menteng Atas Jakarta Selatan). *Jurnal Mitra Manajemen*, 15(1), 15–24.
<https://doi.org/10.35968/jmm.v15i1.1176>
- Purbowanti, R., & Lutfi, M. A. (2023). Pengaruh Kompetensi SDM, SIA dan SAK EMKM Terhadap Kualitas Laporan Keuangan UMKM di Kabupaten Nganjuk. *In Proceeding National Seminar on Accounting UKMC* (Vol. 2, No. 1).
- Salmiah, N., Nanda, S. T., & Adino, I. (2018). Pemahaman pelaku UMKM terhadap SAK EMKM: Survey pada UMKM yang terdaftar di Dinas Koperasi dan UKM Kota Pekanbaru. *Akuntansi Dewantara*, 2(2), 194-204.
<https://doi.org/10.29230/ad.v2i2.2767>
- Saputri, H., Kusnaedi, U., & Asmana, Y. (2023). Pengaruh Sistem Informasi Akuntansi Terhadap Kualitas Laporan Keuangan Perusahaan Jasa di Jakarta Utara. 1(4), 102–109.
<https://doi.org/10.5281/zenodo.7932454>
- Simarmata, J., & Afriani, A. N. (2021). Pengaruh Penerapan Standar Akuntansi Keuangan Untuk Entitas Tanpa Akuntabilitas Publik (Sak-Etap), Sistem Informasi Akuntansi, Pemanfaatan Sistem Informasi Akuntansi, Dan Pengendalian Internal Terhadap

-
- Kualitas Laporan Keuangan Umkm (Studi Empiris Pada Um. Jurnal Ilmiah Akuntansi Dan Ekonomi, 6(2), 77–93
<https://doi.org/10.54964/liabilitas.v6i2.81>
- Wibowo, A. W., Kusmintarti, A., & Eltivia, N. (2022). Analysis And Design Of Inventory Accounting Information System Applications To Improve Internal Control In Msmes Filo Cr Malang. *International Journal of Multidisciplinary Research and Literature*, 1(6), 660–669
<https://doi.org/10.53067/ijomral.v1i6.77>
- Widyaningrum, I., & Purwanto, A. (2022). Analisis Penerapan SAK-EMKM, Perencanaan Pajak, Tingkat Pendidikan, Pemahaman Akuntansi, dan Persepsi Pelaku Atas Tujuan Laporan Keuangan Terhadap Kualitas Laporan Keuangan Pada UMKM (Studi Empiris pada UMKM Industri Mebel di Bojonegoro). *Diponegoro Journal of Accounting*, 11(4).
<https://ejournal3.undip.ac.id/index.php/accounting/article/view/36339>
- Wijaya, F., Putra, E., Hernando, R., Akuntansi, P., Ekonomi, F., Bisnis, D., & Jambi, U. (2023). Dampak penggunaan informasi akuntansi terhadap keberhasilan UMKM: Studi pada pengusaha pinang di Kabupaten Tanjung Jabung Timur. *Jurnal Manajemen Terapan Dan Keuangan (Mankeu)*, 12(03), 886–893.
<https://doi.org/10.22437/jmk.v12i03.28116>