ABSTRACT

Green accounting is a type of accounting which attempts to connect the environmental costs factor into the outcome of the company's business activities. As we know that many business people ignore the environment aspect when they have to make a decision. Thus, it is strongly suggested that a model which called green accounting is necessary and needed. Firstly, as we are all familiar with some situations such as in salon services businesses, where they are not using eco-friendly materials, for instance the use of hazardous substances, the use of hair spray which contains aerosol, where its materials could then accelerate the ozone hole, waste disposal and other shampoos. Although it seems negligible compared to large-scale enterprises, but its waste that has been produced by the salon service must not be underestimated, considering that there are a large number of its businesses in Salatiga area, either are classified as small or large businesses. The aim of this research is to give a better understanding of the importance in terms of green accounting implementation in businesses. However, this study is more focused on Salon services companies in Salatiga. Finally, the results of this study demonstrate that salon services in Salatiga have already been aware to take care of the environmental issue, however they do not have a good understanding about the importance of green accounting in the business, thus they do not recognize the environmental costs into its business section.

Key words: green accounting, environmental costs.