JOURNAL OF ACCOUNTING JEKAMI
e-ISSN: 3021-7407
Volume 4 Number 1 January 2024

Analysis of the Application of Financial Management Principles to Mosque Financial Reports in Sinjai Regency

Ainun Nabilai[1] Mutiara Ramadani[2], Nurdiana[3], Muh Irsan Irwanto[4] Sitti Hadija[5], Sindy Gusliana[6], Muttiarni[7]
Muhammadiyah University of Makassar
Email: ainunnabilaaa@gmail.com

Article Info

Sinjai district, finance, financial reports, management, mosque

Abstract

One of the most important aspects in maintaining the survival and prosperity of a mosque is good financial management. The reason is, mosques also require quite a bit of monthly funds. The aim of this research is to determine the accountability and transparency of mosque financial reports. The research method is qualitative with 12 informants who are mosque managers and congregation members of the Raya Nur Balangnipa Mosque. Qualitative data relating to the research subject was collected through distributing questionnaires. Primary and secondary data are the data sources used in this research for data collection. Based on the research results, it was found that the implementation of financial report management at the Nur Balangnipa Grand Mosque in Sinjai district apparently used manual or basic techniques. Mosques only keep financial records of money coming in, money going out and the final balance. Then, once a week, before prayer, the mosque's microphone is used to announce money coming in, money going out, and the final cash balance. In addition, for non-benefit financial reports, targeted investigations show that the financial reports of non-benefit associations have not prepared financial reports in accordance with existing principles, especially PSAK No. 45 means that the mosque administrators do not know and do not understand PSAK no. 45 “[1]”

1. Introduction

A mosque is a place of worship for Muslims, and Indonesia is the fourth most populous country in the world. One of the largest mosques in Sinjai Regency is the Nur Balangnipa Grand Mosque. Sinjai Regency is a regency in South Sulawesi Province, Indonesia. The Nur Balangnipa Grand Mosque is one of the oldest mosques in Sinjai Regency. This mosque is closely related to the spread and development of Islam in the former Kingdom of Lamatti. The mosque still retains some relics and its original form, even though it has undergone several renovations. However, before discussing the background of the Nur Mosque, the Islamization of the Kingdom of Lamatti will be discussed first, as the Nur Mosque cannot be separated from the Islamization of the Kingdom of Lamatti.

Balangnipa is an area located in North Sinjai District, Sinjai Regency, where its people are one of the indigenous communities of Indonesia. Etymologically, Balangnipa comes from two words, Balang and Nipa. Balang means mud, and Nipa refers to the nipa palm tree. Thus, Balangnipa means nipa palm and mud, with the original area of Balangnipa being around Fort Balangnipa, which was part of the Lamatti kingdom territory and served as a port area. The arrival of Islam in Sinjai Regency is marked by several cultural relics that can still be found today, such as mosques. This is indeed a permanent religious symbol for the community, thus becoming a source of pride for the kingdom. South Sulawesi, especially Sinjai Regency, has several old mosques with unique histories. One of them is the Nur Balangnipa Grand Mosque, located in the Ulu Salo II neighborhood, Balangnipa Village, North Sinjai, at the heart of Sinjai Regency. In the era of kingdoms, the Nur Mosque was part of the Kingdom of Lamatti, whose king was known as Arung Lamatti.

The Nur Mosque was established in 1660 by a Sayyid of Arab descent who resided in the mountainous region of Uloe, Pammanna Pompanua Village, Bone Regency. At that time, Islam had not yet developed in Bone, so the

Sayyid continued to spread Islam to Arung Lamatti. Before being renovated in 1935, the old Nur Mosque had a dome in the middle of its floor, consisting of three levels. The first level or ground floor was used as a prayer area, center for preaching, and education. The second level, made of wood, was used for Quran memorization. The third level, an octagonal shape measuring 3 × 3 and also made of wood, was used as a place for the muezzin to call for prayer at prayer times.

This research aims to determine the application of financial management principles to the accountability of the financial reports of the Nur Balangnipa Grand Mosque in Sinjai Regency. Additionally, it seeks to understand the accountability in financial management conducted by the managers of the Nur Balangnipa Grand Mosque and to discover the transparency of financial management in line with the financial management principles of the mosque.

2. Research Methods

This research uses a descriptive qualitative approach to analyze the application of financial management principles in the financial reports of the Nur Balangnipa Grand Mosque in Sinjai Regency. This method was chosen because it allows researchers to explore and understand the process and dynamics of mosque financial management in more depth. Data collection was carried out through in-depth interviews, direct observation, and analysis of documentation related to mosque financial management.

Interviews were conducted with 12 informants consisting of managers and congregants of the Nur Balangnipa Grand Mosque. The selection of informants was based on their direct involvement in the management and use of mosque funds, so that they could provide accurate and relevant information. This interview aims to explore their understanding and perceptions of the principles of accountability and transparency in managing mosque finances.

Direct observation was carried out by observing the process of recording and reporting finances in the mosque. Researchers were physically present at the mosque location to see how financial records were created, stored, and announced to the congregation. This observation helps in obtaining a clear picture of the financial management practices implemented, including the use of microphones to announce financial reports to the congregation.

The documentation analyzed includes the mosque's annual and monthly financial reports, as well as daily financial records. Researchers evaluated the conformity of these reports with existing financial management principles, such as PSAK No. 45. This analysis aims to identify weaknesses and strengths in the mosque's financial reporting system, as well as finding out whether the management understands and applies applicable accounting standards.

Data obtained from interviews, observations and documentation were then classified and analyzed qualitatively. The analysis process includes presenting data in narrative form supported by logical explanations and arguments. The results of the analysis are used to develop conclusions and recommendations regarding the application of financial management principles at the Nur Balangnipa Grand Mosque, with a focus on increasing transparency and accountability of financial reports.

3. Results and Discussion

3.1 Research Result

Form of financial report for the Raya Nur Balangnipa Mosque in Sinjai district, mosque finance, recording the annual financial report of the Grand Nur Balangnipa Mosque is recording financial reports. simple, or still manual, that is, only recording cash in and out, and financial reports are more focused on cash flow reports based on the results of interviews with the mosque treasurer. The Nur Balangnipa Grand Mosque administrator informs his financial reports via the mosque's microphone. The mosque treasurer submits a weekly financial report based on these records.

Table 1: Annual Financial Condition of Masjid Raya Baiturahman Financial Report (October 2022)

Date	Description	Income (Rp)	Expenditure (Rp)	Balance (Rp)
14/10/2022	Friday donation box	2,432,000		
07/10/2022	Daily donation box	1,740,000		
	Donation from a benefactor	1,500,000		
	Purchase of garbage bags		250,000	
	Payment for 2 mosque caretakers		2,400,000	
21/10/2022	Friday donation box (Oct 14, 2022)	3,275,000		
	Electricity bill for September		3,190,000	
	Consumption for security personnel		250,000	
28/10/2022	Friday donation box (Oct 21, 2022)	3,925,000		
	Daily donation box	1,760,000		
	Donation from a benefactor	500,000		
	Fence repair costs		5,700,000	
	Purchase of clasbor, pipes, etc.		950,000	
	Consumption for security personnel		250,000	
Total		**15,132,000**	**12,990,000**	**176,581,000**

Table 2: Annual Financial Condition of Masjid Raya Nur Balangnipa Financial Report (January 2023)

Date	Description	Income (Rp)	Expenditure (Rp)	Balance (Rp)
06/01/2023	Previous Friday cash balance			317,000
	Received from donation box Dec 30, 2022	600,000		
	Received zakat from a benefactor	1,000,000		
	Purchase of electricity credit		105,000	
	Payment for parking attendants		400,000	
	Incentive for 2 imams in December		800,000	
	Purchase of cleaning supplies		100,000	
	Sound system repair		100,000	
13/01/2023	Previous Friday cash balance			412,000
	Friday donation box (Jan 06, 2023)	755,000		
	Daily donation box	253,000		
	Purchase of electricity credit		105,000	
27/01/2023	Previous Friday cash balance			1,320,000
	Friday donation box (Jan 20, 2023)	600,000		
	Daily donation box	305,000		
	Purchase of electricity credit		105,000	
	Purchase of 2 sacks of cement		150,000	
	Purchase of 2 boxes of ceramics		210,000	
	Purchase of 1 cart of sand		70,000	
	Payment for stone mason		150,000	
Total		**3,513,000**	**2,295,000**	**1,540,000**

In annual and monthly reports, the format used is the same, where each mosque administrator is responsible for the mosque's financial reports by recording the total cash balance each month/year.

a. Sources of Income (Input) and What is Received by the Mosque

Because mosques are non-profit organizations, they are required to produce accurate financial reports and are able to provide for donors, who rely on these reports for information. Usually, donors - the public and commercial organizations - provide mosque financial and income reports in the form of cash or, depending on the mosque's needs, equipment and supplies. Based on the results of interviews with all informants, each mosque communicates openly with the community, and the donors who support it. every mosque comes from various backgrounds, not just the local community.

b. Expenditure (Output) of Mosque Funds

The management of mosque funds that go out is of course recorded directly by the mosque management, following interviews from two mosques in Dompu Regency. From these interviews it can be concluded that the funds spent by the mosque are for the benefit of the community and the people themselves, this is done to maintain the welfare of the community

3.2 Discussion

a. The Importance of Mosque Financial Reports

Mosque financial reports are a clear picture of the mosque's financial condition. This report includes income, expenses, assets and liabilities owned by the mosque. By having good financial reports, mosque administrators can identify sources of income, manage expenses, and monitor assets owned by the mosque. This is very important to maintain transparency and accountability of mosque finances.

b. Cash Control

Cash control is a principle related to the management and supervision of mosque cash flow. In the financial reports of mosques in Sinjai Regency, cash control can be analyzed from the bookkeeping side, namely how mosque cash records are compiled and periodically checked, as well as from the supervision side, namely how the use of mosque cash is monitored and supervised to prevent misuse or leakage of funds.

c. Financial Risk Management

Financial risk management is a principle related to identifying and handling financial risks that may be faced by mosques. In the financial reports of mosques in Sinjai Regency, risk management**.** Finance can be analyzed from a risk identification perspective, namely how the mosque identifies financial risks that may occur, as well as from a risk management perspective, namely how the mosque takes steps to prevent and overcome these financial risks.

Accounting is the dominant muamalah in Islamic studies. This means that it is left to the ability of the human mind and mind to develop it. However, according to the provisions of the Shari'ah, this is what is called Islamic accounting theory. As in surah Al-Baqarah 282 which explains that the concept of sharia accounting as a form of accountability is reflected in 3 things, namely:

a) The principle of responsibility, responsibility is always related to the concept of trust. For Muslims, the issue of trust is the result of human transactions with the Creator. Since in the womb, humans have been burdened by Allah to carry out the function of caliphate on earth. The essence of the caliphate is to carry out or fulfill the mandate. In this case, the administrators of the Baiturahman Grand Mosque and the Jami' Al Ikhlas Mosque, Dompu Regency have carried out their mandate well in carrying out their duties.
b) The principle of justice, if interpreted further, Surah Al-Baqarah verse 282

contains the principle of justice in carrying out transactions. This means that humans basically have the capacity and energy to do justice in every aspect of their lives. In an accounting context, the word fair in Surah Al-Baqarah 282 can simply mean that every transaction carried out by an entity must be recorded correctly. In this case, to bring justice to the community, the mosque management takes detailed notes, then reports the financial position every week on Fridays or during Islamic holidays. As a form of transparency, the mosque treasurer reports daily financial reports to the general chairman and holds annual meetings regarding financial reports.

c) The principle of truth. This principle cannot be separated from the principle of justice. For example, in accounting, we are faced with the problem of recognition, measurement reports. This activity can be carried out well if it is based on the value of truth and this truth creates the value of justice in recognizing, measuring and reporting economic transactions. As explained, as a form of accountability to the community, the administrators of the Baiturahman Grand Mosque and the Jami' Al Ikhlas Mosque, Dompu Regency report the financial position in the form of receipts and expenditure every week during Friday prayers and Islamic holidays according to the circumstances. Apart from that, there are daily reports and annual meetings regarding financial reports.

d) The researcher concludes the discussion above, that the transparency of financial management at the Baiturahman Grand Mosque and Jami' Al Ikhlas Mosque, Dompu Regency has managed, reported and disclosed all activities and events related to the good use of community resources and has carried out accountability in a vertical manner and horizontally well. In terms of accountability, management has operated in a trustworthy and good manner. In terms of justice and truth, the management has provided adequate services and facilities for the community as a form of implementing the mosque's income and expenditure. Apart from that, management meetings are held every year as a form of transparency to fellow management and direct reports are submitted periodically to the public. However, there needs to be news written on the walls of the mosque, so that it is more transparent to all levels of society.

4. Conclusion

Financial management accountability at the Nur Balangnipa Grand Mosque has managed, reported and disclosed all activities and activities related to the use of public resources well and has implemented accountability in a transparent manner. Transparency in financial management has been carried out well but is not optimal because it is only verbal but it is not written like it is displayed on the mosque information board.

Bibliography

[1] A. Astuti, A. Suarni, and MK Sahib, "Analysis of the Application of Financial Management Principles to Mosque Financial Reports in Dompu Regency," *J. Accounting, Manag. Econ. Bus.* , vol. 1, no. 3, pp. 148–160, 2023, doi: 10.56855/analysis.v1i3.703.

[2] Saheriah, “MASJID RAYA NUR BALANGNIPA SINJAI (Historical Study of the Role and Function of Mosques) Thesis,” 2021.