

## SUMMARY

This study aims to examine the effect of financial literacy and utilization of digital accounting on the financial performance of MSMEs in Purwokerto City. The population of this study is MSMEs engaged in distributors, services, and food in Purwokerto City. Data collection was carried out by distributing questionnaires to 120 respondents with a pilot test conducted on 30 respondents and all data obtained were analyzed using multiple regression analysis techniques. The results of this study are expected to pay more attention to knowledge in financial literacy and decision making in the use of accounting technology to improve the financial performance of MSMEs. MSME actors in Purwokerto Distric are expected to be able to manage their business finances no longer using a manual system but starting to use accounting technology.

Keywords: Financial Literacy, MSME financial performance, Utilization of Digital Accounting, Accounting Technology

