

ABSTRACT

Financial statements are a crucial source of accounting information, particularly in measuring performance and making decisions in micro, small, and medium enterprises (MSMEs). Financial statements serve as an accountability tool in financial management, requiring high quality as the information is used in decision-making processes.

This study aims to examine the impact of accounting understanding, implementation of accounting systems, internal control systems, and utilization of information technology on the quality of financial statements both simultaneously and partially. This research is a quantitative study using primary data obtained from questionnaires measured with a Likert scale. The population in this study consists of MSME owners under the Rumah BUMN (BUMN House) program in Bandung. Using the central limit theorem, a sample size of 45 MSME owners was obtained. The analytical technique used is multiple linear regression analysis with SPSS software.

The results indicate that simultaneously, accounting understanding, implementation of accounting systems, internal control systems, and utilization of information technology affect the quality of financial statements. Partially, accounting understanding, implementation of accounting systems, and internal control systems have a positive impact on the quality of financial statements, while the utilization of information technology does not significantly affect the quality of financial statements.

It is recommended for future researchers to explore other factors that may influence the quality of financial statements to minimize the influence of factors not examined. MSMEs are advised to pay attention to the quality of financial statements, accounting understanding, implementation of accounting systems, internal control systems, and the utilization of information technology. Additionally, the findings of this study should be used as a reference to improve the quality of financial statements.

Keywords: Quality of Financial Statements, Accounting Understanding, Implementation of Accounting Systems, Internal Control Systems, Utilization of Information Technology, MSME Applications.