



# Implementation of Financial Statement Presentation in Accordance with PSAK No. 1 in Restaurant Businesses in the City of Surabaya

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**Abstract:** The role of accounting in supporting the smooth execution of management tasks is very prominent, particularly in the planning and control functions. Accounting is able to provide financial information that is presented in the form of financial statements. Financial statements are considered fairly presented when they are prepared in accordance with the provisions of PSAK; the characteristics of such financial statements must be understandable, relevant, reliable, and comparable. In the preparation of financial statements, there are rules for recording transactions, which are known as the double-entry bookkeeping system. This system is commonly and widely used in the preparation of financial statements. However, financial statements in restaurant businesses in the city of Surabaya are prepared using a single-entry bookkeeping system. Theoretically, when financial statements are prepared using a single-entry system and the existing records do not show a complete summary of transactions, many specific difficulties will be encountered in preparing accurate financial statements. In addition, there is no direct way to determine whether the balances are correct, thus posing the risk of bias, inaccuracy, and misinterpretation, resulting in financial statements that do not comply with financial accounting standards. This condition motivated the author to conduct research on restaurant businesses in the city of Surabaya. In this study, the researcher restated the financial statements of restaurant businesses in Surabaya for the years 2023, 2024, and 2025 using the double-entry system, and presented them in accordance with the provisions of PSAK No. 1 concerning the Presentation of Financial Statements. The results of the restatement show that the financial statements become easier to read and understand, comparable, and consistent from year to year. The researcher recommends that the company's financial statements be presented in accordance with PSAK No. 1 using the double-entry system. To date, the company has not had accounting policies; therefore, the researcher suggests that accounting policies be established so that the criteria, recognition, and measurement of assets, equity, liabilities, revenue, and expenses are clearly defined.

**Keywords:** Double Entry; Financial Statements; Implementation; PSAK No. 1; Restaurant Businesses.

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## 1. Introduction

Recent developments in Indonesia's economic sector have led to an increasingly important role for accounting. Today, the role of accounting as a tool in making economic and financial decisions is increasingly recognized by entrepreneurs. The role of accounting in facilitating management tasks is very prominent, particularly in the planning and control functions. Therefore, accounting is increasingly studied by entrepreneurs and taught from secondary education to higher education.

It cannot be denied that most of the information required by modern managers is accounting information. Consequently, managers are required to have the ability to analyze and use accounting data.

Several important events closely related to the development of accounting include the enactment of new taxation laws and the rapid development of the capital market. Developments in these fields require accounting systems capable of providing financial information needed by society in making economic decisions. Such financial information is subsequently presented in financial statements, which represent the final output of the accounting process.

According to Munawir (1993:2):

“Financial statements are the result of the accounting process that can be used as a means of communication between financial data and information about a company’s activities and the parties interested in such data or activities.”

In Statement of Accounting Principles Board No. 4 (New York: AICPA, 1970), paragraph 41, it is stated that:

“Financial statements are the primary means through which financial information is communicated to parties outside the company. These statements provide a continuous history, quantified in monetary units, concerning the economic resources and obligations of a business enterprise and the economic activities that change those resources and obligations.” (Kieso & Weygandt, 1995:6)

Financial statements are considered fairly presented when they are prepared in accordance with generally accepted financial accounting standards, commonly referred to as PSAK (Statements of Financial Accounting Standards), which are issued by the Indonesian Institute of Accountants (IAI). Generally, financial statements prepared by a company in accordance with PSAK No. 1 consist of a balance sheet and an income statement, usually accompanied by a statement of changes in equity and a cash flow statement.

In preparing financial statements, guidelines are required. In the book by Kieso & Weygandt, it is stated that there are established rules for recording transactions and other events when they occur. These rules are often referred to as double-entry accounting. This double-entry bookkeeping system is commonly used by companies or other organizations in preparing financial statements.

Restaurant businesses in the city of Surabaya operate in the service sector. These businesses are individually established with the aim of fulfilling human needs for food. In each accounting period, restaurant businesses in Surabaya also prepare financial statements in the form of balance sheets and income statements, accompanied by cash receipts and disbursements reports. The purpose of preparing these financial statements is to determine the company’s condition during one accounting period and to provide financial information to interested parties as a basis for making economic decisions, particularly company managers and investors. In addition, these financial statements are used as a means of financial accountability to the restaurant owners.

Based on our observations, it was found that the bookkeeping practices in restaurant businesses in Surabaya from transaction recording to the preparation of financial statements have not yet applied the double-entry bookkeeping system in accordance with accounting systems and procedures. The system currently used is the single-entry bookkeeping system.

Theoretically, when financial statements are prepared using a single-entry bookkeeping system and the existing records do not provide a complete summary of transactions, significant difficulties will arise in preparing accurate financial statements. Moreover, there is no direct method to determine whether the balances are correct. As a result, the financial statements produced face the risk of bias, inaccuracy, and misinterpretation, meaning that they do not comply with generally accepted accounting standards, which require financial statements to be accurate, understandable, relevant, and comparable.

Based on these conditions, the underlying problem is the preparation of financial statements that still uses a single-entry bookkeeping system, resulting in financial statements that are difficult to understand, biased, questionable in accuracy, and not comparable. Therefore, such financial statements do not comply with the provisions stipulated in PSAK. Accordingly, the author chose the title “Implementation of Financial Statement Presentation According to PSAK No. 1 in Restaurant Businesses in the City of Surabaya.”

## 2. Literature Review

### Development of Accounting Standards

In preparing financial statements, accounting faces potential risks such as bias, misinterpretation, inaccuracy, and ambiguity. To minimize these risks, the accounting profession has sought to develop a body of theory that is generally accepted and universally practiced. Ultimately, the accounting profession has endorsed a set of general standards and procedures known as Generally Accepted Accounting Principles (GAAP) in the United States.

Several organizations have played significant roles in the development of financial accounting standards (GAAP) in the United States. The main organizations include: 1) American Institute of Certified Public Accountants (AICPA). 2) Financial Accounting Standards Board (FASB). 3) Governmental Accounting Standards Board (GASB). 4) Securities and Exchange Commission (SEC). 5) American Accounting Association (AAA). 6) Other institutions, such as the Financial Executives Institute (FEI) and the Institute of Management Accountants (IMA).

The accounting profession in Indonesia is represented by an organization known as the Indonesian Institute of Accountants (IAI). Established in 1957, IAI has played a crucial role in the development of accounting standards in Indonesia. This can be observed from the dynamic process of accounting standard development since the establishment of IAI. According to PSAK as of October 1, 2004, there are three historical milestones in the development of financial accounting standards in Indonesia.

The first milestone occurred prior to the activation of the capital market in Indonesia in 1973. During this period, IAI first codified the accounting principles and standards applicable in Indonesia into a book entitled Indonesian Accounting Principles (PAI).

The second milestone took place in 1984. At that time, the PAI Committee conducted a fundamental revision of PAI 1973 and subsequently codified it into the book Indonesian Accounting Principles 1984, with the aim of aligning accounting provisions with developments in the business environment.

The next milestone occurred in 1994, when IAI once again carried out a comprehensive revision of PAI 1984 and codified it into the book Financial Accounting Standards (SAK) as of October 1, 1994. Since 1994, IAI has also decided to harmonize its standards with international accounting standards. The decision to refer to international accounting standards was a consequence of the openness of the Indonesian accounting profession in responding to the globalization of the professional accounting services market. IAI has continued to revise the standards on an ongoing basis, with the most recent revision being the Financial Accounting Standards, October 1, 2004 Edition.

Financial accounting standards may be likened to a mirror. A good mirror is capable of reflecting the actual condition of business practices of an entity. Moreover, with sound accounting standards, financial statements can become more useful, comparable, and not misleading to their users.

### Double-Entry and Single-Entry Bookkeeping Systems

In the book *Intermediate Accounting* by Kieso and Weygandt, it is stated that there are established rules for recording transactions and other events at the time they occur. These rules are often referred to as double-entry accounting.

Debit and credit in accounting merely signify left and right, depending on the account, rather than positive and negative. The left side of an account is the debit side, while the right side is the credit side. All asset and expense accounts increase on the left or debit side and decrease on the right or credit side. Conversely, all liability, revenue, and equity accounts increase on the right or credit side and decrease on the left or debit side.

Two accounts are affected: the asset account (cash) and the revenue account (sales). Cash is debited and Sales is credited. This illustrates the essence of the double-entry journal system, in which every debit must have a corresponding credit, and vice versa. This leads to the fundamental accounting equation:

$$\text{Assets} = \text{Liabilities} + \text{Owner's Equity}$$

Each time a transaction occurs, the elements of the equation change, but the basic equation itself remains unchanged. Revenue and expense accounts are components of owner's equity. Revenues increase (credit) owner's equity, while expenses decrease (debit) it. The

difference between revenues and expenses for a given period represents a net increase (profit) or net decrease (loss) in owner's equity resulting from operations.

All of the above descriptions illustrate the double-entry bookkeeping system. It is commonly understood that the preparation of financial statements must follow these rules related to debits and credits. However, there is a system that does not apply transaction analysis using debits and credits, known as the single-entry bookkeeping system.

Single-entry bookkeeping procedures are often found in organizations whose activities do not require a full-time bookkeeper, such as small retail businesses that are not incorporated entities, professional and service organizations, and non-profit organizations.

According to Jay M. Smith and K. Fred Skousen (1997:50), a characteristic of the single-entry system is that it uses the following records: 1) A daily record or general journal. 2) A cash book. 3) Ledger accounts showing debit and credit balances

Single-entry bookkeeping procedures usually take the following form. For each transaction affecting cash, a cash book is used. Instead of using debit and credit account names for cash receipts and disbursements, lengthy narrative descriptions of transactions are recorded, along with a column to record the related cash amounts. Transactions not recorded in the cash book are entered in the daily record in descriptive form. If there is an effect on debtors, creditors, or the owner, attention may be drawn for posting purposes by placing a "d" or "c" mark before the relevant amount.

The closing of debits and credits is not visible because ledger accounts are maintained only for customers, creditors, and the owner. At the end of the period, reports may be limited to summaries or balances of customers and creditors. Since this is a single-entry system, there is no direct way to determine whether the balances are correct, which constitutes a major weakness of the single-entry bookkeeping system.

In preparing financial statements using records from a single-entry system, if the existing records do not provide a complete summary of transactions, significant difficulties will arise in preparing accurate financial statements.

The weaknesses inherent in the single-entry bookkeeping system prevent it from fulfilling the objectives of financial statement preparation systems and procedures in accordance with PSAK, namely to present financial statements that are accurate, understandable, relevant, generally acceptable, and comparable. Therefore, the system prescribed for recording transactions in the preparation of financial statements is the double-entry bookkeeping system. The provisions contained in PSAK indicate and direct the use of the double-entry system in preparing financial statements, so that the resulting financial statements are more accurate, readable, generally acceptable, and comparable.

### **The Double-Entry Accounting Recording Process**

To ensure that the effects of transactions are recorded correctly and to provide data as intended in the definition of accounting, each transaction must be classified, summarized, and then presented in the form of reports. The activities from recording to presentation are referred to as the accounting process. According to Jay M. Smith and K. Fred Skousen (1997:67), the accounting process can be illustrated as follows:

#### **Recording Stage**

##### ***Business Documents Are Analyzed***

Transactions occurring within a company can be classified into two groups: 1) External transactions, namely transactions that occur with parties outside the company, including sales, purchases, cash disbursements, and cash receipts. 2) Internal transactions, namely the internal allocation or redistribution of costs within the company, such as depreciation of fixed assets, use of raw materials for production, transfers from work in process to finished goods, and others. Generally, external transactions are easier to analyze because most of these transactions result in an increase or decrease in the company's assets.

**Transactions Are Recorded in the Journal**

**Table 1.** Format of the General Journal.

Date	Description	Post Sign	Debt	Credit
1991				
June	1 Credit wesel	114	Rp 150.000	
	Kas	111		Rp 150.000

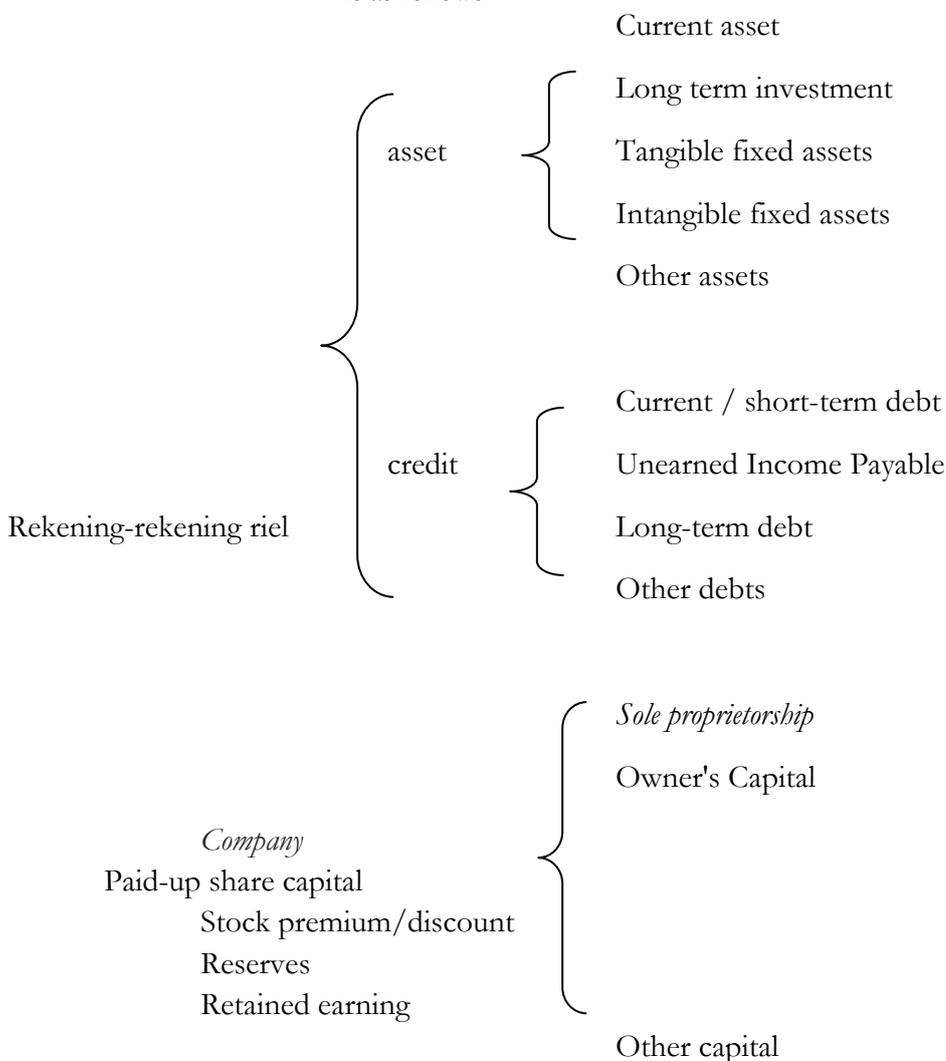
The posting reference column is filled with the relevant account numbers once posting has been completed.

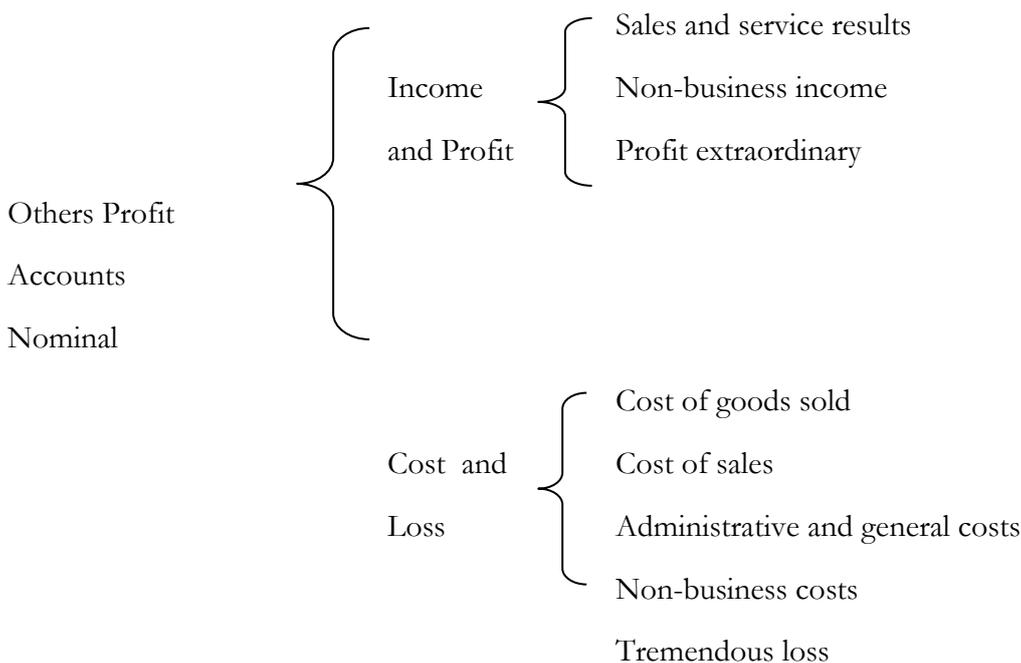
**Transactions Are Posted to the Ledger**

The records contained in the journal are transferred to the appropriate accounts. These accounts are arranged in a manner that facilitates the preparation of financial statements. The collection of these accounts is referred to as the general ledger.

Accounts in the general ledger can be classified into real accounts, nominal accounts, and mixed accounts.

To facilitate bookkeeping into the accounts, each account is usually assigned a code number in accordance with its classification. The classification of accounts within a company is as follows:





**Mixed accounts**

The balances represent a combination of liabilities and revenues.

The accounts used may be prepared in several different forms, namely the T-account form or the balance form. Examples of account formats are as follows:

**Summarization Stage**

After the recording stage is completed, the data must be summarized and organized into an appropriate format. The subsequent steps in the accounting process are designed to achieve this objective, including the following: 1) Preparing a Trial Balance. 2) Preparing Adjusting Journal Entries. 3) Preparing a Worksheet (Working Sheet).

The number of columns in the worksheet may be adjusted to meet the needs of the company. For trading and service businesses, a **ten-column worksheet** is commonly prepared in the following format:

**Table 2.** Format of a Ten-Column Worksheet for Service and Trading Businesses

WORKSHEET (WORKING SHEET)									
Bank	Balance		Adjustm		Balance		Profit		Balan
Accounts	Sheet		ent		Sheet		Loss		ce
					Adjustment				
		D	K	D	K	D	K	D	K

Preparing the Financial Statements.

Closing Journal Entries.

Preparing the Post-Closing Trial Balance.

Reversing Journal Entries.

**Accounts Subject to Adjustment**

At the end of each accounting period, certain adjustments must be made to the balances of the general ledger accounts. The adjustments made at the end of each period apply to the following elements, as explained by Zaki Baridwan (1992:67): 1) Inventory. 2) Prepaid Expenses. 3) Unearned Revenue. 4) Accrued Expenses (Expenses Payable). 5) Accrued Revenue (Revenue Receivable). 6) Depreciation of Tangible Fixed Assets. 7) Bad Debt Losses

**Accrual Basis and Cash Basis**

According to Al. Haryono Jusup (1999:174), accounting recognizes two bases: the accrual basis and the cash basis. Under the accrual basis, accounting recognizes the effects of transactions at the time the transactions occur. When service transactions, sales of goods, or expense incurrences take place, these transactions are recorded in the accounting records as revenue or expenses, regardless of whether cash has been received or paid.

Conversely, under the cash basis, accounting records transactions only when cash receipts or cash disbursements occur. Indonesian accounting principles require companies to use the accrual basis. This means that revenue must be recognized when it is earned, and expenses must be recognized when they are incurred—regardless of whether the related cash has been received or paid.

### **Financial Statements**

#### **Definition of Financial Statements**

According to Bambang Riyanto (1992:251):

“Financial statements provide a summary of the financial condition of a company, in which the balance sheet reflects the value of assets, liabilities, and owners’ equity at a particular point in time, while the income statement reflects the results achieved during a specific period.”

According to Myer in his book *Financial Statement Analysis*:

“Financial statements are two statements prepared by accountants at the end of a period for a company. These two statements are the balance sheet or statement of financial position and the income statement or profit and loss statement. In recent times, it has become common practice for corporations to add a third statement, namely the surplus statement or the statement of undistributed profits / retained earnings.” (Munawir, 1993:5)

Zaki Baridwan (1992:17) defines financial statements as follows:

“Financial statements are a summary of a recording process and represent a summary of financial transactions that occur during the relevant fiscal year. These financial statements are prepared by management with the purpose of accounting for the responsibilities entrusted to them by the owners of the company. In addition, financial statements may also be used to fulfill other purposes, namely as reports to parties outside the company.”

To enable readers of financial statements to obtain a clear understanding, the financial statements prepared must be based on generally accepted accounting principles. In accordance with PSAK No. 1 (2004:1.2), a complete set of financial statements consists of the following components: 1) Balance Sheet. 2) Income Statement. 3) Statement of Changes in Equity. 4) Cash Flow Statement, and 5) Notes to the Financial Statements

It is also stated in PSAK (2004:2) that:

“A complete set of financial statements normally includes a balance sheet, an income statement, a statement of changes in financial position (which may be presented in various ways, for example, as a cash flow statement or a funds flow statement), notes and other statements and explanatory material that form an integral part of the financial statements. In addition, it includes schedules and supplementary information related to the statements, such as financial information by industry and geographical segments, and disclosures of the effects of changes in prices.”

The preparation of financial statements is conducted on a periodic basis, with the commonly used period being annual, beginning on January 1 and ending on December 31. Such a period is referred to as a calendar year. In addition to the calendar year, an accounting period may also begin on a date other than January 1. The term accounting period is often used interchangeably with fiscal year. Management may also prepare financial statements for shorter periods, such as monthly, quarterly, or semi-annual periods. Financial statements prepared for periods shorter than one year are referred to as interim financial statements.

#### **Objectives of Financial Statements**

Basically, the objective of preparing financial statements is to provide financial information about a business entity that can be used by interested parties as a basis for making economic decisions. In PSAK No. 1 (2004:1.2), it is stated that:

“The objective of general-purpose financial statements is to provide information about the financial position, performance, and cash flows of an entity that is useful to a wide range of users in making economic decisions, and to show management’s accountability (stewardship) for the resources entrusted to it.”

According to Jopie Jusuf in his book *Credit Analysis for Account Officers*, the objectives of financial statements are as follows: 1) To provide reliable financial information regarding the assets, liabilities, and equity of a company. 2) To provide reliable information regarding changes in net assets (assets minus liabilities) of a company arising from business activities undertaken to earn profits. 3) To provide financial information that assists users of financial statements in assessing the company’s potential to generate profits.

## Components of Financial Statements

A complete set of financial statements normally includes a balance sheet, an income statement, a statement of changes in equity, a statement of changes in financial position (which may be presented in various forms, for example as a cash flow statement or a funds flow statement), notes and other statements, as well as explanatory material that forms an integral part of the financial statements. In addition, it also includes schedules and supplementary information related to those statements. This section explains the content and structure of each financial statement prepared for each accounting period, as described below.

### Balance Sheet

Zaki Baridwan (1992:18) defines the balance sheet as a statement that shows the financial position of a business entity at a specific date. Therefore, it can be seen in the balance sheet that total assets are equal to total liabilities. When expressed in equation form, it appears as follows:

$$\text{ASSETS} = \text{LIABILITIES} + \text{EQUITY}$$

Companies present current assets separately from non-current assets, and current liabilities separately from long-term liabilities. This classification represents a broad grouping that is further detailed.

### Assets

Assets are probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events (Jay M. Smith & K. Fred Skousen, 1997:46). Companies present current assets separately from non-current assets, and current assets are presented in order of liquidity.

According to PSAK No. 1 (2004:1.10), an asset is classified as a current asset if the asset: 1) Is expected to be realized, sold, or consumed in the entity's normal operating cycle; or 2) Is held primarily for trading purposes or for short-term purposes and is expected to be realized within twelve months from the balance sheet date; or 3) Is cash or a cash equivalent whose use is not restricted.

Elements included in the category of current assets are: 1) Cash available for current operations and items equivalent to cash, such as checks, money orders, and postal orders; 2) Marketable securities representing short-term investments; 3) Trade receivables and notes receivable; 4) Other receivables; 5) Inventories; 6) Prepaid expenses.

Assets that do not fall into the above categories are classified as non-current assets. According to Zaki Baridwan (1992:22), these include: 1) Long-term investments; 2) Tangible fixed assets (property, plant, and equipment); 3) Intangible fixed assets; 4) Other assets.

### Liabilities and Equity

Liabilities are defined as probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events (Jay M. Smith & K. Fred Skousen, 1997:46). Current liabilities are presented separately from long-term liabilities, and liabilities are presented in order of maturity.

In accordance with PSAK No. 1 (2004:1.11), a liability is classified as a current liability if it: 1) Is expected to be settled in the normal operating cycle of the company; or 2) Is due to be settled within twelve months from the balance sheet date.

All other liabilities that do not fall into the above categories are classified as long-term liabilities, such as bonds payable, long-term notes payable, and other liabilities of a similar nature.

Equity is defined as the residual interest in the assets of an entity after deducting all of its liabilities (Jay M. Smith & K. Fred Skousen, 1997:46).

The balance sheet may be prepared in various formats, in which the order of both asset and liability groupings may differ. In practice, there are two commonly used balance sheet formats: 1) T-account form, in which assets are presented on the left side, while liabilities and equity are presented on the right side and divided into two groups, namely liabilities and equity (see Figure 2.6). 2) Report form, in which assets, liabilities, and equity are presented vertically in a downward sequence (see Figure 2.7).

### **Income Statement**

According to Zaki Baridwan (1992:30), the income statement is a statement that shows the revenues and expenses of a business entity for a specific period. The difference between revenues and expenses represents the profit earned or loss incurred by the company.

The presentation of the income statement should adhere to the following guidelines: 1) It must present revenue and expense elements in detail. 2) It should be prepared in a vertical (step-by-step) format. 3) Results from other business activities and extraordinary items must be presented separately.

The research model or framework is intended to further clarify the essence of the discussion of previous research results and the theoretical basis used in the research, including the relationship between influential variable (Dewi, Rina, Zuhro, Diana, et al. 2024:142-160). The research design is a plan to determine the resources and data that will be used to be processed in order to answer the research question. (Asep Iwa Soemantri, 2020:5). Standard of the company demands regarding the results or output produced are intended to develop the company. (Istanti, Enny, 2021:560). Time management skills can facilitate the implementation of the work and plans outlined. (Rina Dewi, et al. 2020:14). Saat mengumpulkan sumber data, peneliti mengumpulkan sumber data berupa data mentah. Metode survei adalah metode pengumpulan data primer dengan menggunakan pertanyaan tertulis (Kumala Dewi, Indri et al, 2022 : 29). The Research model or framework is intended to further clarify the essence of the discussion of previous research result and the theoretical basis in the research, including the relationship between influential variables. (Enny Istanti, et al. 2024 : 150). This research will be conducted in three phases : measurement model (external model), structural model (internal model), and hypothesis testing. (Pramono Budi,et al., 2023 ; 970)

## **3. Research Methodology**

### **Research Approach**

In this undergraduate thesis, the approach used is a descriptive qualitative approach, with the objective of obtaining understanding, developing theory, and describing the reality of financial statements prepared in accordance with PSAK No. 1 at Restaurant Beatus in Surabaya.

The descriptive qualitative approach discusses, in a comprehensive manner, all matters related to the object of the research problem. Therefore, the researcher establishes research boundaries so that the problem does not expand excessively and lead to unclear discussions or misunderstandings. The descriptive qualitative approach aims to analyze financial statements based on the author's understanding, thoughts, and perceptions without conducting statistical testing.

Data collection in this study is carried out as it naturally occurs, without being influenced or manipulated through experiments or tests, so that the data obtained are more descriptive in nature.

### **Analysis Techniques**

Considering that food service companies operating restaurant businesses in the city of Surabaya do not present their financial statements in accordance with the Statements of Financial Accounting Standards (PSAK), the researcher applies the following analytical techniques:

#### ***First Step***

Collecting data related to the preparation of financial statements that have been used and presented by food service companies operating restaurant businesses in the city of Surabaya, including: 1) Relevant accounting records. 2) Financial statements for January, February, March, and April 2009. 3) Policies underlying the preparation of financial statements

#### ***Second Step***

After understanding the preparation and presentation of the company's financial statements that have been used to date, the researcher then classifies and restates the financial statements of Restaurant Beatus for January, February, March, and April 2025 in accordance with PSAK, using the double-entry bookkeeping system. These restated financial statements are then presented in three forms of financial statements, namely the balance sheet, income statement, and statement of changes in equity, so that the financial statements become easier

to read, understand, and more accurate for use as information in management decision-making as well as for other interested parties.

### **Third Step**

Analyzing and comparing the financial statements before and after the implementation of PSAK, in order to identify the effects arising from the preparation of financial statements that are not prepared in accordance with generally accepted accounting systems and procedures as stipulated in PSAK.

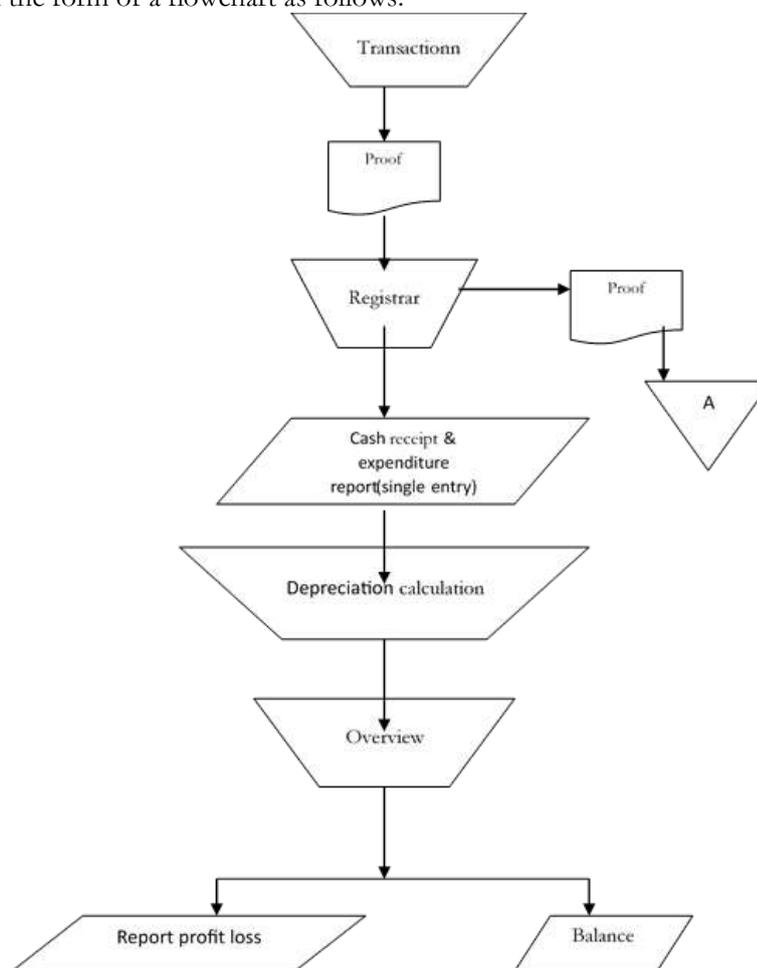
## **4. Results And Discussion**

### **Description of Research Results**

#### ***Process of Financial Statement Preparation***

The daily financial recording conducted by restaurant businesses in the city of Surabaya uses a single-entry system, and the financial statements presented each month are in the form of cash receipts and cash disbursements reports. At the end of the year, a recap is made of all monthly cash receipts and disbursements to produce annual figures. Based on these reports, the company then prepares financial statements in the form of a balance sheet and an income statement.

All of these financial statements are subsequently used as the company's accountability report to the restaurant owner at the end of each year. For greater clarity, the process is illustrated in the form of a flowchart as follows:



**Picture 1.** Flow chart preparation of financial statements.

As material for discussion, the researcher used data in the form of cash receipts and cash disbursements reports for January, February, March, and April 2025.

#### **Cash Receipts and Cash Disbursements Report**

The company's annual cash receipts and cash disbursements report is prepared using a single-entry system. This report contains all activities related to cash inflows and cash outflows. It is prepared based on monthly records of cash receipts and disbursements, which are then summarized into monthly cash receipts and disbursements reports.

The revenue earned by the company is derived from the sale of food services to customers by offering a variety of dishes. Further details can be seen in the cash receipts and cash disbursements report of the restaurant business in the city of Surabaya for the year 2025, as presented below:

**Table 3.** Cash Receipts And Cash Disbursements Report April 2025  
(in rupiah)

No	Description	Receipts	Disbursements
1	Cash balance	225.164.962	
2	Service revenue (Food)	106.831.726	
3	Other revenue	9.630.602	
4	Raw material purchases		87.880.915
5	Gas expense		3.440.000
6	Biaya Gaji Karyawan		14.456.800
7	Casual labor wages		1.115.000
8	Electricity expense		1.035.012
9	Telephone expense		969.477
10	Water expense		1.418.016
11	Cloth expense		13.752.000
		341.627.290	124.067.220
	Final cash balance		217.560.070
	Total	341.627.290	341.627.290

Source: Restaurant Beatus

## Discussion

### *Financial Statements According to PSAK No. 1*

Financial statements prepared in accordance with PSAK No. 1, as stated by the Indonesian Institute of Accountants (IAI) regarding the Presentation of Financial Statements, are prepared using the accrual basis, except for the cash flow statement. The accrual basis is one of the fundamental assumptions underlying the preparation of financial statements. This basis is used so that the financial statements prepared can achieve their objective, namely to provide more complete information.

Under the accrual basis, the effects of transactions and other events are recognized when they occur, and not when cash or cash equivalents are received or paid. Therefore, assets, liabilities, equity, income, and expenses are recognized when they occur and are recorded in the accounting records and reported in the financial statements for the relevant period.

A complete set of financial statements based on PSAK No. 1 consists of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement, and notes to the financial statements. Financial statements must be fairly presented so as to provide information that is relevant, reliable, comparable, and understandable. To fulfill these requirements, financial statements must be accurate and prepared in accordance with the accounting process using a system that is commonly accepted and has become the standard method for recording transactions, namely the double-entry bookkeeping system.

Every company must have accounting policies. Company management selects and applies accounting policies so that the financial statements comply with the provisions of the Statements of Financial Accounting Standards. Accounting policies are specific principles, bases, conventions, rules, and practices applied by a company in preparing and presenting financial statements. These may include definitions as well as criteria for recognition and measurement of assets, liabilities, income, and expenses. Accounting policies may be presented together with the financial statements if they provide useful information to users of financial statements and help them better understand the financial statements.

The financial statements of Restaurant Beatus that have been presented to date are still prepared using a single-entry system. As a result, the financial statements produced are exposed to the risk of bias, inaccuracy, and misinterpretation, meaning that they do not comply with financial accounting standards, which require financial statements to be accurate, understandable, relevant, and comparable.

### ***Accounting Policies***

Before preparing financial statements, accounting policies must be established as guidelines for carrying out accounting activities. With the approval of the company, the researcher proposes accounting policies for the company's accounting process. The proposed accounting policies are as follows: 1) Basis for the preparation of financial statements. 2) Accrual basis. 3) Cash and cash equivalents. 4) Tangible fixed assets. 5) Bad debt losses. 6) Depreciation of tangible fixed assets. 7) Chart of accounts

Through this process, employees are provided with training and development relevant to their job performance, so they are expected to carry out their job responsibilities as well as possible. (Abdul Aziz Sholeh et.al. 2024: 82). Choosing is part of a problem-solving effort as well as part of the decision-making process. Therefore, the right purchasing decision is needed (Kristiawati Indriana et.al. 2019: 28). Collaboration between government, industry, research institutions, and civil society in designing and implementing strong commitment and cooperation from all stakeholders is the key to the success of these efforts. (Gazali Salim et al. 2024: 63). The SERVQUAL model includes calculating the difference between the values given by customers for each pair of statements related to expectations and perceptions (Diana Zuhro et al. 2024: 98). In a competitive business environment, credit marketing strategies play an important role in customer acquisition and retention. (Mahjudin, et. al. 2025: 2659 - 2672). This research approach is the entire thought process of broadly determining the research objectives to achieve the best possible results. (Sutopo, et. al. 2021: 83-92). Promotion is carried out by providing consumer knowledge about the quality of the company's products, thereby attracting consumers' attention to use its rental services. (Firdaus, Fikri, et al. 2021: 76-82).

### **5. Conclusion**

The financial statements presented by restaurant businesses in the city of Surabaya have been prepared using a single-entry bookkeeping system. Based on the research findings, several deviations were identified, indicating that financial statements prepared using the single-entry system are highly exposed to the risk of misstatement and questionable accuracy. Therefore, they do not comply with PSAK No. 1, which requires financial statements to be fairly presented, accurate, understandable, relevant, and comparable. By applying the double-entry system in the preparation of financial statements, the company can more easily and directly verify the accuracy of each account balance. This will facilitate management in monitoring company assets and detecting potential irregularities or misappropriation. Certain expenses that should have been recognized in the current month were instead recorded in the subsequent month. The calculation of depreciation of fixed assets has not complied with the predetermined depreciation method, namely the straight-line method with an economic life of 10 years and no residual value. The company does not yet have accounting policies, namely specific principles, bases, rules, and practices applied by the company in preparing and presenting financial statements.

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