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DESIGN OF ACCOUNTING INFORMATION SYSTEM AND FINANCIAL REPORTING IN COVINDO LIVING

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Abstract

The purpose of this practical work is the availability of an accurate accounting record system, capable of presenting transaction records in Covindo Living's business reports. Covindo Living's operational recording still uses book-based records that contain a list of customers, types of goods, prices, and sales amounts based on the date of the transaction. This accounting recording system specially designed according to Covindo Living's needs and hopes that the system can be used sustainably to run daily operations. The output of this research is Microsoft Office Access which automatically generates financial reports, including statements of financial position, profit or loss, purchase report, sales report, and inventory report. The data collection methods used are survey, interview, and observation. The implementation of work at Covindo Living goes through the stages of preparation, implementation, and research as well as reporting with a period of four months, starting from September until December 2021. After implementation, Covindo Living's financial transactions are recorded completely and neat, financial reports are accurate so that owners can make the right decisions according to business conditions.

Keywords: *Accounting System, Software, Transactions, Reports.*

Introduction

Micro, Small and Medium Enterprises (MSMEs) play a role as a driver of the Indonesian national economy, because of this the number of MSMEs is more than large companies. MSMEs are widespread in all rural areas and have the ability to develop rapidly. Its development belongs to a core part of the regulations laid down for job creation and income generation (Yacob et al., 2021). The Central Statistics Agency (BPS) noted that exports from January to June 2019 were down by 8.57%, while imports were down by 7.63%. Therefore, the Indonesian government has begun to shift its economic development approach towards the domestic economy and MSMEs (Maksum et al., 2020). The performance of a business is reflected by its sales, market price and profitability (Pagalung et al., 2021). Digital accounting reporting systems have developed not only in the large enterprise industry but also reach the level of small companies such as today's MSMEs. In this digital era, technology has become a business necessity, including even in small-scale businesses. Therefore, developing a

business using accounting software or financial report applications is a must. With an accounting application, micro-enterprises can monitor their MSME financial activities (Dharmawati & Emil Safitri, 2021). Covindo Living was founded by Mrs. Anna on July 22, 2019. Covindo Living has an offline store located at Ruko Anugerah Blok B1 No.4, Batam Center which operates from 09.00 am - 17.00 pm every Monday to Saturday. Covindo Living itself has also marketed its products online on social media such as Instagram and several marketplaces, like Shopee and Tokopedia in March 2021. The types of merchandise provided by Covindo Living are related to home appliances and closely related to daily use. Even though it has been running its business for 2 years, Covindo Living still does not have an efficient and effective recording system in its business operations, which still uses manual recording which often causes misstatements in its calculations, and also takes time to record and prepare reports. Stock is usually ordered when the amount of stock remaining is running out or when the number of customer requests increases. In connection with these problems, the authors designed a simple accounting system using Microsoft Access. The purpose of implementing this project is to create an accounting recording system that is accurate, reliable and can present transaction recaps in Covindo Living's business reports. The accounting bookkeeping system is deliberately designed specifically according to Covindo Living's needs and of course, it is hoped that it can be used continuously to carry out Covindo Living's business operations. In general, this practical work also aims to develop students' accounting skills by implementing the accounting knowledge that has been obtained into the practice of the world of work with the object of research aimed at MSMEs that have been determined by each student.

This accounting record system design project intends to assist Covindo Living in running a business, understanding the importance of financial records and reporting. The manual recording system used previously can be replaced with a system that has been designed using Microsoft Office Access. MSMEs were also assisted in the form of a simple accounting record system as needed. Recording using the system certainly saves more time and effort when compared to manual recording. The recording system is designed for MSMEs themselves so that they can record their business financial transactions more easily. The work summary is compiled in an article entitled "Design of Accounting Information System and Financial Reporting in Covindo Living".

METHODOLOGY

Data Collection Technique

Data collection techniques are methods used by researchers to collect data or information and supporting facts in the field for research purposes. The data collection technique is certainly very much determined by the research methodology taken or chosen by the researcher (Kumparan, 2020). Data is a fact or picture that is collected and will later be processed to produce useful information for a study. This information will be used as a decision-making tool (Rezki, 2021). The techniques generally used in data collection are interviews, observations, questionnaires, and relevant documents (Shanks & Bekmamedova, 2018). The survey results are data sourced directly from respondents

(QuestionPro, 2021). Interviews allow for open-ended questions. Compared to other primary data collection methods, such as surveys, interviews are more customizable and responsive. Observation involves gathering information without asking questions. This method is more subjective, as it requires the researcher, or observer, to add their judgment to the data (Quentin Ainsworth, 2021). Practical work data is obtained directly from the owner when the author conducts surveys, interviews and observations. The first stage in data collection is the search for suitable MSMEs to serve as objects in practical work. Next is the interview and observation stage to get information about business activities and find out the procedures used to record daily business transactions. This stage also aims to find obstacles in MSMEs. The documentation stage is also carried out as a means to obtain information on knowledge and evidence. Furthermore, the authors process the data and provide appropriate information reports to the owner.

External Design Process

The process of making an accounting record system at Covindo Living goes through stages, a site survey, which aims to determine the MSMEs that will be used in the implementation of practical work. Interview, which aims to discuss the obstacles faced and to know the daily business processes. Covindo Living still uses manual recording with books for every sale, purchase and other payment transaction. This hampers the work process of MSMEs and may not necessarily provide accurate results. Next is the observation of the daily operations of the business. This stage aims to know the daily work process of Covindo Living.

The system began to be compiled, from the chart of accounts as needed, tables, forms, queries, to financial reports. In the form, users can input data and transactions which will be automatically compiled as financial reports. After completion, the system will be presented and revised if there are deficiencies. The system will make changes to points deemed unsuitable by MSMEs. The implementation of the system is carried out in stages to ensure that the system made is suitable for use by MSMEs in the long term. Evaluation and improvement of the system are carried out according to the opinions of partners and supervisors.

Implementation Stage (1st September 2021 – 31st December 2021)

The implementation of practical work at Covindo Living goes through three stages, namely the preparation, implementation, research and reporting stages.

1. Preparation Stage (1st September 2021 – 30th September 2021)

The first stage begins with a survey of the location that will be used as a partner for the practical work location. The survey looks for the right MSMEs for practical work and communicates with partners to ask for approval and notify the intent and purpose of carrying out this practical activity. The location survey stage is carried out from September 1 to September 5, 2021. A cover letter for practical work is submitted to the Student Academic Administration Bureau (BAAK) at this stage to be submitted to the target MSME partners as a valid statement regarding this practical work activity. After approval, interviews and observations of the business were carried out and gathered information and problems that occurred. The stages of observation and interviews were carried out from September 6 to September 12, 2021. The discussion process was carried out to

find out the business conditions and solutions to the problems experienced. After the information is collected, client statements and practical work proposals are prepared and submitted to the accounting study program. Proposals are then compiled within approximately one week and submitted.

2. Implementation Stage (1st October 2021 - 30th November 2021)

The accounting record system began to be designed for partners with Microsoft Office Access. The system design stage takes approximately one month, starting from October 1 to November 30, 2021. In this stage, the system is prepared according to the constraints experienced by partners as described previously and receives suggestions and directions for improvement from the supervisor. By using the data collection consisting of MSMEs at the previous preparation stage in the form of main data and transaction data, a temporary overview of the design and development process of this accounting system is then submitted for discussion, whether the partner wants to add other functions to the system that has been formed. The system designed using Microsoft Access was then further developed by suggestions from MSMEs to suit their needs.

3. Assessment and Reporting Stage (1st Desember 2021 - 31st Desember 2021)

The last stage of implementing system creation activities is after MSMEs use a system that has been designed and in accordance with operational needs, then the system will be shown to the supervisor. If approved, the supervisor will visit the location, and provide an assessment and evaluation. This stage will be carried out in December 2021. After completing the visit, the practical work report will be compiled and collected in hardcover form. The practical work report is then finalized and submitted to the Student Academic Administration Bureau (BAAK) after completing all the revisions suggested by the supervisor.

Implementation Schedule and Budget

The implementation of activities at Covindo Living starts from September 01, 2021 to December 31, 2021. The following is a summary of the order in which practical work is carried out at Covindo Living along with the implementation time:

Table 1. Schedule of Practical Work Implementation

No	Description	Date
1.	Surveys and practical job site searches	01 September 2021 – 05 September 2021
2.	Observation and interview, submission of cover letter for practical work	06 September 2021 – 12 September 2021
3.	Preparation and submission of proposals	13 September 2021 – 22 September 2021
4.	Collecting data & information about MSMEs	23 September 2021 – 30 September 2021
5.	Accounting recording system design	01 October 2021 – 31 October 2021
6.	Implement and evaluate the system	01 November 2021 – 30 November 2021
7.	Preparation of reports and visits	01 December 2021– 31 December 2021

Source: Data processed, 2021.

RESULTS AND DISCUSSION

Business Overview

Covindo Living's operational activities start from the owner ordering a number of stock items to be offered to buyers, then marketing the goods in the marketplace. The buyer will order the goods according to their needs then the store will immediately process it and send it to the buyer.

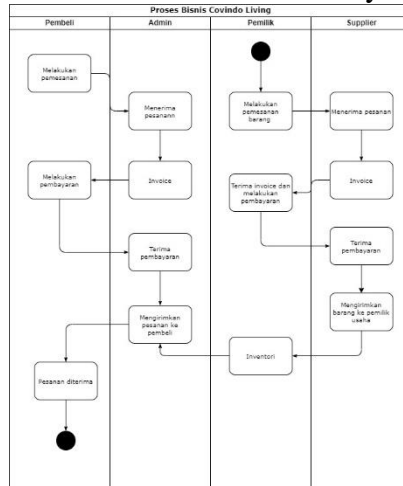


Figure 1. Flow of Business Activities, source: Processed data, 2021.

Covindo Living records its operations in a book. The record book contains a list of customers, types of goods, prices and number of transactions by date. If you look at it, actually the owner has made simple accounting records. It is better if the owner applies accounting records that are following standards and can produce business financial reports.

TGL.	KETERANGAN	DEBIT	KREDIT	SALDO
08/05	lebu kwok - shopee	8 99.059		
08/05	crissolex - shopee	8 119.150		
08/05	essicamaw - shopee	8 75.832	655	10.015
08/05	tuwanti - shopee	8 252.641		
08/05	visamela - shopee	8 148.602		
08/05	biaya sewa ruko		8 1.000	12.015
08/05	biaya iklan shopee		8 50	11.965
08/05	095 jeda	8 230		12.195
08/05	air listrik		8 352	11.843
10/05	104 vetriq	8 175		12.018
10/05	60 evq	8 600		12.618
10/05	105 au li	8 310		12.928
10/05	094 ciq - ciq	8 234		13.162
10/05	096 ciq - ciq	8 1.345	1.840	14.302
10/05	093 ciq - ciq	8 261		14.041

Figure 2. Covindo Living records, source: Processed data, 2021.

With interviews and observations carried out last September, there are various problems faced by business owners which are listed as follows:

1. Covindo Living still records stock using bookkeeping and the calculations are still done manually, so sometimes the actual stock remaining is different.
2. Transactions of purchases, sales, cash disbursements and receipts use the manual recording in books and are still very simple.
3. Covindo Living's financial reports are still simple, only limited to profit/loss reports, so financial information about MSMEs is lacking.

Activity Output Design

The system is designed according to the needs of MSMEs, which is expected to make it easier for Covindo Living to record transactions and make financial reports effectively and efficiently. The following is the content of the system designed with Microsoft Office Access:

Main Menu

The main menu consists of the form button, report and date column. The main menu is made so that users can easily use the system according to categories. By entering the desired date, users can view transaction data and reports for that period.

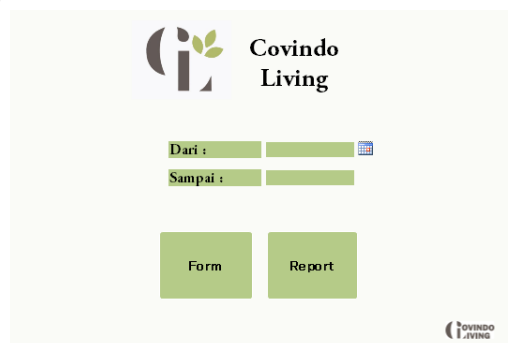


Figure 3. Main Menu, source: Processed data, 2021.

Register Menu

1. **Chart of Account** is used to enter a list of accounts used in recording Covindo Living business transactions. Columns can be filled according to user requirements. Sequential writing of account numbers aims to make it easier to search for accounts according to class.



Figure 4. Chart of Account, source: Processed data, 2021.

2. The **supplier form** is useful for adding to the list of suppliers, which are related to the purchase of merchandise inventory. To facilitate recording, the supplier code is entered sequentially followed by the name of the supplier. By registering the name of the supplier, it will be easy to find out the purchase of merchandise for stock obtained from certain suppliers, according to the date of purchase.

Figure 5. Supplier, source: Processed data, 2021.

3. The **customer menu** is useful for adding a list of customers who bought business merchandise. What needs to be filled in this form is the Customer Code, code "C" along with the sequential number and name of the Customer. By adding the customer's name, it will make it easier to record sales transactions later.

Figure 6. Customer, source: Processed data, 2021.

4. In the **Inventory form**, the data to be filled in is the adjusted item no, item name, buying price and selling price of the merchandise. Inventory serves to add to the list of merchandise inventory to be sold. By entering the purchase price and selling price of goods, it is easy to find out how much profit you get from selling merchandise.

Figure 7. Inventory, source: Processed data, 2021.

Transaction Menu

1. **Sales** function to record all sales transactions. In this section, the data that needs to be filled in are Sales No, Sales Date, Customer Code. From this form, you can see sales according to the desired date, type and quantity of goods sold. System users can fill in the date of the sale transaction, choose

the customer code that has been inputted so that it will automatically display the customer's name.



Figure 8. Sales, source: Processed data, 2021.

- The **purchase form** is useful for recapitulation of the purchase of merchandise from suppliers. The form contains Purchase No, Purchase Date and supplier No. Partners can find out the purchase of merchandise transactions made along with the name, quantity and amount of the purchase.



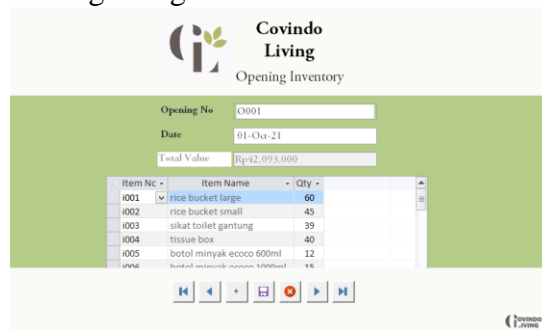
Figure 9. Purchase, source: Processed data, 2021.

- Journal** functions to record other business operational activities transactions that are not recorded in a special journal, such as shophouse rental fees, electricity costs, cash withdrawals and other transactions. Users can enter the date of the transaction, a description of the journal as needed, choose the account number that has been inputted earlier, the nominal in the debit or credit column (according to needs) and a memo if desired.



Figure 10. Journal, source: Processed data, 2021.

4. In the **opening inventory**, you can enter the initial inventory stock of merchandise at the beginning of each month that will be sold to buyers. What needs to be filled in is the Opening No with the code "O" and three digits, as well as the date of recording. By filling in the item code and entering the quantity, it will be automatically recorded as the amount of inventory at the beginning of the month.



Item No	Item Name	Qty
0001	rice bucket large	60
0002	rice bucket small	45
0003	sikat toilet gantung	39
0004	tissue box	40
0005	bottol minyak eccoco 600ml	12
0006	bottol minyak eccoco 1000ml	14

Figure 11. Opening Inventory, source: Processed data, 2021.

Report Menu

1. A **ledger** in accounting records contains all transactions recorded in the general journal and special journal. With Ledger, it will be easier to obtain and view transactions that occur by account class, looking for errors during recording. The general ledger displays every transaction related to the account, either debit or credit.



ASET	Debit	Credit	Balances
PIUTANG DAGANG			Rp0
			Rp0
1111 KAS			
01-Oct-21 0001	Rp2,500,000	Rp0	Rp2,500,000
04-Oct-21 0002	Rp3,000,000	Rp0	Rp3,000,000
10-Oct-21 0004	Rp0	Rp2,395,800	(Rp2,395,800)
20-Oct-21 0012	Rp0	Rp100,000	(Rp100,000)
25-Oct-21 0010	Rp0	Rp500,000	(Rp500,000)
26-Oct-21 0013	Rp0	Rp685,500	(Rp685,500)
			Rp1,014,700

Figure 12. Ledger, source: Processed data, 2021.

2. **Trial Balance** displays the final result value sourced from the Ledger. The Trial Balance will display the account number and name, the debit and credit values and the balances of each account according to the specified period.



Acc. No	Acc. Name	Debit	Credit	Balances
1111	KAS	\$5,500,000.00	\$3,681,300.00	\$1,818,700.00
1112	BANK CENTRAL ASIA	\$1,301,675,000.00	\$56,435,000.00	\$73,732,500.00
1113	OCBC	\$25,864,000.00	\$12,000.00	\$25,852,200.00
1114	PIUTANG DAGANG			\$0.00
1115	PERSEDIAAN BARANG DAG	\$77,163,000.00	\$28,547,000.00	\$48,616,000.00
1211	PERALATAN KANTOR	\$1,025,000.00	\$0.00	\$1,025,000.00
1212	AKU-PENY. PERALATAN KA	\$0.00	\$52,500.00	(\$52,500.00)
1221	LAPTOP	\$15,000,000.00	\$0.00	\$15,000,000.00
1222	AKU-PENY. LAPTOP	\$0.00	\$3,000,000.00	(\$3,000,000.00)

Figure 13. Trial Balance, source: Processed data, 2021.

- The **financial position** contains accounts in the form of assets, liabilities and equity according to the desired period. Partners can use the statement of financial position as a consideration in making company decisions. Financial position is sourced from the Trial Balance report, which is then compiled based on asset class as well as debt and capital.

Covindo Living	
Statement of Financial Position	
01-Oct-21-31-Oct-21	
ASET	
KAS	\$1,818,700.00
BANK CENTRAL ASIA	\$7,373,500.00
OCBC	\$25,852,200.00
PIUTANG DAGANG	\$0.00
PERSEDIAAN BARANG DAGANGAN	\$48,616,000.00
PERALATAN KANTOR	\$1,025,000.00
AKU.PENY. PERALATAN KANTOR	(\$52,500.00)
LAPTOP	\$15,000,000.00
AKU.PENY. LAPTOP	(\$3,000,000.00)
	Rp162,991,900

Figure 14. Financial position, source: Processed data, 2021.

- An **income statement** or income statement displays the value of operating profit or loss value according to the specified period. This report can be used as a basis for growth analysis and decision-making. The revenue amount is automatically linked to the previously inputted sales transaction. Cost of Goods Sold (COGS) is obtained from the purchase price of goods.

Covindo Living	
Income Statement	
01-Oct-21-31-Oct-21	
PENDAPATAN	
PENDAPATAN	\$61,074,000.00
HPP	
HPP	(\$28,547,000.00)
BIAYA UMUM & ADMINISTRASI	
BIAYA GAJI	(\$15,000,000.00)
BIAYA LISTRIK	(\$1,545,800.00)
BIAYA AIR	(\$650,000.00)
BIAYA TELEPON	(\$200,000.00)
BIAYA PERALATAN KANTOR	(\$685,500.00)
BIAYA SEWA	(\$1,500,000.00)

Figure 15. Income statement, source: Processed data, 2021.

- Changes in Equity** serves to determine changes in the composition of capital (equity). This report will make it easier for partners to find out the amount of capital they have obtained from income and other equity transactions.

Covindo Living	
Changes in Equity	
01-Oct-21-31-Oct-21	
Beginning Balance, Owner's Equity	\$151,638,200.00
Profit	\$11,853,700.00
Price	(\$500,000.00)
Equity Change	\$11,353,700.00
Ending Balance, Owner's Equity	\$162,991,900.00

Figure 16. Changes in Equity, source: Processed data, 2021.

6. The **sales report** displays all sales within the specified period. With a Sales report, it is easy to get total sales transactions. Transactions displayed in the Sales report are directly connected to the sales form. Daily sales transactions will be displayed complete with customer code, type of goods, quantity, unit price and quantity.



Sales Date	Sales No	Customer Code	Item No	Qty	Item Price	Total
01-Oct-21	S001	C001	i004	2	Rp79,000	Rp158,000
						Rp158,000
01-Oct-21	S002	C002	i010	1	Rp98,000	Rp98,000
01-Oct-21	S002	C002	i023	1	Rp89,000	Rp89,000
01-Oct-21	S002	C002	i027	1	Rp109,000	Rp109,000
						Rp296,000
01-Oct-21	S003	C003	i012	4	Rp29,000	Rp116,000
01-Oct-21	S003	C003	i013	2	Rp42,500	Rp85,000
						Rp201,000
01-Oct-21	S004	C004	i006	3	Rp109,000	Rp327,000
01-Oct-21	S004	C004	i021	2	Rp220,000	Rp440,000

Figure 17. Sales report, source: Processed data, 2021.

7. The **purchase reports** recording the activities of purchasing supplies from suppliers within a certain period. The purchase report is connected to the purchase form, the transaction will appear automatically when filling out the purchase form.



Purchase Date	Purchase No	Supplier Code	Item No	Qty	Item Price	Total
04-Oct-21	P001	S001	i013	30	Rp20,000	Rp600,000
			i014	20	Rp50,000	Rp1,000,000
			i015	30	Rp30,000	Rp900,000
			i016	40	Rp45,000	Rp1,800,000
			i024	20	Rp38,000	Rp760,000
			i025	5	Rp65,000	Rp325,000
			i028	15	Rp60,000	Rp900,000
						Rp6,285,000

Figure 18. Purchase report, source: Processed data, 2021.

8. **Inventory card** is specially designed to find out the stock of merchandise available at the end of the current month. then it can easily find out information on merchandise inventory. The report will automatically display the number of items at the beginning of the period, the number of items purchased and the number of items sold, as well as the final amount of inventory items.



Item No	Item Name	Beg Balance	In	Out	End Balance
i001	rice bucket large	60	30	41	49
i002	rice bucket small	45	30	32	43
i003	sikat toilet ganung	39	20	24	35
i004	tissue box	40	25	23	42
i005	botoi minyak cocco 600ml	12	25	10	27
i006	botoi minyak cocco 100ml	15	40	15	40
i007	towel bar medium	15	20	10	25
i008	towel bar long	20	30	16	34
i009	cutting board medium	18	35	9	44

Figure 19. Inventory card, source: Processed data, 2021

9. The **unit price inventory report** displays the ending value of merchandise inventory for a period. The report contains the merchandise code, name, ending inventory amount, purchase price, and the total value of the merchandise inventory. The report is a continuation of the Inventory card. The final amount of inventory items will be calculated with the price of each item to determine the inventory value.



Item No	Item Name	End Balance	Unit Price	Total Price
i001	rice bucket large	49	Rp120,000	Rp5,880,000
i002	rice bucket small	43	Rp90,000	Rp3,870,000
i003	sikat toilet gantung	35	Rp45,000	Rp1,575,000
i004	tissue box	42	Rp35,000	Rp1,470,000
i005	botol minyak ecoco 600ml	27	Rp35,000	Rp945,000
i006	botol minyak ecoco 1000ml	40	Rp50,000	Rp2,000,000
i007	towel bar medium	25	Rp40,000	Rp1,000,000
i008	towel bar long	34	Rp50,000	Rp1,700,000

Figure 20. Inventory Unit Price, source: Processed data, 2021.

10. **Item Profit report** will display the number of items sold in a period and automatically display the profit along with the percentage of profit earned.



Item No	Item Name	Qty Sold	Total Sales	Total Profit	Percentage Profit
i012	ecoco mop holder	33	Rp957,000	Rp693,000	72.41%
i024	hanger	35	Rp3,430,000	Rp2,100,000	61.22%
i022	silicone ice cube tray	11	Rp1,078,000	Rp660,000	61.22%
i005	botol minyak ecoco 600ml	10	Rp900,000	Rp550,000	61.11%
i023	chopper blender	11	Rp979,000	Rp594,000	60.67%
i030	rak gantung kamar mandi	10	Rp980,000	Rp580,000	59.18%
i018	rak bambu putar	6	Rp660,000	Rp390,000	59.09%
i019	tissue storage toilet	23	Rp2,530,000	Rp1,495,000	59.09%
i014	modern dispenser odol	27	Rp3,240,000	Rp1,890,000	58.33%

Figure 21. Item Profit, source: Processed data, 2021.

Output Implementation Process

After the system is ready to be designed, the next step is implementation and handover. On November 9, 2021, the first implementation began. The system that has been designed is shown and explained how it works and how to use it, from inputting the required data to input transactions. The system designed is to ensure that it is feasible and can be used in daily business activities.

Furthermore, on November 15, 2021, business owners will try to input information on suppliers, prices of goods, purchase and sale transactions on a system that has been designed to ensure whether the system can produce business financial reports correctly. At this stage, MSMEs are assisted to ensure that they can use the system smoothly. Along with the implementation stage, on November 24, 2021, it was found that some nominal did not appear on the inventory report even though they had been inputted into the sales and purchase forms. The system was immediately repaired and problems were resolved in a short time.

The last stage in the implementation is a visit by the supervisor and students. The purpose of this visit is of course to thank partners for permitting to carry out practical work, then discuss business conditions after using the system that has been designed, as well as whether there are obstacles in using the accounting recording system.

Condition After Implementation

After using the designed recording system, the following are the developments felt by MSMEs in running their business:

1. Save a lot of time and effort in recording business transactions. When compared to manual recording in the previous book, partners are greatly helped by this system-based accounting record. Partners can easily input sales transactions, purchases, payment of fees in a short time and of course accurate.
2. Business financial reports are presented on time every month. Previously, the preparation of financial reports manually caused frequent errors in nominal values, which resulted in unbalanced results. With this system, all transactions that have been inputted will automatically compile financial reports, so it is very helpful in saving time for preparing reports, as well as knowing the financial condition of the business accurately and clearly.
3. Recording of merchandise inventory is very controlled. By using the designed system, it can be seen how much stock of merchandise was at the beginning of the period, how much to order in the current month, how much was sold and the final stock of merchandise at the end of the period. The problem of the difference in the stock of merchandise has been resolved by using this system. All incoming and outgoing goods transactions are recorded so that they can be monitored and checked.
4. It becomes easier to monitor the course of business activities. Previously, monthly reports were given by the admin, so that business conditions were only informed within one month. With this system, partners can monitor business activities according to the desired time by accessing this system. Regular monitoring will help in detecting if any fraudulent acts occur.

CONCLUSIONS AND SUGGESTIONS

Covindo Living is a business engaged in trading, which is used as an object of research in practical work activities. Covindo Living was founded by Anna's mother on July 22, 2019. Covindo Living has an offline store located at Ruko Anugerah Blok B1 No.4, Batam Centre. The implementation of practical work at Covindo Living goes through three stages, namely the preparation, implementation and research and reporting stages. This activity lasts for four (4) months, from September 1, 2021, to December 31, 2021. Partners inform their current cycle of activities starting from ordering merchandise inventory, payment and delivery to customers, how the records they use currently are still using manual recording in journal books. The resulting report is just a profit/loss obtained in a certain period. There are often errors in recording and calculating numbers in financial reporting. In addition, the stock of merchandise inventory is also often different from the original goods in the warehouse. Partners find it

difficult to keep track of how much inventory there should be because everything is done manually, which poses a risk of manipulation. The system began to design an accounting record system for MSMEs with Microsoft Office Access. In this stage, the system compiled is adjusted to the constraints experienced by partners as described previously and receives suggestions and directions for improvement from the supervisor. Tests are also carried out to ensure that there are no errors in the designed system. After using the designed recording system, there are developments felt by MSMEs in running their business. Partners save a lot of time and effort in recording their business transactions, business financial reports are presented on time every month, inventory merchandise recording is very controlled, business activities are easier to monitor.

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