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DESIGN OF CHURCH FINANCIAL STATEMENTS BASED ON INTERPRETATION OF FINANCIAL ACCOUNTING STANDARDS (ISAK) 35

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ABSTRACT

The church is an entity that aims not to make a profit, so financial accountability is an essential aspect of the church. Good financial accountability can only be realised if the financial reports' church accepts financial accounting standards. The financial accounting standard governing the financial reporting financial reporting of nonprofit-reinterpretation of Financial Accounting Standards (ISAK) 35. By applying ISAK 35 in presenting church financial reports, it is hoped that parties interested in the church can assess the performance of church management and increase the congregation's trust in the church administrator. The research location is at the HKBP Bandar Klippa Resort Epiphanias Tembung District X Medan Aceh. Data was collected through interviews and documentation. The validity of the data was tested by the triangulation method. This study aims to present church financial reports based on ISAK 35. In 2022, HKBP Bandar Klippa will have a Rp deficit (39.736.895). Also, in 2022, there were some additional fixed assets. There are two units of fans, 1 unit of keyboard, and 1 unit of audio mics, and the Sunday school building will be inaugurated in November 2023. The change in net assets was influenced by a deficit in 2022, which becomes Rp 1.021.626.010. HKBP Bandar Klippah's cash flow activities consist of operations and investments.

Introduction

Non-profit organisations have characteristics and characteristics including (1) through resources obtained from donations that do not expect rewards, (2) producing goods/services without aiming to cultivate profits, and even if there is profit, it is never distributed to the founders/owners of the entity, (3) ownership cannot be sold, transferred, redeemed, and (4) ownership does not reflect the proportion of resource sharing at liquidation (Naray, 2019). Non-profit organisations must present their financial statements transparently and accountable as a form of community organisation that departs from the community and returns to the community itself (Lewo Muda, 2021).

Since 1997, PSAK no. 45 regulates non-profit organisations. However, starting in 2019, PSAK 45 was replaced with Interpretation of Financial Accounting Standards (ISAK) 35. With the issuance of ISAK 35, non-profit organisations prepare their financial statements according to ISAK 35 (Takndare, Puspitosarie, & Pawestri, 2022).

As an example of a non-profit organisation, the church has a different way of obtaining resources. According to ISAK 35, non-profit organisations must also make and report financial statements to users of financial statements. For this reason, the church

must and has the right to make accountable financial statements and report to the users of the church's financial statements, namely the congregation, which is the primary source of church income (Bijak, 2022). Financial statements even help congregations and donors from outside the church to know the progress of the church, both in the presentation of existing financial statements and in the development of the physical church. The experience of disputes in church congregations shows that financial management is the most frequent problem (Suryono, 2016).

Church financial managers often consider church treasuries as social funds used in ministries, so the congregation is not entitled to know church financial information (Candrawati, 2021). For example, church administrators do not report the congregation's gratitude envelope to the wyk or choir association, donations from donors for construction, calendar money (each family receives two exemplars and is obliged to pay Rp 20,000 / exp), cash receipts from auction proceeds with cash payments at the time of the auction are not announced (through singing hours). Otherwise, auctions that have not been paid in full by the auctioning congregation are announced (through singing hours); the absence of financial statements during the end of 2022 worship before 2023, where financial centralisation is the cause of the 2022 financial statements, cannot be completed, it is difficult for the development committee to receive development funds from the church treasurer even though construction funds have been received from the congregation (Saputra et al., 2018).

The things above make the congregation not fully trust the management of church finances, and the desire of the congregation to make donations decreases, even because the congregation is less willing to hand over its obligations to the church. Of course, this declining congregational desire impacts church finances, disrupting church operations (Gah, 2020).

HKBP Bandar Klippa is also one of the churches in Tembung with many congregations, so the funds needed and used by this church are pretty significant, so good financial records are needed. Good financial records affect the congregation's trust, contributing funds for church operational needs and other needs related to church activities (Wonok, 2016).

This study not only presents the church's financial statements according to ISAK 35 but also discusses the benefits that can be obtained by the church when preparing financial statements. The discussion of the research is not limited to ISAK 35 but also relates to the Constitution and Governance of HKBP 2002 After the Second Amendment. This study adds information that does not present church financial statements following ISAK 35, so congregations do not know information on fixed assets belonging to the church (Christy & Triani, 2023). This, impacts decreasing the congregation's interest in donating to increase the church's fixed assets, such as Sunday school buildings.

Research Methods

This type of research is qualitative research, which seeks to understand social phenomena or symptoms by focusing more on a complete picture of the phenomenon

under study rather than detailing it into interrelated variables. This research was conducted at HKBP Bandar Klippa Resort Epipanias Tembung Church, District X Medan, Aceh. This research is planned to be carried out from February to July 2023.

Secondary data becomes the type of data needed in this study. The data is on cash receipts and expenditures/banks owned by the HKBP Bandar Klippa church, Epiphanias Ressort, Tembung, District X, Medan, Aceh. The data is needed to answer what has been formulated in the formulation of the problem. The data obtained will be used to answer the Financial Statement Design of HKBP Bandar Klippa Resort Epipanias Tembung Church District X Medan Aceh Based on the Interpretation of Financial Accounting Standards (ISAK) 35. The data sources used in this study are the Treasurer, Asset Section (Parartaon), and Secretary. Data was collected through interviews and documentation.

The data analysis method used in this study is a qualitative descriptive method, which is a method aimed at making pictures or descriptions of a situation objectively using numbers starting from data collection, data interpretation, and results (Diaz, 2019) to provide complete information for solving the problem under study. The validity of the data is tested by the triangulation method with the following steps, namely those carried out: (1) Collecting data; (2) Check the completeness of the data; (3) Presenting financial statements by ISAK 35; and (4) Draw conclusions.

Results and Discussion

Batak Protestant Christian Huria Church (HKBP) Bandar Klippa Resort Epiphanias Tembung is the first church in Bandar Klippa Tembung Village, East Sambirejo, which was established in 1964, located at Pasar IX Mosque, Percut Sei Tuan District. Moreover, it became a resort in 2019. Sunday worship that runs at HKBP Bandar Klippa church is divided into three sessions, namely Sunday School worship (takes place at 08.00 – 09.00 WIB), Indonesian (takes place at 09.00 – 10.30 WIB), and Batak Language (takes place at 10.30 – 12.00 WIB).

HKBP Bandar Klippa Church only presents cash receipts and expenditure reports. Meanwhile, according to ISAK 35, the financial statements of non-profit organisations are the minimum requirements for financial statements referring to PSAK 1: comprehensive income statements, statements of financial position, statements of changes in net assets, statements of cash flows, and notes to financial statements. So, it can be stated that the report presented by HKBP Bandar Klippa church has not been presented by ISAK 35.

Church cash receipts are divided into three groups, namely hurt, namarboho, and for development. The Huria cash group is intended for Huria operations, and namarboho will be deposited to the centre (Pearaja Tarutung). The development cash group will be used as development funds. Two of these cash groups, huria and development, are kept by the huria treasurer. The centre determines the distribution of cash receipts to the centre (namarboho) based on these three groups: twenty per cent of each cash receipt for construction and hurt and thirty and fifty per cent of each cash receipt, respectively.

Table 1
Book Kas Hkbp Bandar Klippa Resort Epiphanias Tembung District X Medan Aceh in 2022

No	Description of the Budget Eye	Amount (Rp)
A	Huria Cash Balance December 26, 2021	144.970.405
B	Acceptance	
I	Fight	394.886.500
Ii	Hamauliateon	75.506.000
Iii	Pesta Huria	83.138.500
Iv	Pelean Pesta Natal	25.503.000
V	Common	29.237.000
	Number of Receipts	608.271.000
	Balance + Receipt	753.241.405
C	Production	
I	You come out / Head Office	
	1 Deposit to Resort	180.000.000
	Amount to resort/head office	180.000.000
Ii	Common/ Administration	281.060.395
Iii	Social Fund	15.300.000
Iv	Pesta Huria	25.024.500
V	Christmas Cost	24.058.000
You	Hamauliateon	17.945.000
Vii	Sipalas Roha	104.620.000
	Amount of Sipalas Roha	104.620.000
	Total Production	648.007.895
D	Saldo Kas Huria	105.233.510

Church property is all wealth in money, securities, and immovable. Supervising church property is entrusted to local congregations, resorts, districts, institutions, educational agencies, HKBP business entities, foundations, departments, and the general secretariat. In addition to this supervision, the highest general supervision is carried out through the HKBP Audit Board (Suryono, 2016).

Various transactions and events affecting essential business elements are categorised and accounted for. Recording transactions is carried out based on existing

data. A public ledger is a collection of all accounts. The source of cash receipts that become the income of HKBP Bandar Klippa church comes from offerings collected every Sunday service, from monthly/yearly dues, thanksgiving from congregations and non-congregations, will worship offerings, categorial sermon offerings, tithes, auctions and party envelopes (Sunday School pantheon, Youth, Ama, and Ina), construction fees, baptism studies, side studies, and calendar money (Dinanti & Nugraha, 2018).

Sunday worship offerings come from Sunday School worship (07.30-09.00), Indonesian (09.00-10.30 WIB), and Batak language (10.30-12.00 WIB). Sunday services are held using liturgy as stipulated in the HKBP agenda and according to the order of ecclesiastical weeks arranged in the HKBP almanack, using the HKBP Ende book or hymnbook by the HKBP confession and using sermon texts or Bible readings arranged in the HKBP almanack. Monthly/yearly dues are received from all congregations registered as HKBP Bandar Klippa church members. This fee can be handed over by the congregation every month or directly for a year. The monthly/annual fee amounts to Rp 300.000,-/KK. However, based on information from the church, the amount is not binding but can be paid more if congregations want to hand over an amount more than the amount set by the church.

Wyk worship offerings come from Wyk offerings that run each week with a time of implementation once a week. There are 6 (six) wyks in HKBP Bandar Klippa church with wyk worship schedules, in wyk I and VI every Tuesday, II, III, IV, and V every Wednesday. The offerings collected at wyk worship are in two places; one place that runs first is handed over to the church while the second walking place is handed over to wyk to increase wyk cash.

The offerings as cash receipts will be calculated and then handed over to the treasurer to be recorded, stored, and announced in the following Sunday worship congregation newsletter by the secretary every Sunday during worship. Through this congregational news, each congregation can see the church activities for the week that have been completed, are, and will occur in the future in financial and non-financial terms. After the offering is counted, it will be handed over to the Treasurer of the Church to be recorded and kept.

Table 2
HKBP Church of Klippa City
Cash Receipts Journal November 2022

Tanggal	Description	Ref	Debit			Credit
			Presentation (Rp)	Thanksgiving (Rp)	Common (IDR)	
6 Nop 2022	Ibadah		11.904.500			
13 Nop 2022	Huria			15.000.000		
20 Nop 2022	Party			2.000.000		
27 Nop 2022	Marriage Blessing				2.500.000	

In addition to cash receipts handed over to the Treasurer of the Church to be recorded and kept, the church certainly has cash expenditures that must be covered. Cash expenditures incurred concern the operations and needs of the church. Cash expenditures are recorded by the Treasurer of the Church in the Church Cash Book.

The cash receipt transaction resulted in an additional church treasury of IDR 31,404,500 in November 2022. Meanwhile, the church's cash expenditure transaction during November 2022 was IDR 17,200,000.

Table 3
HKBP Church Klippa Journal of Kas Production
November 2022

Tanggal	Description	Ref	Debit				Credit
			Resort (IDR)	General/ Adm (IDR)	Social (IDR)	Acknowledgements (Rp)	That (IDR)
7-11-2022	Deposit to Resort		15.000.000				15.000.000
15-11-2022	Copy of Worship System			1.000.000			1.000.000
21-11-2022	Condolences				500.000		500.000
29-11-2022	Sunday School Teacher					700.000	700.000

A critical part of accounting is the general ledger. The church will produce financial information for various needy parties based on its ledger. The ledger summarises the recording of financial transactions and the church's financial condition over time (Dewi, 2023). The summary of transactions and financial conditions is manifested in various accounts of assets, liabilities, equity, income, expenses, and dividend accounts. Each account in the church ledger records a summary of all transactions, the church's financial condition, and its final balance. Based on the final balance of each account, the company will prepare financial statements.

Bookkeeping or posting from the journal is considered complete if all posting reference numbers have been recorded subsequent to the account names contained in the journal. So, it can be explained that the reference number has two functions: (1) to indicate the general ledger account number of the related account and (2) to indicate that the posting has been completed for a particular item. Each organisation uses its numbering system for its general ledger accounts. However, the researchers sorted it based on the data obtained because the HKBP Bandar Klippah church does not yet have a regular numbering of its ledger accounts.

Based on the recording of cash receipt and expenditure transactions as described earlier, and after all completed transactions are recorded in each account, the church ledger will be presented as follows:

Table 4
HKBP Church City Klippa Book Kas Nopember 2022

Date, November	Description	Ref	Debit (Rp)	Credit (Rp)	Ending Balance	
					Debet (Rp)	Credit (Rp)
6	Presentation		11.904.500		11.904.500	
7	Deposit to Resort			15.000.000		3.095.500
13	Thanksgiving		15.000.000		11.904.500	
15	Foto Copy			1.000.000	10.904.500	
20	Party		2.000.000		12.904.500	
21	Condolences			500.000	12.404.500	
27	Marriage Blessing		2.000.000		14.404.500	
29	Acknowledgements			700.000	13.704.500	

The balance sheet lists accounts and their balances at a particular time. Usually, the balance sheet is made at the end of the accounting period. The order of accounts listed on the balance sheet is by the order in the general ledger, where the debit balance is shown in the left column, and the credit balance is displayed in the right column. The totals of both columns must be the same. After posting, the balance sheet aims to prove the mathematical similarity of bet and credit. Balance sheets are also helpful in detecting any errors in making journal paragraphs and posts, in addition to being helpful in preparing financial statements.

Table 5
HKBP Church of Klippa City
Balance sheet as of December 31, 2021

Account No	Account Name	Debit	Credit
1101	That	144.970.405	
1201	Soil	60.000.000	
1202	Church Building	250.000.000	56.973.790
1203	Pastor's Office House	100.000.000	10.000.000
1204	Sunday School Building	467.500.000	
1205	Akm.Penny Sunday School Building		27.500.000
1206	Equipment	71.730.000	

Account No	Account Name	Debit	Credit
1207	Equipment Depreciation Accumulation		5.337.500
3100	Aset Neto (Modal)		1.021.626.010
4101	Unrestricted Income		532.765.000
4102	Revenue With Restrictions		75.506.000
5101	Unrestricted Load	461.060.395	
5102	Load With Throttling	186.947.500	
Total		1.742.208.300	1.742.208.300

Every organisation, including the HKBP Bandar Klippa church, has various productive facilities, such as buildings and equipment. These assets provide services for more than one year, which is commonly referred to as useful life. The church expects these assets to be beneficial for several years, so it records buildings and equipment as assets when acquired. This recording is done at the acquisition price. Depreciation is the process of rationally allocating the cost of assets into expenses throughout their useful life. The leading causes of the depreciation of productive facilities are actual wear, damage, and obsolescence. A standard procedure churches use in calculating depreciation expense is dividing the cost of assets over their useful life.

Table 6
HKBP Church Klippa City Journal of Adaptation
As of December 31, 2022

Date	Information	Debet		Credit	
		Estimated	Sum	Estimated	Sum
31 Des 2022	Beban Penyusutan Gedung Gereja	1202	12.500.000		
	Ak. Penyusutan Gedung Gereja			1203	12.500.000

Table 7
HKBP Bandar Klippa Church Balance Sheet After Adjustment
As of December 31, 2022

Account No	Account Name	Debit	Credit
1101	That	144.970.405	
1201	Soil	60.000.000	

Account No	Account Name	Debit	Credit
1202	Church Building	250.000.000	81.973.790
1203	Akm.Penny Church Building		
1203	Pastor's Office House	100.000.000	10.000.000
1204	Sunday School Building	467.500.000	
1205	Akm.Penny Sunday School Building		27.500.000
1206	Equipment	71.730.000	
1207	Equipment Depreciation Accumulation		5.337.500
3100	Aset Neto (Modal)		1.021.626.010
4101	Unrestricted Income		532.765.000
4102	Revenue With Restrictions		75.506.000
5101	Unrestricted Load	461.060.395	
5102	Load With Throttling	186.947.500	
	Total	1.742.208.300	1.742.208.300

Financial statements result from an accounting process that can be used to communicate financial data or church activities to interested parties, including church members. In other words, financial statements serve as an information tool that connects the church with interested parties, which shows the state of the church's financial health and performance. Financial statements are usually available every accounting year and become the object of audit reports. The financial statements of churches and congregations are prepared as balance sheets (Constitution and Governance of HKBP 2002 After the Second Amendment). Church financial reports are sent to Districts, Hatopan, and Jama'at.

Financial statements must be clear and understandable, based on accounting policies that differ from one company to another, within one country or between countries. Disclosure of accounting policies in financial statements is intended so that the financial statements can be understood. The disclosure of the policy is an integral part of the financial statements. This disclosure is beneficial for users of financial statements because sometimes improper or incorrect treatment is used for a component of the balance sheet, income statement, cash flow statement, or other statements biased from selected policy disclosures.

Users of financial statements need a description of selected accounting policies as part of the information needed to make judgments, financial decisions, and other purposes. They cannot make reliable judgments if the financial statements do not disclose

the selected accounting policies that are important in preparing financial statements. The presentation of the financial statements of non-profit-oriented entities is proposed to be effective for the financial year period beginning on or after January 1, 2020.

The characteristics of non-profit-oriented entities differ from those of profit-oriented business entities. The main difference between a non-profit-oriented entity and a profit-oriented business entity lies in how it obtains the resources needed to carry out its various operating activities. Nonprofit-oriented entities obtain resources from resource providers who do not expect repayment or economic benefits proportional to the resources provided. Users of financial statements of nonprofit-oriented entities generally have an interest in assessing (a) the way management carries out responsibility for the use of resources entrusted to them and (b) information about the entity's financial position, financial performance, and cash flows helpful in making economic decisions (Najoan, 2018). The ability of non-profit-oriented entities to use these resources is communicated through financial statements. Non-profit-oriented entities must still consider all relevant facts and circumstances when presenting their financial statements, including notes to financial statements, so as not to reduce the quality of information presented in the financial statements. The following is the financial report of HKBP Bandar Klippa Resort Ephiphanias Tembung District X Medan Aceh based on ISAK 35:

1. Comprehensive Earnings Report

The comprehensive income report describes the increase and decrease in the economic benefits of a non-profit entity derived from receipts or income and expenses or expenses. The comprehensive income report is divided into two sections according to the net asset classification: (1) With No Restrictions from the Resource and (2) With Restrictions from the Resourcer.

The Comprehensive Income Report provides information on church income and expenses for one year the church serves the congregation in worship services, parties, Christmas celebrations, etc. The reception sources for HKBP Bandar Klippa church come from worship offerings, church parties, Christmas celebrations, thanksgiving, and other activities. Meanwhile, the burden borne by the church for one year serving the congregation is used for deposits to the resort, administrative/general activities, church parties, Christmas celebrations, thanks, social funds, and others.

Based on the Comprehensive Income Report of HKBP Bandar Klippa church, which presents income information with and without restrictions and expenses with and without restrictions as presented below, we can see that in 2022, HKBP Bandar Klippa church has a deficit of Rp (39,736,895). This deficit is not too much of a concern for the congregation as a user of financial statements because the church treasurer only presents a cash book with an initial cash balance in 2021 of IDR 144,970,405 plus total receipts as income in 2022 of IDR 608,271,000 to IDR 753,241,405 and subtracts the total burden of the church in 2022 of IDR 648,007,895. A final balance of IDR 105,233,510 is obtained. This can make information that should have reached the congregation informatively unsuccessful.

The church's performance in 2022 compared to 2021 showed no better results. If the total receipts are compared with expenditures based on cash book data from the church treasurer, it can be explained that the total expenditure in 2022 is IDR 39,736,895, which is greater than the total receipts in the same year. This is due to several types of non-routine expenses occurring in 2022, such as the purchase of a church keyboard for IDR 11,575,000, grants to the development committee of IDR 140,000,000, the manufacture of Sintra robes for IDR 2,600,000 and several church equipment also increased in 2022 with a total expenditure of IDR 4,579,000. Therefore, the total non-routine expenses that occur in 2022 are IDR 158,754,000.

The performance achieved by the church can still be better in 2022 compared to 2021 if the church is wiser in planning equipment spending and planning the construction of buildings and renovations of pastors' official homes. In 2021, there was a surplus of IDR 144,970,405 and revenue in 2022 of IDR 608,271,000. So if the 2022 income of IDR 608,271,000 is used to cover routine church expenses in 2021 of IDR 503,037,490, the church treasury will have a balance of IDR 105,233,510. The church's cash balance in 2022 was added to the cash balance in 2021 to IDR 144,970,405. Comparing the two years' cash balances shows that the church's performance in 2022 is not better than in 2021. Especially considering 2022 is still a transitional year to enter a normal state after COVID-19. Since mid-2020, the government has implemented PPKM.

Table 8
Comprehensive Earnings Report
For the year ended December 31, 2022

Hkbp Bandar Klippa Resort Ephiphanias Tembung District X Medan Aceh	
Comprehensive Earnings Report	
For the year ended December 31, 2022	
(In Rupiah)	
No revenue from resource providers	
Unrestricted Income	
Week's Pelean Income	394.886.500
Pesta Huria Revenue	83.138.500
Christmas Pelean Revenue	25.503.000
Other Income	29.237.000
Total Revenue Without Restrictions	532.765.000
Expenses	
Unrestricted Load	
Resort Deposit Load	180.000.000
General and administrative expenses	281.060.395
Total Unrestricted Load	461.060.395

Unrestricted Surplus	71.704.605
With restrictions from resource providers	
Revenue With Restrictions	
Hamuliateon Revenue	75.506.000
Total Revenue With Restrictions	75.506.000
Total Revenue	608.271.000
Load With Throttling	
Hamuliateon's Burden	17.945.000
Social Fund Burden	15.300.000
The Burden of the Huria Feast	25.024.500
Christmas Load	24.058.000
Sipalas Roha	104.620.000
Total load with throttling	186.947.500
Total Load	648.007.895
Deficit With Restrictions	- 111.441.500
Other Comprehensive Income	-
Total Comprehensive Earnings	(39.736.895)

2. Statement of Financial Position

The Financial Position Report aims to show the church's financial state in 2022. The report, which represents the company's financial position in this accounting period, further explains the church's financial condition and performance. With this report, the church can find the position of debt, capital, and assets at the close of the year-end book. The church can also make strategic policies based on the reported financial condition, both in terms of operational irregularities and corrective measures to improve the church's financial performance for the better period ahead.

The information on the church's financial performance presented in this report can make the congregation consider whether the funds given to the church, either as offerings, thanks, or thanksgiving, have been appropriately managed. The congregation becomes the most interested party to the financial information presented at the end of each year.

Based on the data received, the information on the church's financial position statement can be explained as follows. The church treasury 2022 amounted to IDR 105,233,510, sourced from receiving offerings, parties held by the church, congregational thanks, Christmas celebrations, etc. In 2022, there are additional fixed assets such as two

units of fans, 1 unit of keyboards, and 1 unit of mic audio. In the same year, construction of the Sunday school building was inaugurated in November 2023.

Tabel 9
Laporan Posisi Keuangan
Untuk Tahun Yang Berakhir Pada Tanggal 31 Desember 2022

Hkbp Bandar Klippa Resort Ephiphanias Tembung District X Medan Aceh		
Statement of Financial Position		
For the year ended December 31, 2022		
(In Rupiah)		
Assets		
Current Assets		
Cash	105.233.510	
Total Current Assets		105.233.510
Non-Current Assets		
Fixed Assets		
Soil	60.000.000	
Equipment	66.392.500	
Building	790.000.000	
Total Non-Current Assets		916.392.500
Total Aset		1.021.626.010
Liability		
Short-Term Debt	-	
Long-Term Debt	-	
Total Liabilities		-
Aset Net		
Unrestricted Net Assets	1.133.067.510	
Net assets with restrictions	- 111.441.500	
Total Aset Neto		1.021.626.010
Total liabilities and net assets		1.021.626.010

3. Net Asset Change Report

The net asset change report aims to provide information on the church's net assets without restrictions from funders and net assets with restrictions. The report on changes in net assets, according to Setiadi (2021), is a report that provides information to users of financial statements regarding other comprehensive income according to their net asset class. The increase or decrease is influenced by the surplus or deficit experienced by the church because the church had a deficit in 2022, and then net assets decreased to IDR 1,021,626,010.

Table 10
Net Asset Change Report
For the year ended December 31, 2022

Hkbp Bandar Klippa Resort Ephiphanias Tembung District X Medan Aceh
Net Asset Change Report

For the year ended December 31, 2022	
(In Rupiah)	
Net assets without restriction from the resource provider	
Starting Balance	1.061.362.905
Unrestricted surplus from resource givers	71.704.605
Ending Balance	1.133.067.510
Net assets with restrictions from resource providers	
Starting Balance	
Deficit With Restrictions	-111.441.500
Deficit With Restrictions	-111.441.500
Total Aset Neto	1.021.626.010

4. Cash Flow Statement

The cash flow statement presents information from three activities: operating, investment, and funding. However, the cash flow statement of HKBP Bandar Klippa church only presents information on operating and investment activities. The church does not have activities to be funded, so it is not displayed. So, it can be explained that net cash for operating activities is IDR 12,622,895, and net cash used for investment activities is IDR 39,736,895.

Table 11
Cash Flow Statement
For the year ended December 31, 2022

Hkbp Bandar Klippa Resort Ephiphanias Tembung District X Medan Aceh	
Cash Flow Statement	
For the year ended December 31, 2022	
(In Rupiah)	
Operation Activation	
Cash From Pelean	394.886.500
Cash From Hamuliateon	75.506.000
Cash from the Huria Party	83.138.500
Kas From Christmas Party Presentation	25.503.000
Cash From General	29.237.000
Resort Deposit Payment	-180.000.000
Church Operating Expenses	-253.946.395

Social Fund Burden	-15.300.000
The Burden of the Huria Feast	-25.024.500
Christmas Load	-24.058.000
Hamuliateon's Burden	-17.945.000
Drink Sipalas Roha	-104.620.000
Net Cash for Operating Activities	-12.622.895
Investment Activities	
Equipment Purchase	-27.114.000
Net cash used for investment activities	-27.114.000
Funding Activities	
Net cash used for funding activities	-
Net decrease in cash and cash equivalents	-39.736.895
Cash and cash equivalents at the beginning of the period	144.970.405
Cash equivalents at the end of the period	105.233.510

5. Common

Batak Protestant Christian Huria Church (HKBP) Bandar Klippa Resort Epiphanias Tembung is the first church in Bandar Klippa Tembung Village, East Sambirejo, which was established in 1964, located at Pasar IX Mosque, Percut Sei Tuan District. Moreover, it became a resort in 2019. Until now, the number of families who are church congregation members is 487 Heads of Families. The congregation of HKBP Bandar Klippah church is divided into six weeks, namely wiki I, II, III, IV, V, and VI.

6. Accounting Policy Overview

Essential Preparation of Financial Statements

The presentation of financial statements is prepared based on the Interpretation of Financial Accounting Standard 35 (ISAK 35). Financial statements consist of a comprehensive income statement, statement of financial position, statement of cash flows, statement of changes in net assets, and notes to financial statements

Cash

The church treasury comes from worship offerings, gratitude from the congregation, parties held by the church, Christmas celebration service offerings, and other church activities.

Fixed Assets

Fixed assets belong to the church, among other land, buildings, and equipment. The building consisted of a church building, a clergy service house, and a Sunday school

building. The equipment consists of long backup chairs, long chairs without backrests, plastic sitting chairs, sofas, gazette podiums, talk podiums, prostrate bells, CCTVs, crosses, etc.

The straight-line depreciation method calculates the depreciation expense of buildings and equipment.

Income

HKBP Bandar Klippah church income comes from worship offerings (both services held at churches, wyk, and congregation houses), gratitude from congregations and non-congregations, parties, and general activities.

Conclusion

Huria Kristen Batak Protestant (HKBP) Bandar Klippah does not provide financial information following the 2002 HKBP Constitution and Governance After the Second Amendment. Acknowledgements to individuals and choir communities, such as pastors and the Naposo Youth choir, were recorded as church treasury receipts. However, they were also recorded as church treasury expenditures in the same year.

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