

Harmonizing Loss Accounting with Local Cultural and Religious Principles

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Abstract

This research aims to construct loss accounting practices by "binthe biluhuta" sellers based on local wisdom and religious values. This study uses a spiritual paradigm with an Islamic ethnomethodological approach. This approach develops modern ethnomethodology under a secular (interpretive) paradigm. *The author conducted observations and interviews with residents to obtain local cultural data. The data obtained was validated using the source triangulation method.* The study found that sharing, among others, is a seller's way of avoiding losses. In Gorontalo's Islamic culture, elders often convey these values through advice *dilla bo ilaato binthe wawu pale*—the meaning of the family statement. The results of this study indicate that the loss accounting implemented by binthe biluhuta sellers is not limited to material things (money) but conditions with local cultural values and faith in the Creator. The theoretical implication of the results of this study is that local wisdom contained in loss accounting implemented by binthe biluhuta sellers can be combined with loss accounting theory to make it more holistic. The concept of loss accounting by binthe biluhuta can be used by sellers with a materialist, humanist, and religious spirit when building a business.



1. Introduction

It is essential to examine the local wisdom values behind accounting practices to maintain and preserve local cultural values from the pressures of adopting and implementing accounting from Western countries that require the values of modernity. The values of modernity include materialism, egoism, utilitarianism, and capitalism. Losses are one of the accounting information likely to be presented in financial reports. Unfortunately, modern accounting limits the definition of losses to costs more significant than the income earned (Cahyono, 2020; Hariyani, 2016; Sodikin et al., 2016; Sugiarto, 2016; Yulyanah & Halimah, 2014). Based on this definition, modern accounting defines losses as being limited to material things. It reflects the value of materialism that lives in accounting theories/concepts/standards (Triyuwono, 2015). The loss is living with the value of materialism, selfishness, and utilitarianism (Briando et al., 2017; Kamayanti, 2016, 2017, 2018; Triyuwono, 2015). The value of egoism from losses is reflected in the presentation of income statement information, which only accommodates the interests of the owners of capital and marginalizes the interests of other parties, such as workers, society, and the environment (Sylvia, 2014). Meanwhile, the utilitarian value of losses is reflected in the decision to give bonuses to managers based on the size of the losses they generate, even though avoiding these losses is contrary to ethical and religious values (Triyuwono, 2015).

Theories/concepts/standards regarding loss accounting based on modern values are currently being studied in education. Adopting and implementing loss accounting based on modern values is not without problems. However, on the contrary, it has the opportunity to marginalize the practice of loss accounting based on local wisdom values, and even local wisdom values from loss accounting can be replaced with modern values. This is because loss accounting is a science shaped by the environment and can ultimately shape the environment (Triyuwono, 2015). The phenomenon of losing loss accounting based on local wisdom values from adopting modern accounting has also been reminded (Kamayanti & Ahmar, 2019; Musdalifa & Mulawarman, 2019; Nurhalimah et al., 2019).

The situation of the increasingly marginalized practice of loss accounting based on local wisdom values is exacerbated by conditions regarding the need for more research on loss accounting that is conditional on local culture. This is based on data on the number of accounting scientific publications in Sinta Ristekdikti. In 2020, there were 3,692 accounting publications in nationally accredited journals. However, unfortunately, only 17 accounting publications raised local wisdom (Thalib & Monantun, 2022). More specifically, research is needed on accounting for losses that require local cultural values. On the other hand, accounting studies, which are conditioned by modern values, are mushrooming among researchers.

Departing from this phenomenon, researchers can conclude that the scientific development of loss accounting still needs to be improved compared to modern accounting. One of the motivations for this research is to promote and preserve loss accounting practices based on local cultural values. This loss accounting research study focuses on *binthe biluhuta* sellers. *Binthe biluhuta* is a typical Gorontalo food that has existed for a long time. This food is passed down from generation to generation by elders. In the people of Gorontalo, *binthe biluhuta* is more commonly known as "*milu siram*" a fantastic food. *Binthe* means corn, *biluhuta* means watered or splashed. It means flushed corn, more popularly known as *milu siram*. This food is made from corn and some spices as flavoring (Hidayah, 2015). In 2016, the Minister of Education and Culture designated traditional food as an intangible cultural heritage (Kemendikbud.go.id, 2016).

The impact of this study is to present a concept related to how the *binthe biluhuta* sellers practice loss accounting by local wisdom values. This research uses an Islamic ethnomethodology approach. This approach is a development of modern ethnomethodology. The researchers chose the

Islamic ethnomethodological approach because the aim of this research is in line with the focus of the Islamic ethnomethodological approach, namely to study the methods of *binthe biluhuta* sellers practicing loss accounting, which is not only limited to the material level but is conditioned on local cultural and religious values.

2. Method

The researchers chose the Islamic paradigm due to its philosophical assumptions: an ontology aligned with this study's objectives. In the Islamic paradigm, reality is limited to the material and non-material reality, God's creation (Briando et al., 2017; Kamayanti, 2016, 2017, 2018; Triuwono, 2015). This is in line with the aim of this study, which is to attempt to construct loss accounting practices that are not limited to material (money) but terms with non-material values (cultural and spiritual values), which are essentially created with God's permission. This study uses an Islamic ethnomethodological approach. This approach is a development of the previous approach, namely modern ethnomethodology. Modern ethnomethodology is an approach that studies the way of life of a community, where the creativity of fellow group members creates this way of life without interference from God (Garfinkel, 1967; Kamayanti, 2020). Islamic ethnomethodology is an approach that studies the way of life of group members, and it is believed that this way of life was created with permission from God (Thalib, 2022).

This study uses data analysis techniques from Islamic ethnomethodology, namely analysis of charity, knowledge, faith, revelation information, and courtesy. The first stage is charity analysis. In Islamic ethnomethodological data analysis, charity means all expressions or actions of group members that refer to the way of life among others (Thalib, 2022). In this study, charity analysis serves to discover how *binthe biluhuta* sellers practice loss accounting. The second stage of analysis is knowledge. In Islamic ethnomethodology, the analysis of knowledge functions to find the rational meaning of every expression or action of group members. Group members understand the rational meaning jointly (Thalib, 2022). In this study, the knowledge analysis focuses on finding rational meanings shared by fellow sellers regarding how they practice loss accounting.

In Islamic ethnomethodology, faith analysis functions to find non-material values from the way of life of group members (Thalib, 2022). Technically, in this study, faith analysis focuses on exploring non-material values, both local cultural values and religiosity, from how *binthe biluhuta* sellers practice loss accounting. The fourth stage is the analysis of revelation information. This analysis connects the non-material values of the way of life of group members with His word (Al-Quran and hadith). If the values of the group members' way of life are contrary to what He has determined, then further action from the researchers is to criticize the value of the group members' way of life (Thalib, 2022). Technically, in this study, the analysis of revelation information functions to relate non-material values from how *binthe biluhuta* sellers practice loss accounting with values contained in the Al-Quran or hadith. The fifth stage is courtesy analysis. This analysis stitches the four previous findings into a single unit to show how sellers practice loss accounting.

The type of method used in this study is a qualitative method. This type of research is appropriate for research studies because the purpose of this study is not to generalize but to explore the meaning of the reality being studied, namely the practice of loss accounting by *binthe biluhuta* sellers. Therefore, to obtain this meaning, the researchers need to be familiar with the informants, not distanced, often without contact, so the data obtained can be objective. Three types of data collection techniques are structured interviews, passive participatory observation, and documentation. The structured interview is a data collection

technique in which the researchers have prepared a question instrument in advance, which will be explored by the informant (Yusuf, 2017). Technically, before conducting interviews with *binthe biluhuta* sellers, researchers have prepared several detailed questions about how they practice loss accounting. The following data collection technique is passive participatory observation. Yusuf (2017) explained that passive participatory observation is a data collection technique in which the researchers observe the social activity being studied but are not involved. Technically, when making observations, researchers are limited to observing how *binthe biluhuta* sellers practice loss accounting without being directly involved in the activity. The following data collection technique is documentation. The form of documentation in this study is in the form of photos depicting the situation of sellers selling their wares and the types of *binthe biluhuta* they sell. This is important to display in order to be able to describe the business conditions of the sellers and the types of *binthe biluhuta* that they offer to potential buyers.

This research is located in the Gorontalo area, especially for *binthe biluhuta* sellers in the Bone Bolango district. The Gorontalo area was chosen as the research location because *binthe biluhuta* is a regional specialty. Furthermore, the Gorontalo area is one of the provinces in Indonesia which has a unique culture, namely "*Adati Hula-Hula Syareati, Syareati Hula-hula to Kitabullah*" (adat is based on Shari'a, Shari'a is based on the book of Allah (Al-Quran) (Ataufiq, 2017; Baruadi & Eraku, 2018; Maili, 2018). This means that every culture of the local community is based on the values of Islamic religious law. Interestingly, the values from Islamic religious teachings are implemented in every activity of local community life (Thalib, 2022).

Research informants on this research using purposive sampling and snowball sampling. This study used the technique of determining informants through purposive sampling. Purposive sampling is a technique for determining informants where the researchers determine the informants based on the criteria of knowledge and experience possessed by the informants. Technically, in this study, the researchers selected the four informants based on the criteria of the four informants having traded *binte biluhuta* for more than two years. Apart from that, the next consideration was that the three informants were willing to spend time sharing stories related to the research theme being explored by researchers, namely loss accounting practices. by merchant *binthe biluhuta*. Table 1 below summarizes information about the informants in this study.

Table 1. Research Informants

No	Full Name	Nick Name	Ages	Selling Experiences
1	Sarwin Kanu	Ma Oku	51 years	± 10 years
2	Nesia Denggo	Ma Nesi	59 years	± 20 years
3	Oyin Tangihu	Ma Oyin	37 years	± 3 years

Source: Data processed by researchers, 2023

Table 1 previously contains the informants in this study. The first informant is named Sarwin Kanu, usually Ma Oku. Now, she is 51 years old. She has been selling *binthe biluhuta* for ± 10 years. The second informant was named Nesia Denggo, commonly called Ma Nesi. Currently, she is 59 years old. She has been selling *binthe biluhuta* for ± 20 years. The third informant is Oyin Tangihu, usually called Ma Oyin. Currently, Ma Oyin is 37 years old.

The limitation of applying an Islamic ethnomethodological approach in this study is that the research requires a long and intensive time. The more prolonged and intensive the interaction and information gathering from *binthe biluhuta* sellers, the deeper the meaning

can be obtained regarding how they practice accounting based on local cultural values. Therefore, the researchers limit the scope of this research to losses or specifically how *binthe biluhuta* sellers practice loss accounting based on local cultural values and religiosity.

3. Result and Discussion

Portrait of Loss Accounting Practices by *Binthe Biluhuta* Sellers

Losses in selling are commonplace for *binthe biluhuta* sellers. One of the efforts made by sellers to avoid losses is sharing, among others. This is as expressed by Ma Oku as follows:

[If young people gathered in front of the house, I would ask them to eat *binthe biluhuta*. Usually, young people gather to hang out while playing dominoes. So instead of losing the food because it does not sell, I better give it to the].

Starting Ma Oku's previous explanation gave the researchers an understanding that when *binthe biluhuta*'s was not sold out, she would distribute the food free of charge to young people hanging out around her shop at that time. This further tickled the minds of the researchers to find out whether she did not feel any loss by her actions. The following was the response from Ma Oku:

[I do not feel a loss because the sustenance has been arranged [by the Creator]. For example, I did not rinse all of the corn. I boiled about 3 or 4 liters of corn. After that, I put it in the refrigerator, and then later, if someone buys it, I will rinse it. Later, after two days of just being in the fridge, and no one is buying anymore, I will flush it and distribute it to young people who are hanging out playing dominoes in my stall complex instead of losing it right].

The previous informant's narrative gave the researchers an understanding that when she distributed *binthe biluhuta* free of charge to people around her, she did not feel a loss. This is based on her belief that the Creator has arranged sustenance. Furthermore, Ma Oku explained that her technique for selling *binthe biluhuta* was by boiling about 3 or 4 liters of corn. Then, if she felt that no one was buying anymore, Ma Oku would make *binthe biluhuta* and give it to young people hanging out around her place to sell.

From Ma Oku's explanation, the researchers found a way for *binthe biluhuta* sellers to avoid losses by distributing free food. This practice is found in the charity "share with young people hanging out." The knowledge from this charity is that corn, as a staple ingredient in *binthe biluhuta*'s food, is still primarily left in the refrigerator. Therefore, to avoid losses from the corn the buyer could not finish buying, Ma Oku poured warm water on it and mixed it into *binthe biluhuta*. Ma Oku distributed the food free of charge to young people who were around where she was selling. Ma Oku revealed that she did not feel a loss by distributing *binthe biluhuta*'s sales for free. This is because Ma Oku believes that the Creator has arranged sustenance.

Furthermore, Ma Nesi distributed the *binthe biluhuta* free of charge in an effort to avoid losses. The following is her explanation:

[Anyway, if it does not sell, I will give it to my neighbors, who will share it. The main thing is that it will be distributed to people who are beside the house, it is a pity ... then what a pity, instead of a loss right, sometimes there is also a grandfather who often passes in front of my shop, after all, after the Isya prayer I will call the grandfather "Grandpa, do you want to eat milu siram?" sometimes the grandfather would bring it home. The point is that almost every day. Sometimes, if it does not sell

out, I will give it to the children, and I will distribute it for free. Some people pay pity, but I say there is no need. I already consider it as charity only].

Based on Ma Nesi's previous explanation gave researchers an understanding that her way of avoiding losses when selling *binthe biluhuta* was by giving unsold merchandise to her neighbors. She also often gives *binthe biluhuta* to a grandfather, who often passes in front of her wares. The response from her neighbor when she was distributed *binthe biluhuta* for free was to accept it with pleasure, and some neighbors also chose to pay for the merchandise, but Ma Nesi refused. This is because Ma Nesi intends to do charity through her wares.

Starting from Nesi's previous explanation, it was found that accounting for losses was in the form of avoiding *binthe biluhuta* losses by sharing them among others. This practice is found in the charity "I will give it to the neighbors." The knowledge from this charity is that Ma Nesi will distribute the remaining *binthe biluhuta* merchandise free of charge to her neighbors. This is done to avoid losses from wasting food that is still fit to eat. Still, in the same interview, excerpts found the practice of accounting for losses by avoiding losses using charity. This practice is found in charity: "Sometimes there are also people who pay pity, but I say no need." The knowledge from this charity is that when *binthe biluhuta*'s merchandise is not sold out, Ma Nesi's action is to distribute the merchandise free of charge to her neighbors. She did this to avoid wasting food that was still fit to eat, and this action was also intended as an act of charity, among others.

Furthermore, Ma Oyi did the same thing with the other two sellers: distributing *binthe biluhuta* merchandise to neighbors when the merchandise did not sell out. The following is a snippet of Ma Oyi 's explanation.

[Yes, right [after selling], I return home, rinse the corn [becomes *binthe biluhuta*], and share it with my neighbors. That is the way... I do not feel like I am losing anyway because food is still worth eating right. You cannot waste food, and it is better to give it to neighbors].

Ma Oyi 's previous explanation showed the researchers that when *binthe biluhuta*'s merchandise was not sold out, it would be brought home and distributed to her neighbors. Ma Oyi said she felt good about freeing her wares to her neighbors. This action is better than throwing away food that is still worth eating. In Ma Oyi 's previous explanation, the researchers found a loss accounting practice in the form of avoiding losses by distributing them online to neighbors. This practice is found in charity as "then I will share it with neighbors." The knowledge of charity is that when *binthe biluhuta*'s does not sell out, Ma Oyi brings it back to her house and distributes it free of charge to her neighbors. Indeed, at that time, Ma Oyi suffered material losses due to unsold, but she felt that she would experience more losses when she had to throw away food that was still edible.

Local Cultural Values "*Dilla Bo Ilaato Binthe Wawu Pale*" in Loss Accounting Practices

In the previous discussion, a loss accounting practice was found in the form of distributing unsold *binthe biluhuta* for free. Reflecting on these accounting practices makes researchers aware that loss accounting is practiced with a spirit of sharing. This value is reflected through the actions of *binte biluhuta* sellers who distribute their wares free of charge to residents. Sometimes, there are residents who, when distributed, choose to pay for it, but the seller refuses because when distributing the *binthe biluhuta*, she intends to make it a form of charity. Apart from that, sharing, among others, is driven by fear of sinning due to wasting food that is still fit for consumption.

In the culture of the people of Gorontalo, the elders often advise about sharing among others through the expression (*lumadu*) *dilla bo ilaato binthe wawu pale*, the translation of which is not just corn and rice relatives/family. The meaning is expressing a family statement because of blood relations or still in the same family. In Gorontalo society, maintaining family relations is seen as very important. A farmer whose garden has an abundant harvest usually gets many visits from distant relatives who sometimes have lived in the city or abroad for a long time. The elders explained this event with their *lumadu, dilla bo ilaato binte wawu pale*. It means that it is not because of a lot of corn and rice that they come, but because of a family visit. Likewise, if there is a celebration, then assistance will flow from the closest family because they feel that those who are assisted are not because they have much wealth but because they have a family relationship (Daulima, 2009).

The act of sharing, among others, has become a habit among members of society. This activity is one way to build and maintain family relationships among people. In other words, there is a kinship value behind accounting for losses in the form of sharing among people. Furthermore, several studies have found accounting practices based on family values, for example, (Nurhalimah et al., 2019) through a study of scrap metal business management accounting practices based on the Madura brotherhood culture. This research indicates that business capital obtained by other parties in the form of loans is based on family ties and high mutual trust. This is reflected in the lender's decision not to ask for collateral from the borrower. The belief by fellow Madurese that *lebbi bagus pote tolang atembeng pote mata* drove this decision. This expression is Madurese's philosophy of life, which means the affirmation of self-esteem as a fixed price for Madurese. For them, the act of not appreciating, not recognizing, or denying social roles and status is the same as treating oneself as a *tadha' ajina* (worthless) and, in turn, gives birth to feelings of embarrassment.

Accounting practices based on family cultural values were also discovered (Wiyarni, 2017) through a study of accounting practices in traditional Javanese markets. Merchants interpret the advantages and disadvantages not only in terms of material (money) but also in the form of non-material gains and losses, one of which is maintaining kinship and friendship both among fellow sellers and with buyers. This aligns with the local community's philosophy "*tuna sathak bathi sanak*/(small profit, but many relatives or friends)". This is also in line with findings from (Thalib, 2021) through a study of the practice of accountability for wedding costs in Gorontalo. The study results show that a sense of kinship is the beginning of the practice of accountability for wedding expenses. This sense then forms four accountability practices: thinking about the use of costs, covering the lack of costs, beautifying the wedding ceremony, and showing the wedding ceremony. The spirit of kinship drives the four forms (*o nga: laa*). This spirit lives with the pleasures of kinship created by Allah SWT.

Furthermore, maintaining the value of kinship among people aligns with Allah's commands, especially in Q.S An Nisa verse 1. Maintaining good relations with others is one of the values contained in His words. This is in line with the actions of *binthe biluhuta* sellers when they experience losses. They chose not to throw away the unsold food but to share it. This is done based on the intention of worship by establishing good relations among others, giving charity, and not wanting to sin by wasting food still suitable for consumption. In other words, the essence (courtesy) of loss accounting implemented by *binthe biluhuta* sellers is not only limited to material things (money), but the loss accounting lives with the cultural values and faith of the sellers in the Creator. This finding is, of course, contrary to existing theories or concepts related to loss accounting, such as the definition of loss accounting

presented by several experts (Cahyono, 2020; Hariyani, 2016; Sodikin et al., 2016; Sugiarto, 2016; Yulyanah & Halimah, 2014).

The results of this study provide implications both academically and practically in the field of accounting. The implication in the academic field is that the research results can contribute to the development of cultural accounting theory by highlighting the relationship between accounting practices and local cultural values, such as mutual sharing and faith in the Creator. Apart from that, the results of this study again enrich the academic literature, primarily related to local cultural accounting, which several previous researchers have carried out in different cultural contexts (Ariyanto et al., 2017; Briando et al., 2017; Musdalifa & Mulawarman, 2019; Pertiwi & Ludigdo, 2013; Totanan, Chalarce. Paranoan, 2018). Meanwhile, the practical implications of this study are that the research results can provide a basis for developing more sustainable accounting practices, including local values such as sharing among others and belief in God (see Table 1).

Table 1. Summary of Findings of Islamic Ethnomethodology Data Analysis

Charity	Knowledge	Faith	Revelation information	Courtesy
Share with young people hanging out	Corn, a staple ingredient in binthe biluhuta's food, is still primarily left in the refrigerator. Therefore, Ma Oku poured warm water on it to avoid losses from the corn the buyer could not finish buying and mixed it into binthe biluhuta. Ma Oku distributed the food free of charge to young people who were around where she was selling. Ma Oku revealed that she did not feel a loss by distributing binthe biluhuta's sales for free. This is because Ma Oku believes that the Creator has arranged sustenance.	Sharing "dilla bo ilaato binthe wawu pale"	Q.S An Nisa verse 1	loss accounting lives with the cultural values and faith of God
I will give it to the neighbors	Ma Nesi will distribute the remaining binthe biluhuta free of charge to her neighbors. This is done to avoid losses from wasting food that is still fit to eat.			
Then I will share it with neighbors	When binthe biluhuta does not sell out, Ma Oyi brings it back to her house and distributes it free of charge to her neighbors. Indeed, at that time, Ma Oyi suffered material losses due to unsold,			

but she felt that she would
experience more losses when
she had to throw away food
that was still edible.

source: results of researcher data processing, 2023

Several previous researchers have carried out international and national studies related to loss accounting. For example, on an international scale, there are (Meyer & Pagel, 2022) through research on "Fully Closed: Individual Responses to Realized Gains and Losses". The analysis indicates that when faced with a forced sale resulting in a profit, individuals tend to reinvest 83%, while in the case of a loss, the investment rate only reaches 40%. This significant difference persists for more than six months and reflects the tendency of individuals not to invest anything after experiencing realized losses, with some even exiting the stock market. Furthermore, (Carr & Wu, 2020) research on "Options Profit and Loss Attribution and Pricing: A New Framework." The study employs the Black-Merton-Scholes formula to introduce a novel valuation framework connecting option pricing to daily profit and loss attribution. This framework establishes a pricing relation linking an option's fair implied volatility to the underlying volatility, accounting for expected movement, variance, and covariance with the underlying security return. Next, (Bischof et al., 2021) study "Accounting for Financial Stability: Bank Disclosure and Loss Recognition in the Financial Crisis." The findings indicate that, before the crisis, banks had limited disclosures on relevant risk exposures, with more comprehensive disclosures emerging after market concerns surfaced. Contrary to market expectations, slow recognition of loan losses, is attributed to banks' reporting incentives.

Banks with insufficient loan loss allowances are more likely to face restrictive enforcement actions by regulators, reducing their lending during economic downturns. Additionally, banks with lower regulatory ratings decrease lending when making more timely provisions, supporting the idea that timely provisions enhance transparency and discourage regulatory forbearance. Furthermore, there is (Avi-Yonah, 2023) through a study of "Comment on Cong et al., "Tax loss harvesting with cryptocurrencies" This statement clarifies that although taxpayers might engage in increased loss harvesting in cryptocurrency, it is inaccurate for them to assume that such losses will be validated in case of a challenge from the IRS. Furthermore, on a national scale, research related to loss accounting has been carried out by several researchers such as (Atmaja W & Probohudo, 2018; Costa, 2015; Dera et al., 2017; Rahayu, 2021; Uma et al., 2017). Several previous studies related to loss accounting have a common thread in the form of loss accounting in the context of business and large-scale companies. They are limited to techniques and calculations only. This is in contrast to several previous findings regarding loss accounting. This study found that the loss accounting practices implemented by sellers were not limited to fulfilling personal interests, confined to the material level, but the opposite. The loss accounting practiced by *binthe biluhuta* sellers is conditioned on the local wisdom value of sharing among others; parents often internalize this value through the advice "(*lumadu*) *dilla bo ilaato binthe wawu pale*." Apart from that, accounting for losses implemented by *binthe biluhuta* sellers is inseparable from their belief in sustenance, which the Creator has regulated.

4. Conclusion

This study aims to construct loss accounting practices by *binthe biluhuta* sellers based on Gorontalo's local wisdom values. The study results found that the method of *binthe biluhuta* sellers in practicing loss accounting is by sharing, among others. When they experience losses, the sellers

decide to distribute *binthe biluhuta* free of charge to the local community. Sometimes, some community members choose to pay for the gifts, but *binthe biluhuta* sellers choose to avoid receiving payment. This is due to the sellers' intention when distributing the sales is to do charity, among others. Besides that, they also choose to share the food. They fear sinning because they throw away food that is still fit for consumption. The practice of accounting for losses in the form of sharing among people lives with family values. In the culture of the people of Gorontalo, the elders often advise on this value through *lumadu "dilla bo ilaato binthe wawu pale"*, which means not only relatives/family of corn and rice. The meaning of the family statement. The theoretical implication of the results of this study is that local wisdom contained in loss accounting implemented by *binthe biluhuta* sellers can be combined with loss accounting theory to make it more holistic. The concept of loss accounting by *binthe biluhuta* can be used by sellers with a materialist, humanist, and spiritual spirit when building a business. Suggestions for further studies are tracing profit accounting practices by *binthe biluhuta* sellers using other social theoretical approaches, such as ethnography. The results of this study can add to the body of knowledge about local cultural accounting.

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