

THE IMPACT OF THE QUALITY OF FINANCIAL STATEMENTS ON INSTITUTION PERFORMANCE ACCOUNTABILITY

Lauhul Machfuzh, Hari Setiyawati

Abstract. Problems regarding the quality of financial reports are still repeated. One of them is the accounting technician competency certification agency bond'09 because many accountants are found who do not understand the Government Accounting Standards (SAP) and the low quality of reports can be caused by the absence of a financial accounting information system. This study aims to examine the effect of understanding government accounting standards, accounting information systems and human resource competencies on the quality of financial reports and their impact on the accountability of institutional performance. The population in this study was the accounting technician competency certification agency bond'09. The sampling technique was purposive sampling and obtained a sample of 39 institutions. Methods of data analysis in this study using smartPLS 3.0 software. The results of the study conclude that government accounting standards have no significant effect on the quality of financial reports, accounting information systems have no significant effect on the quality of financial reports, human resource competence has a significant positive effect on the quality of financial reports, and the quality of financial reports has a significant positive effect on public accountability.

Keywords: understanding of government accounting standards, accounting information systems and human resource competence, quality of financial reports and accountability of institutional performance

Author:

Lauhul Machfuzh

Departement of Accounting, Universitas Mercu Buana, Jakarta

E-mail: lauhulmachfuzh09@gmail.com

Hari Setiyawati

Departement of Accounting, Universitas Mercu Buana, Jakarta

E-mail: hari_setiyawati@mercubuana.ac.id

1. Introduction

Financial reports are very important for the company's financial performance, in order to obtain information about the financial position and to find out the results that have been achieved by the government during the fiscal year concerned. Financial reports are prepared to provide an overview of information about the position of assets, debts and capital that occur in the government. The government is obliged to publish information based on financial reports as a basis for decision making. Thus the published information can be used by users (Fuad, 2013: 5). According to Isthika, et al (2014), financial reports are a medium for an entity, in this case the government, to be accountable for its financial performance to the public. The government must be able to present financial reports that contain quality financial information. In government accounting standards, it is explained that quality financial reports must meet relevant, reliable, comparable and understandable characteristics.

The low quality of reports can be caused by the absence of a financial accounting information system or a lack of understanding of accounting from the compilers of the financial statements or the lack of competence in human resources and / or the weak role of internal audit (Isthika, et al. 2014). According to the Indonesian Institute of Accountants (IAI) (2018), the quality of the Indonesian government's financial reporting is still low. Even though this situation can become an opportunity for criminal acts of corruption to occur. According to Nunuy, IAI actually has determined the quality standards of government financial reporting or accounting into five levels. However, no local government has yet reached level five or the best. Until now, most of the Indonesian administrations in regencies / cities have only reached level three and two. Unuy considered, the quality of financial reports is very important to mitigate corruption. This is because financial reports are a form of government transparency towards society. Thus, the quality of financial reporting can run well.

So, the phenomenon regarding the quality of financial reports is very interesting to study further. The reality is that in government financial reports there are still many data that are inconsistent and do not follow generally accepted accounting principles. Many financial reports have not been prepared in accordance with established standards and have not met the specified completeness and lack of transaction evidence that can be found. The low quality of reports can be caused by the understanding of accounting from the compilers of the report itself or the inadequate application of the financial accounting information system or the weak role of internal audit (Sari, et al, 2014). The above phenomenon is supported by researchers conducted by Wati et al. (2014) who say that the government has made efforts to compile reports based on a financial accounting system, so that the quality produced from these financial reports can increase. However, in fact, not all government employees understand the financial accounting system. Diani (2013) which shows that the understanding of accounting and the role of internal audit has a significant positive effect on the quality of government financial reports, while the use of financial accounting information systems has no significant effect on the quality of financial reports. Sari et al. (2014) stated that understanding government accounting standards (SAP) and the use of financial accounting information systems have a positive and significant effect on the quality of government financial reports.

The formulation of the problem in this study is whether the understanding of government accounting standards, accounting information systems and human resource competencies has an effect on the quality of financial reports through institutional performance accountability. The aim to be achieved is to examine the effect of understanding government accounting standards, accounting information systems and human resource competencies on the quality of financial reports and their impact on the accountability of institutional performance .

2. Literature Review

Understanding Government Accounting Standards (SAP)

According to Permendagri No. 64 of 2013, government accounting standards, hereinafter abbreviated as SAP, are accounting principles applied in preparing and presenting government financial reports. Government Regulation No. 71 of 2010 there are 13 (thirteen) PSAPs that can be used as dimensions in this study, namely: Conceptual Framework for Government Accounting, Presentation of Financial Statements, Budget Realization Reports, Cash Flow Reports, Notes on Financial Statements (CaLK), Inventory Accounting, Investment Accounting, Fixed Asset Accounting, Construction in Progress Accounting, Liability Accounting, Consolidated Financial Statements, Operational Reports and Public Service Agency (BLU) Financial Statements. According to Bastian (2010: 137), government accounting standards, hereinafter referred to as SAP, are accounting principles that are applied in preparing and presenting government financial reports. Thus, SAP is a requirement that has legal force in an effort to improve the quality of government financial reports in Indonesia.

Accounting information system

According to Bodnar and Hopwood (2014: 13), an accounting information system is the application of the accounting information system by each SKPD in preparing government financial reports. There are 5 (five) elements of the accounting information system that can be used as dimensions in this study, namely procedures, records, forms, equipment and people. According to Susanto (2017: 72), an accounting information system can be defined as: "a collection (integration) of sub-systems / components, both physical and non-physical which are interconnected and harmoniously cooperate with each other to process transaction data related to the problem. finance becomes financial information".

Human Resources Competence (HR)

According to Mangkunegara (2016: 40), human resource competence is competence related to knowledge, skills, abilities and personality characteristics that directly affect their performance. Competence is the ability to carry out or perform a job or task which is based on skills and knowledge and is supported by the work attitude demanded by the job. There are three dimensions of human resource competence, namely: knowledge, skills and behavior.

Quality of Government Financial Reports

According to Martani, et al (2014: 54), financial statements have several main characteristics, namely, they are relevant, reliable and understandable. Government Regulation Number 71 of 2010 establishes four qualitative characteristics of financial reports which are the normative prerequisites needed so that government financial reports can meet the desired quality, namely Relevant, Reliable, Comparable, and Understandable. According to Hery (2017: 3), financial statements are basically the result of an accounting process that can be used as a tool to communicate financial data or company activities to interested parties.

Akuntabilitas Performance Institute

According to Mardiasmo (2002: 21), public accountability that must be carried out by public sector organizations consists of several dimensions. There are four dimensions of accountability that must be met by public sector organizations, namely: Honesty and Legal Accountability, Process Accountability, Program Accountability and Policy Accountability. According to Mahsun (2006: 82), "good governance must have a good performance accountability.

Framework

Based on the theoretical sequence and review of previous studies, this study presents two independent variables, namely government accounting standards, accounting information systems and human resource competence. While the dependent variable is the quality of financial reports and the accountability of the performance of the institution. Here's a picture of the frame of mind:

Government accounting standards are requirements that have legal force in an effort to improve the quality of government financial reports in Indonesia. The use of accounting standards tends to be done because it can improve systems that have been used before, so that financial information as material for users of financial reports becomes more accurate and errors in decision making can be avoided.

Good government accounting standards will produce reliable quality in the preparation of financial reports. In other words, relevant financial reports are due to a good understanding of accounting based in accordance with government accounting standards and a complete presentation of all information.

Armeli (2017) states that understanding government accounting standards has a positive and significant effect on the quality of government financial reports. In this study, understanding government accounting standards will produce good quality financial reports. In addition, research conducted by Megawati, et al. (2015), Udiyanti, et al (2014), Armeli (2017), Wati, et al (2014), Diani (2013), Yuliani, et al (2010) and Nugraheni, et al (2008)), Anggriawan and Yudianto (2018), show that understanding of government accounting standards has a positive effect on the quality of government financial reports.

The financial accounting information system is an information system used in recording government financial transactions and assisting in preparing financial reports. According to Silviana (2013), financial accounting information systems can be evaluated as added value in government performance. The correct accounting information system will make it easier to provide reliable, accurate and accountable information. This can produce quality financial reports that can be presented to the public and increase the ability to make decisions. Diani (2013) states that the use of accounting information systems has a positive and significant effect on the quality of government financial reports. In that study, it was stated that the better the use of the financial accounting information system, the better the quality of the resulting financial reports would be.

Other studies that show that accounting information systems have a significant positive effect on the quality of government financial reports are Megawati, et al. (2015), Wati, et al. (2014), Yensi, et al (2014), Nguyen Thanh Cuong (2017), Omran Ahmad Mohammad Al- Ibbini (2017) and Yuliani, et al (2010), Siti Chodijah and Nurul Hidayah (2018).

Surastiani (2015) argues that the higher the quality of human resources, the better the quality of financial report information produced. Human resources who understand government accounting and have experience in local financial management are needed to be able to produce better quality local government financial reports. Megawati, et al (2015), stated that human resource competence has a significant and positive effect on government financial reports. In the research it states that the better the competence of human resources (HR), the better the quality of the financial reports that will be produced. This study is the same as the research results of Wati, et al (2014), Afiah (2014), Julita (2018), Anggriawan and Yudianto (2018) and Isthika, et al (2014).

Darwanis and Chairunnisa (2013) suggest that monitoring the quality of financial reports has a positive correlation and has a significant effect on accountability. Meanwhile, hypothesis testing that has been carried out can be concluded that the higher the supervision of the quality of financial reports in SKPA, the more accountability of the performance of local government agencies will be increased. Supervision of the quality of financial reports is very important to do. This is because government financial reports must provide information that can be used by users of financial reports to assess government accountability in making economic, social and political decisions. A government agency is certainly supervised by internal and external parties in every process of achieving it, but an agency's internal supervision system is absolutely necessary. This can be seen where several existing SKPAs have used the proper authorization system to manage their finances. However, it turns out that in fact, there are still many financial reports produced by the government that do not meet the qualitative characteristics of a financial report, this will greatly hinder the realization of performance accountability and this will make the work process of agencies not in accordance with the general principles of government financial management described in the Regulation of the Minister of Home Affairs. Number 13 of 2006 or which has been revised into Domestic Regulation Number 59 of 2007 which must be implemented in an orderly manner, obeying laws and regulations, effective, efficient, economical, transparent, and responsible by taking into account the principles of justice, compliance

and benefits for the community . Research conducted by Diah Iskandar and Hari Setiyawati (2015) shows that quality financial reports have a positive impact on public accountability. This means that quality financial reports are believed to give more confidence from the public so that public expectations of openness from the government and in turn will increase public credibility and accountability. The research is the same as the research results of Darwanis and Chairunnisa (2013), Nugraeni and Budiantara (2015) and Omran Ahmad Mohammad Al-Ibbini (2017).

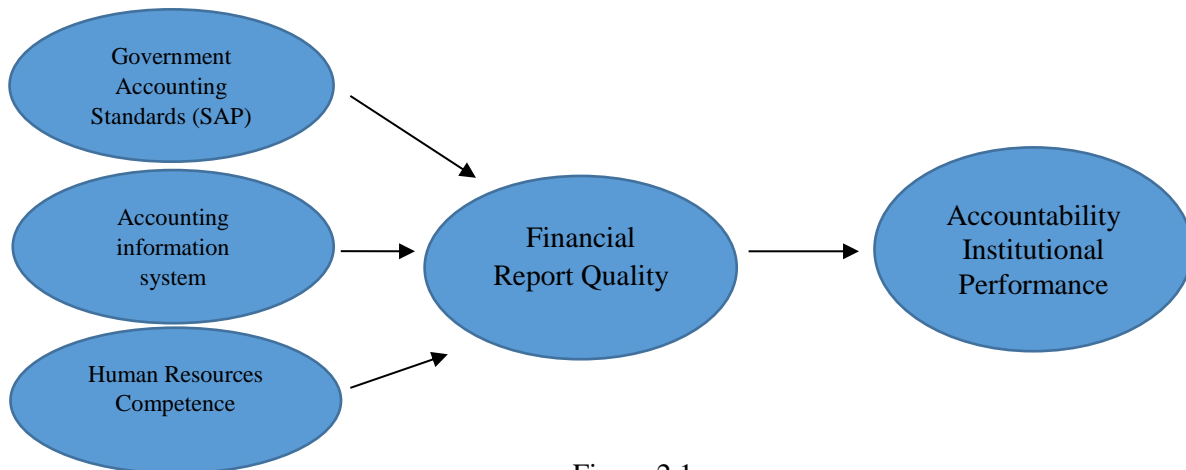


Figure 2.1
Framework Thought Research

Hypothesis

Based on the framework of thought above, the hypothesis in this study are:

- H₁ : Government accounting standards (SAP) have a significant effect on the quality of financial reports
- H₂ : Accounting information system has a significant effect on the quality of financial reports
- H₃ : Competence of human resources (HR) has a significant effect on the quality of financial reports
- H₄ : The quality of financial reports has a significant effect and its impact on the accountability of institutional performance

3. Methods

Data analysis in this study is a causality analysis using the Equation Model Structure (SEM) with a Partial Least Square (PLS) approach. The PLS SEM model includes an inner model (structural model) and an outer model (measurement model). The data used are primary data collected through an instrument in the form of a questionnaire. This data is then processed with the help of SmartPLS 3.0 software. The population in this study is the accounting technician competency certification agency. The sampling technique used was purposive sampling, so that there were 39 samples used. Table 1 presents a summary of the measurement table for each variable as follows:

Table 1
Operational Definition of Variable

Variable	Dimensions	Indicator	Measurement Scale	No. Questionnaire
Government Accounting Standards (X ₁) Government Regulation Number 71 of 2010 SAP	1. Penyajian Financial Statements	1. The accounting principles applied	Interval	A.1
		2. Applying accrual basis	Interval	A.2
		3. The application of the accrual basis recognizes a liability	Interval	A.3
		4. The application of the cash basis recognizes income and expenditure	Interval	A.4
	2. Budget Realization Report	1. Revenue noted as Gross	Interval	A.5
		2. Cash expenses are recognized as expenditures	Interval	A.6
	3. Cash flow statement	1. Presentation of flow reports according to SAP	Interval	A.7
		2. The direct method of reporting operating cash flows	Interval	A.8
	4. Notes to Financial Statements	1. CaLK is presented at each period	Interval	A.9
		2. CaLK includes posts in LK	Interval	A.10
Accounting Information Systems (X ₂)	5. Inventory Accounting	1. Inventory recognition upon receipt	Interval	A.11
		2. Recording is done based on physical inventory	Interval	A.12
	6. Investment Accounting	1. Cash is recognized as an investment	Interval	A.13
		2. Record investment at cost	Interval	A.14
	7. Fixed assets	1. The classification of fixed assets is based on the entity's operations	Interval	A.15
		2. Record fixed assets at cost	Interval	A.16
	8. Construction Accounting in Progress	1. Disclosure of construction in progress at the end of the period	Interval	A.17
		2. Move construction in progress on assets when construction is completed	Interval	A.18
	9. Liability Accounting	1. Recognizes Liabilities when loan funds are received	Interval	A.19
		2. Recording liabilities at nominal value	Interval	A.20
	10. Error Correction	1. Correct any errors found	Interval	A.21
		2. The postal correction action is presented accordingly	Interval	A.22
	11. Consolidated Financial Statements	1. Present consolidated financial statements	Interval	A.23
		2. Covers all financial reports from all entities	Interval	A.24
	12. Operational Report	1. Prepare operational reports for the accounting period	Interval	A.25
		2. Includes income, expenses, transfers, and posts	Interval	A.26
	13. Public Service Agency Financial Report Presentation	1. L Reports accrual-based financial.	Interval	A.27
		2. Implementing a financial management pattern is given flexibility	Interval	A.28
1. Procedure	1. Understand the accounting information system procedures	Interval	B.1	
	2. Procedures and systems have been established	Interval	B.2	

Bodnar and Hopwood (2014: 13)	2. Recording	1.Transaction activities are recorded by the accounting function	Interval	B. 3
		2.Record every transaction that occurs	Interval	B. 4
	3. Form	1.Serial number used	Interval	B. 5
		2.The transaction form used contains a printed serial number	Interval	B. 6
	4. Equipment	1.Effective tools	Interval	B. 7
		2.Efficient tools	Interval	B. 8
	5. Human	1.Workforce training	Interval	B. 9
		2.Workforce briefing	Interval	B. 10
Human Resources Competence (HR) (X ₃) Mangkunegara (2016: 40)	1. Knowledge	1.Knowing about pelaporan keuangan and kinerja instansi pemerintah and the accounting cycle	Interval	C.1
		2.Understanding on pelaporan keuangan and kinerja instansi pemerintah and the accounting cycle	Interval	C.2
	2. Skill or Ability	1.Arrange on pelaporan keuangan and kinerja instansi pemerintah and the accounting cycle	Interval	C.3
		2.Presenting on pelaporan keuangan and kinerja instansi pemerintah and the accounting cycle	Interval	C.4
	3. Behavior	1.Control over HR after training	Interval	C.5
		2.Control over HR after briefing	Interval	C.6
Government Financial Report (Y) Government Regulation Number 71 of 2010 SAP	1. Relevance Level	1. Correcting past decisions (<i>Feedback Value</i>)	Interval	D.1
		2. Arranged on time	Interval	D.2
		3. Complete compiled all information	Interval	D.3
	2. Level of Reliability	1. Information is presented honestly	Interval	D.4
		2. Can be verified the truth	Interval	D.5
		3. LK Neutrality and meet needs	Interval	D.6
	3. Level of Comparability	1. Can be compared with the previous period	Interval	D.7
	4. Level of Understanding	1. Understanding of thep engguna	Interval	D.8
2. LK arranged systematically		Interval	D.9	
Accountability Public (Z) Mardiasmo (2002: 21)	1. Honesty and Legal Accountability	1. Organizational structure	Interval	E.1
		2. Compliance with law	Interval	E.2
	2. Process Accountability	1. Adequacy accounting information system	Interval	E.3
		2. Supervision of implementation	Interval	E.4
		3. Supervision inspection of implementation	Interval	E.5
	3. Program Accountability	1. The goals set	Interval	E.7
		2. Benefits and impacts provided	Interval	E.8
	4. Policy accountability	1. Activity report policy	Interval	E.9
		2. Accountability for each activity	Interval	E. 10

Source: Theoretical studies were processed (2020).

4. Results and Discussion

Description of Research Variables

The following is a table of descriptive analysis of the variable implementation of transparency.

Table 2
Variable Description of Government Accounting Standards

No.	Dimensions	Indicator	Average
1	Presentation of Financial Statements	The accounting principles applied	4,541
2		Applying accrual basis	4,297
3		The application of the accrual basis recognizes a liability	4,189
4		The application of the cash basis recognizes income and expenditure	4,135
5	Budget Realization Report	Recording Gross Principle Income	3,973
6		Cash expenses are recognized as expenditures	3,919
7	Cash flow statement	Presentation of flow reports according to SAP	4,270
8		The direct method of reporting operating cash flows	3,946
9	Notes to Financial Statements	CaLK is presented at each period	4,351
10		CaLK includes posts in LK	4,378
11	Inventory Accounting	Inventory recognition upon receipt	4,324
12		Recording is done based on physical inventory	4,243
13	Investment Accounting	Cash is recognized as an investment	3,973
14		Record investment at cost	4,135
15	Fixed assets	The classification of fixed assets is based on the entity's operations	4,135
16		Record fixed assets at cost	4,297
17	Construction Accounting in Progress	Disclosure of construction in progress at the end of the period	3,973
18		Move construction in progress on assets when construction is completed	3,946
19	Liability Accounting	Recognizes Liabilities when loan funds are received	4,378
20		Recording liabilities at nominal value	4,378
21	Error Correction	Correct any errors found	4,432
22		The postal correction action is presented accordingly	4,324
23	Consolidated Financial Statements	Present consolidated financial statements	4,054
24		Covers all financial reports from all entities	4,108
25	Operational Report	Prepare operational reports for the accounting period	4,405

26		Includes income, expenses, transfers, and posts	4,216
27	Public Service	Accrual based financial statements.	4,270
28	Agency Financial Report Presentation	Implementing a financial management pattern is given flexibility	4,189
Total			117,779
Average			4,206

Source: Primary data processed in (2020)

According to the table 2 can be seen that government accounting standards have an average value in the indicator p engeluaran k as recognized expenditures in the amount of 3,919, this means l Reports r Realization a nggaran of some of the certification body competence of technicians accounting is still considered low, low was due to the lack of Institutional understanding of budget realization reports such as TUK Santa Maria, TUK LPP Universal Skill and LKP LPPI Cepu.

Table 3
Variable Description of Accounting Information System Application

No.	Dimensions	Indicator	Average
1	Procedure	Understand the accounting information system procedures	3,838
2		Procedures and systems have been established	3,919
3	Recording	Transaction activities are recorded by the accounting function	3,865
4		Record every transaction that occurs	3,703
5	Form	Serial number used	3,892
6		The transaction form used contains a printed serial number	3,730
7	Equipment	Effective tools	3,892
8		Efficient tools	3,865
9	Human	Workforce training	3,919
10		Workforce briefing	3,784
Total			38,407
Average			3,840

Source: Primary data processed in (2020)

Based on table 3 it can be seen that the application of accounting information system has an average value of 3.703 means the dimensions of the institution has not been able to record every transaction that occurs is due to several institutions little difficulty in recording transactions as Hope Nation Institute, CGC Eltibiz, etc.

Tabel 4
Description of Human Resource Competency Variables

No.	Dimensions	Indicator	Average
1	Knowledge	Knowing about p elaporan keuangan and k inerja i nstansip he Government and the accounting cycle	4,405
2		Understanding on p elaporank euangan and k inerja instansi p he Government and the accounting cycle	3,730
3	Skill or Ability	Arrange on p elaporan keuangan and k inerja i nstansip he Government and the accounting cycle	4,541
4		Presenting on p elaporan keuangan	3,811

		and k inerja i nstansip he Government and the accounting cycle	
5	Behavior	Control over HR after training	3,838
6		Control over HR after briefing	4,514
Total			24,480
Average			4,140

Source: Primary data processed in (2020)

Based on table 4, it can be seen that the competence of human resources has an average value on the indicator of Understanding Government Regulation no. 71 of 2010, which is 3,730, which means that in understanding PP. 71/2010 did not yet understand the related institutions.

Table 5
Description of Quality Variables of Financial Statements

No.	Dimensions	Indicator	Average
1	Relevance Level	Correcting past decisions (<i>Feedback Value</i>)	4,405
2		Arranged on time	4,270
3		Complete compiled all information	4,378
4	Reliability Level	Information presented honestly	4,459
5		Can be verified the truth	4,541
6		LK Neutrality and meet needs	4,486
7	Level of Comparability	Can be compared with the previous period	4,405
8	Level of Understanding	User understanding	4,405
9		LK arranged systematically	4,514
Total			39,863
Average			4,430

Source: Primary data processed in (2020)

Based on table 5, it can be seen that the quality of financial reports has an average value on indicators arranged in a timely manner, which is 4,270, which means that the competency certification bodies for accounting technicians are still not compiled on time because there are several institutions that are still unable to compile reports on time such as LKP Gemini, LPK Nur Fikri SMK PGRI Pedan, etc.

Tabel 6
Description of Public Accountability Variables

No.	Dimensions	Indicator	Average
1	Honesty and Legal Accountability	Organizational structure	4,108
2		Compliance with law	4,324
3	Process Accountability	Adequacy accounting information system	4,351
4		Supervision of implementation	4,270
5		Supervision inspection of implementation	4,378
6	Program Accountability	The goals set	4,378
7		Benefits and impacts provided	4,459
8	Policy	Activity report policy	4,324
9	Accountability	Accountability for each activity	4,270
Total			38,862
Average			4318

Source: Primary data processed in (2020)

Based on table 6 can be seen that public accountability has an average value dimension to the indicators of organizational structure that is equal to 4108 means there is still a lack of all related to an sturuktur organizations in the use of office in making the application and use of the funds granted , annual report and accounts on the use of such funds in YAI institution, Pioneer LPK (SMKN 2 Kediri), Widya Wiyata (SMKN 1 Ponorogo).

Validity and Reliability Test

The validity test shows that the Average Variance Extract (AVE) value is greater than 0.5, this means that there is no discriminant validity problem. Figure 2 presents the results of the validity test.

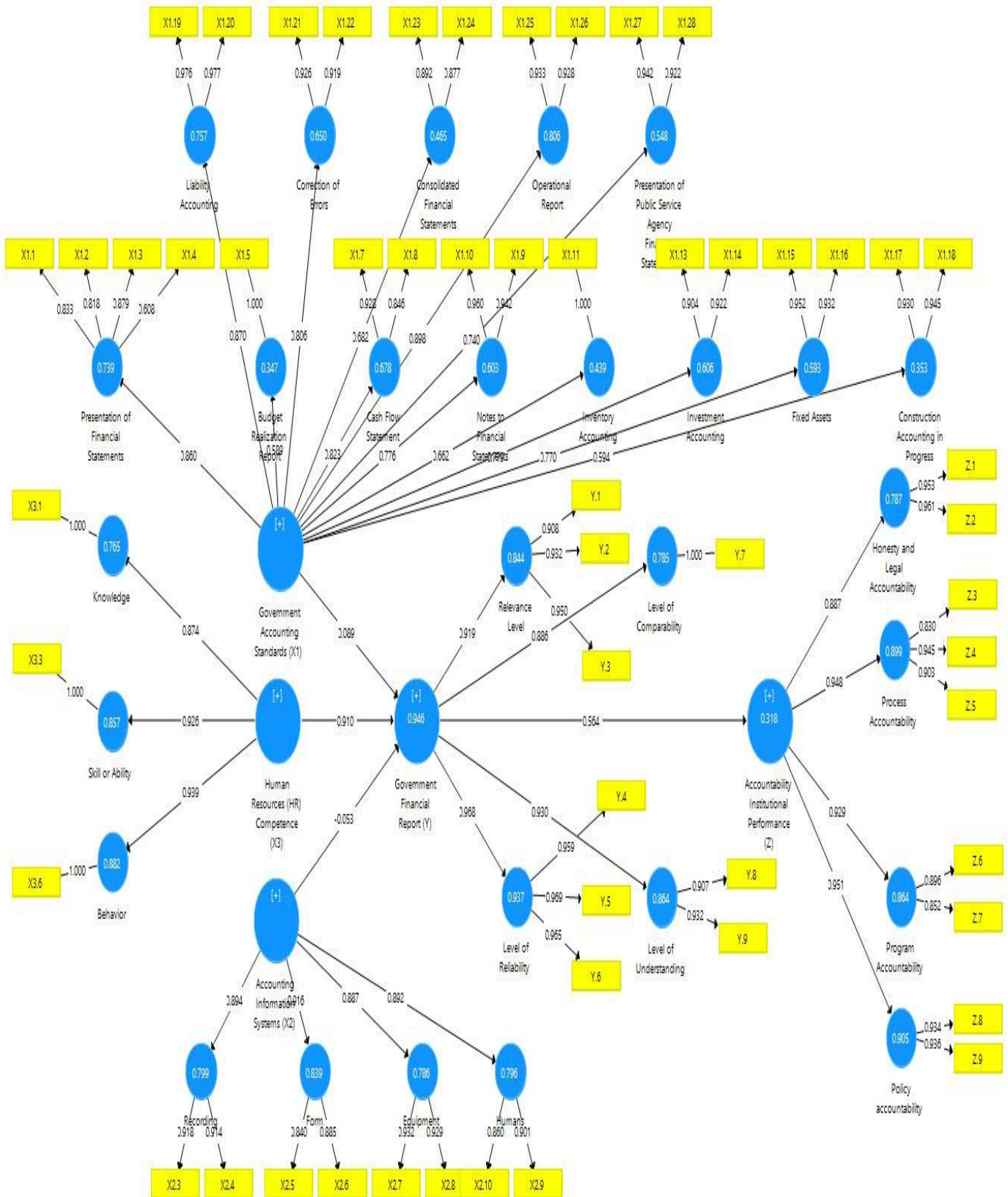


Figure 2
Output Loading Research After Drop

Uji realibilitas show the value of *composite reliability* above 0.8 and *Cronbachs alpha* above 0,7, this means indikator- The indicators used in each dimension have good enough reliability or are able to measure the construct. Table 5 presents the results of the validity and reliability tests.

Table 7
Reliability Test Results

Variables & Dimensions	AVE	Cronbach's Alpha	Composite Reliability	Information
Government Accounting Standards (X ₁)	0.502	0.959	0.963	Reliable
Accounting Information Systems (X ₂)	0.647	0.921	0.936	Reliable
Human Resources Competence (X ₃)	0.835	0.900	0.938	Reliable
Financial Report Quality (Y)	0.782	0.965	0.970	Reliable
Institutional Performance Accountability (Z)	0.721	0.951	0.959	Reliable

Source: Primary data processed (2020)

Evaluation of the Goodness of Fit of the Structural Model (Inner Model)

The structural model in smart PLS is evaluated using the *R Square* for the dependent construct. The following is the result of the *R Square* value shown in table 6 .

Table 8
R Square

Variable	R Square
Financial Report Quality (Y)	0.946
Public Accountability (Z)	0.318
<i>Predictive-Relevance (Q²)</i>	0.963

Source: Primary data processed (2020)

Based on the coefficient of determination in the above table, the value of R² to the variable quality of the financial statements amounted to 0.946, which means that value indicates that the variable quality of the financial statements can be explained by government accounting standards, variable accounting information systems and variable competence of human resources by 94% while the remaining 6% is influenced by other variables not included in the research model. The value of R² for variables public accountability of 0.318, which means that the variable public accountability described by standard government accounting, the variable s i stem accounting information and variable competence of human resources by 32% while the remaining 68% is influenced by other variables that are not in Research Model. while the *predictive-relevance value* for the structural model in this study

was 0.963 or 96.3%, which means that the model is able to explain the phenomenon of public accountability associated with several variables, namely, the quality of financial reports. therefore, the model can be said to be good, or the model has a good predictive value. in the end, the model can be used for hypothesis testing.

Hypothesis Testing

The following is the output loading of hypothesis testing research.

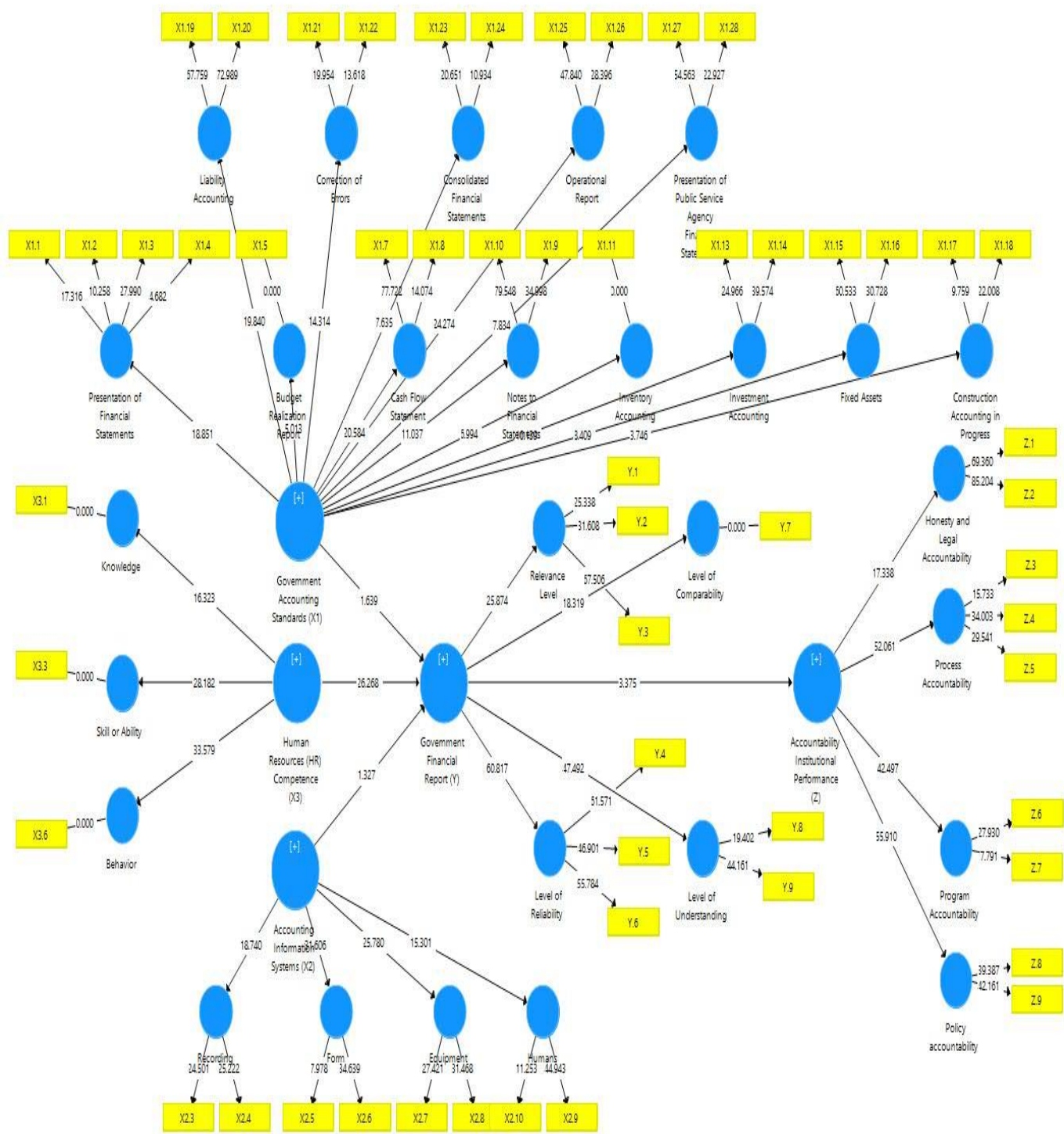


Figure 3
Output Loading Hypothesis Testing Research

Table 9 presents the results of hypothesis testing as follows:

Table 9
Hypothesis Testing Results

	Parameter Coefficient	T Statistics	P Values	Information
Government Accounting Standards - > Quality of Financial Statements	0.055	1,639	0.102	Not significant
Accounting Information Systems -> Quality of Financial Statements	0.040	1,327	0.185	Significant
Human Resources Competence -> Quality of Financial Statements	0.035	26,268	0,000	Significant
Financial Report Quality -> Public Accountability	0.167	3,375	0.001	Significant

Source: Processed data (2020)

The variable of applying government accounting standards has no significant effect on the quality of financial statements with a P_{value} greater than the significance level (0.05) of 0.102 and a statistical T value of $1,639 < T_{table} 2.042$. Variable accounting information system affects not having an effect significantly to the quality of the financial statements with P_{values} were more substantial than the significance level (0.05) of 0,185 and the value of $T_{statistic} 1.327 < T_{table} 2.042$. Variable competence of human resources a significant effect on the quality of the financial statements with P_{values} were much smaller than the significance level (0.05) of 0,000 and the value of $T_{statistics} 26.268 > T_{table} 2.042$. Variable quality of financial reporting significant effect on public accountability with P_{values} were much smaller than the significance level (0.05) of 0,001 and the value of $T_{statistic} 3.375 > T_{table} 2.042$.

Discussion

Government accounting standards have no significant effect on the quality of financial statements. These results indicate that government accounting standards for the quality of financial reports are caused by not understanding government accounting standards between central government financial reports and institutional financial reports. This finding also strengthens based on the results of surveys and interviews in the locations of many findings which illustrate that many institutions prefer to form teams to prepare financial reports using consultant services. The results of this study are supported by research by M. Ali Fikri Biana Adha Inapty and RR Sri Pancawati Martiningsih (2016), which show that government accounting standards have no effect on the quality of financial reporting. However, the results of this study do not support the results of previous studies regarding the effect of implementing government accounting standards on the quality of financial reports such as Armel (2017), the effect of SAP understanding shows that the application of government accounting standards has an effect on the quality of financial reports.

The application of the internal control system does not have a significant positive effect on the quality of financial statements. This means that the institution has not been able to implement an accounting information system effectively and efficiently. This result is in line with Diani's (2013) research, which states that the application of the regional financial accounting information system has no significant effect on the quality of financial reporting. A different thing is obtained from the research of Tambingon, Henny N. et al

(2018) which states *that The results showed that Furthermore it was found that the quality of accounting information system has implications for the quality of financial reporting* . Backed by research Mahaputra and Son (2014) which states H acyl obtained by analysis of financial information systems understanding of positive and significant effect on kualitas as financial reporting information.

Human resource competence has a significant positive effect on the quality of financial reports. These results indicate that the competence of human resources can save time for making financial reports. evaluate someone's competence, we will be able to predict the person's performance. Because it requires the ability or competence of human resources to create good employee performance and can have a positive impact on a company and can also increase the personal competence involved in it. The results of this study are in line with research conducted by Hari Setiyawati, Diah Iskandarnuru and Yusuf S. Basar (2015) who stated that *The Internal Accountants' Competence has significant effects on the Quality of Financial Reporting, Financial Reporting Quality significant effect on the Financial Accountability* . In line with the research of Dyah Puri Surastiani (2015) which states that HR competencies together have a significant positive effect on the quality of LKPD.

The quality of financial reports has a significant impact on the accountability of institutional performance. These results indicate that the report quality financial one form or the government accountable in implementing accountability, financial reporting is one of the mechanisms of accountability (accountability) and as a basis for decision-keputusan . This result sejalan with Diah research and Day (2015) which states that the quality of the financial statements a positive impact on public accountability. Supported by Darwanis and Chairunnisa's research (2013) which states *that the results showed that the application of the area of financial accounting, financial reporting quality control, and clarity of the budget targets simultaneously affect the performance accountability of government agencies in Aceh. The application areas of financial accounting effect on performance accountability Aceh government agencies. Oversight of financial reporting quality effect on performance accountability of government agencies in Aceh. Budget goal clarity does not affect the performance accountability of government agencies in Aceh.*

5. Conclusions and Suggestions

Based on the results of the discussion, it can be concluded that government accounting standards have no effect on the quality of financial reports, accounting information systems have no significant effect on the quality of financial reports, human resource competence has a significant effect on the quality of financial reports and the quality of financial reports has a significant positive effect on public accountability. From these conclusions, suggestions can be given, namely the competency certification agency for bond'09 accounting technicians to improve the quality of the implementation of government accounting standards through trainings on government accounting standards to institutions, and institutions to improve the quality of their accounting information systems through computerized training and workshops for institutions. good understanding of the accounting system, In addition, institutions should continue to improve the quality of human resource competencies, the better the competence of human resources, the better the quality of their financial reports and, for institutions to continue to improve the quality of their financial reports through training and workshops to increase knowledge and supervision in compile financial reports in order to achieve reliable report quality, so that the institution increases the accountability of its institutional performance through the timeliness that the institution has set in completing financial reports so that it continues improved because it will continue to influence the LSK assessment of each institution.

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