

**ACCRUAL LEVEL ANALYSIS OF REGIONAL GOVERNANCE
FINANCIAL REPORT IN PROVINCE GOVERNANCE, DISTRICT
GOVERNANCE, AND CITY GOVERNANCE IN SUMATERA
SELATAN**

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ABSTRACT

The purposes of this study are to observe many kinds of accrual level in regional governance financial report whether in Province, District, and City level governance in Sumatera Selatan. Accrual is an accounting basis which stated that transaction record will occur in the event even without an input and output in deposit. The governance has released ministry of internal affair regulation that cover the implementation of accrual based governance accounting system implementation. Furthermore, the governance also released governance regulation (PP) number 71 year 2010 concerning accrual based governance accounting standard (PSAP).

This study are analytic descriptive that will try to observe many accrual levels in regional governance financial report which will be identified accounts that reflect accrual transactions from standard account chart (BAS). previous studies has gave us revelation on many accrual levels with every accounts in the represented accrual level.

The results shows that from three years of data that we observing in 2013, 2014, 2015 that there are differences in accrual level whether in year perspective or in regional governance perspective that we studied.

Keywords: Accrual Based, Regional Governance Financial Report, Accrual Discretion, Standard Account

A. Background

Implementation of accounting basic in private entities and governance entity are originally different. For starter, Indonesia is originally using cash basic, then it change into accrual basic. Aside from the change of accounting basic, originally the governance was using budgeted based accounting system. Private entities generally used accrual based system. In the present time, private entity had implementing international financial report standard accrual based report.

In the present time, accrual accounting implementation are globally believed as the best way to make governance more accountable and transparent, as many study and journals stated in "urgency" accrual accounting. Accountable and transparent in resource and governance regulations in order to fulfill national duties. International entities such as World Bank, OECD, ADB, and IMF nowadays had recommended accrual accounting in their member states.

In many literature has already explained that accrual accounting are believed to have better benefit that cash based. Diamond (2002:9-10) in International Monetary Fund (IMF) document called: *Performance Budgeting: Is Accrual Accounting Required?* State that there are four benefits from accrual based:

1. To improve resource allocation.
2. Strengthened accountability.
3. Enhanced transparency on total resources cost of governance activity.
4. More comprehensive view of government impact on the economy.

Benefits from accrual accounting could be come from:
The increasing of resource allocation with better regulation making, better control of capital, better liabilities identification, chance to compare private-public sector, financial management will become a central concern, better management of cash flow and current asset/liabilities, implementing of many regulations related with accrual based accounting report.

Government with so many regulation existing, related with financial management had stated to implementing accrual based. This had been officially stated in governance regulation (PP) number 71 year 2010 regarding governance accounting standard and ministry of internal affair regulation number 64 year 2015 regarding accrual based accounting system implementation. Both of them later on had been passed on regional governance regulation and regional leader. Both of it become the standard in implementing regional governance accrual based system.

Governance has already set limit in implementing accrual based financial reporting in 2015 budget reporting. This means governance and regional governance that ended in 2015 must implementing the accrual basis. This is perfectly normal concerning that accrual based accounting standard had already exist from 2010. six years of time are considered to be enough time to move on to the new system.

Internationals entities like World Bank, OECD, ADB, and IMF has already recommended accrual accounting on their national members. Financial report comparancy between members could be one of the reason on the recommendation. On one of the UK's or Australia's (i forgot) site are stated:

Accrual information is a very effective financial management tool which can improve the quality of financial management and accountability in the public sector. An accrual system records transactions in the period in which revenue is earned or expenses incurred, regardless of whether a cash payment is made.

B. Study Problems

- a. What are the accrual transactions and accounts that regional government made that been reflected in regional governance financial report?
- b. Are the implementation of accrual based financial reporting have a difference in level that been reflected in regional governance financial report?
- c. Are accrual basis implemented generally by province, district, or city governance?
- d. Are the regional government regulations have an effect on accrual level in regional governance financial report?
- e. Are the accrual level difference have implication on regional governance in financial budgeting?

C. Study Purposes

- a. Describing which transactions that are accrual in regional governance.
- b. To describe which accounts that are effected in regional governance financial report
- c. To study are there any accrual level differences in governance financial reporting
- d. To study are the implementation being generally used in the governance

- e. To study is there any regional regulation that effecting accrual based level in regional governance financial reporting
- f. To study is there any implication for regional governance if there are accrual level differences in accrual based accounting implementation

D. Supporting Theories

a. Financial Report

According to Zaki Baridwan in *intermediate accounting* financial report are the summary of recording process, it is the summary of financial transactions that occur during one year of the entity (Baridwan, 1992). meanwhile in PSAK, financial report are : "report that describing financial impact from the transactions and other events that classified in some big groups according to each of their economic characteristic" (IAI, 2002). financial report according to Munawir in financial report analysis are the reports of the company's financial events (Munawir, 2010). Financial report according to Hongren in accounting book are company's (organization) document that reporting that company (organization) in monetary term (Hongren, 2007).

b. Regional government financial report

Regional government financial report have purpose to give relevant information about financial position and all transactions that occur in regional governance during one year period (ministry of finance, regional governance financial accounting model, 2014). regional government financial report especially used to compare the income and outcome realization with budgeting, to observe financial condition, observe the effectivity and the efficiency of regional government.

Regional financial report is the information that include data of many financial structure elements that reflect some activity results. Term "*regional government financial report*" include all reports and it's explanation about it. Financial report have purpose to give relevant information about financial position and all transaction on the entity during one year period. Financial report especially used to understand the value of economic source, to observe financial position, evaluate effectivity and efficiency. Main financial report consist of : Budget Realization Report (LRA), Over Budget Balance change Report (SAL), Balance Scale, Operational Report (LO), Cash Flow Report (LAK), Equity Change Report (LPE), Financial Report Notes (CaLK). Aside from the main part, reporting entities must give other reports or accounting information element that required by laws (statutory reports).

c. Purposes of financial report

Financial report are structured report about financial position and transactions of the entity. The general purpose for financial report is to give information about financial position, budget realization, over budget sheet, cash flow, operation results, and equity change of the entity in order to make and evaluate the decision for resources allocation. More specific, the purpose are to show the accountability of the entity for the resources that they are trusted to, by giving information about economic, obligation, government equity, to give information about source, allocation, and economic resources, and to give information to evaluate the entity's capacity in order to fund their activity.

Financial report in general also have predictive and perspective role, giving information to predict how much the resource needed for the operation, resources that made from the operation, and the risks of the operation. Financial report also give information whether or not the resources are used for the correct purpose, and the budget limit from DPR/DPRD.

In order to fulfill this general purpose, financial report give information to the entity of asset, requirement, equity, income LRA, output, transfer, financing budget sheet LO, liability, and cash flow.

Information in financial reports are relevant in order to fulfill those purposes, but not completely. Additional information, including non financial report, could be reported along with financial report to give more comprehensive picture about one entity for one year period.

d. Accrual accounting basis

Accounting basis that used in governance financial report are accrual based for LO income, liability, asset, and equity. Accrual basis for LO means that income are recorded when the right to have income are fulfilled even before the cash has been transferred (Kemenkeu, 2013).

Accrual based financial report implemented in central governance, regional governance (province, district, city) and organization unit in central/ regional governance, if by the rule of the organization have to give financial report (PP No. 71 year 2010)

Accrual based SAP are stated in PSAP and equipped with contemptual framework PSAP and governance accounting consemptual framework in accrual based SAP are regulated in PP No. 71 year 2010.

e. Accrual level

Accrual level are accrual states that are in the regional governance financial report. Accrual content in report have various states. Started

from mild accrual, then moderate accrual, then strong accrual, then super accrual and last radical accrual (James, 2006). This is as stated in international public sector standard in (Schaik, 2006) article that divide regional governance financial report in various level.

E. Previous studies

Previous studies has already been done in various countries with the object of regional governance financial report. The studies in various countries have a same way in general Indonesian accounting development public sector. Here are some studies from many countries that we have studied. Study in Rumania (Andriana Tiron Tudor, 2006) studied and analyzing the changing evolution from cash basis to accrual basis in public sector, factors that determining in public sector in Rumania and the statement in first question, are the transition from cash basis to accrual basis will bring positive result?, second question are Rumania going to choose the system or reject it? The result shows that Rumania choose to adopt accrual based system since 2006, Rumania conclude that public sector accounting in Rumania will be better with accrual basis.

Other study come from Uni Eroupe that done by Vincente Pina in 2009. the study observe accrual level in accounting system in Europe and also try to answer why accrual accounting become resistant (Vincente Pina, 2009), the result shows that there are difference in accrual based accounting implementation level and the rule obey.

Next study is about the regional governance in Australia. The purpose of this study are to identified key event in transition period and analyzing it using Habermas (1976) theory that is Legimitation theory (Davis, 2010). result shows the similiarity with Australia kind of countries which is prosperous country, during transition period it is undeniable for manifestation in critical rationality in administration system such as fiscal deficit and the increasing of debt.

Next study come from Kiyoshi Yamamoto called "Theoretical Framework for analyzing accounting development; in case of local government accounting in japan" (Yamamoto, 2012). the purpose of this study is to test accounting development in jappanese regional government in five previous decades. Testing are conducted in term of time and place, micro and macro and process and impact. Result shows that jappanese regional government accounting development are the interaction of many subjects whether vertical or horizontal: regional and central government and all the ministries in central government.

Other study in Nigeria is done by Ofoegbu that studied whether or not the implementation of IPSAS accrual based accounting will increase

accountability in public sector accounting in Nigeria (Dr. Ofoegbu, 2014). to be more spessific, the purpose of this study are to studied whether or not the implementation of accrual based IPSAS will help to guaranty the increase the quality of accounting information system in Nigeria. This study help to erased the practition worries, public sector accountant, and auditor with shows that accrual based IPSAS will guaranty accountability, transparency and improving the quality of financial report.

Other study come from Slovenia and Croatia. The purpose are to studied the upside and downside of accrual based and cash based accounting system, model possibility between accounting and budgeting, the requirement and reformation process in budgeting system and public sector accounting. It also analyzing three accounting models and different budgeting that implemented in Slovenia and Croatia-Serbia (Amir Azadi Marand,2014). result shows that there are no doubt in accrual accounting models and budgeting could be fully implemented by the government. Furthermore in the same country there is other study but with different purposes. This study is analyzing and comparing Slovenia and Croatia accounting system in order to see the condition in those countries regarding accountability and transparency (Jovanovic, 2015). result shows that accrual implementing development still using cash basis.

F. Framework

This study are analytic descriptive. We want to describe what is accrual based accounting record. We have done data gathering in financial report. Financial report that is regulated by regulations in Indonesia are budgeting and financing report, we have financial report.

We then want to describe accrual transaction potentially done by Sumatera Selatan Government reflected by financial report. Transactions in financial report could be divided by by cash and accrual transactions. Accrual transactions were defined then analyzed in account state by that transaction.

Transaction then identified in account state. Account that we study then will be identified in national standard account chart. Are regional government use a suitable account or not. If there are an suitable account with national chart then it must be removed.

After received account group that wanted to be analyzed then we divided account and weighting. We must divide it in order to do identification of accrual level account groups that been made are, current asset, incurrent asset, current obligation, and long term obligation.

Accrual account that already been classified then analyzed by its weight. Analysis result will show accrual level each account. This analysis are

done consistently in every study object, that are regional government financial report.

G. Data and Methodology

a. Sample and population

This study will observe financial report from regional government in Sumatera Selatan. In Sumatera Selatan there are 18 regional government including Province, District, and City.

b. Data

Study object from each regional government are the financial report. Financial report that we used are regional government scale. Regional government scale period that used are from 3 years period in 2013, 2014, and 2015.

c. Data processing method

Data processing are using identification and weighting of the objects that we studied. Account will be identified then will be weighted. Weighted result will be categorized by their criteria in accrual level.

Accrual account that already been categorized then will be weighted by their weight. Analysis result will show each of their accrual level. Analysis process are consistently done in every study objects of regional government financial report.

Weighted result and categorized result the visualized with graphic suitable with data characteristic. Visualization result then be interpreted.

H. Result Discussion

a. Accrual transaction identification

Transaction record using variable method. Generally accounting recording basis divide by 2 methods cash and accrual basis. Practically, there are modified basis. Modified basis could be accrual modified based or cash modified based. Indonesia has many time change its basis. First we adopt cash basis, then it change into accrual basis.

Accrual basis are recording in the event that already happened even without cash income or outcome. From this we can understand that the transaction has already been done. Transaction it self not yet been followed by cash income or outcome. But it is considered transaction in accrual based.

Accrual basis type that in the business world are accruan transaction, delayed transaction, and depretiation transaction. Accruan transaction is transaction that reflect income down payment and liability on front.

Delayed transaction are the income that not yet received and unfinished liability. Aside there are asset shrink and corrected transaction. Accrual transaction potentially occur in regional government are accruan, delayed and depretiation.

Accruan transactionin regional government are income on front, and liability down payment. Income on front are like when the government received some payment for service in some period of time. Example, market rent some stores for some period of time to the merchants by them give the rent in early time. Other accruan transaction is liability on front. Example, when the government pays some internet service charge for some period of time.

Delayed transaction in government are income irreceivable. The government has already give services but not yet received payment for their service. Example, regional government hospital had health care service to the patient that cooperated with health insurance service. After the care, patient then charge it to the insurance. Charging process will take time and make liability to the hospital. The government also have direct erased method. Other delayed transaction is un payed liability. Its when liability has already made but the government cannot pay their debt.

Other accrual potential are the recognition of assets shrinking whether current or un current. Asset shrink is not available in cash basis accounting. In time the government used cash to accrual basis shrink occur during end of the year. And in accrual the shrinking process become more accurate.

b. Accrual account identification and accrual level

Transaction identification made standard journal in economic event (accrual transaction). standard journal required official accounts in national standard. This of course to dodge the transaction differences that same but with different accounts. Account that made by identification process and analysis then divide in current asset, current obligation, un current asset, and long term liability. After received the result of classification then which account that become the group and the requirement in accrual level start from first (mild accrual), second (moderate accrual), third (strong accrual), fourth (super accrual), and last (radical accrual). this could be seen on the table:

	Mild	Moderate	Strong	Super	Radikal
AI1	□	1	1	1	1
KL	1	1	1	1	1
AL2	0	1	1	1	1

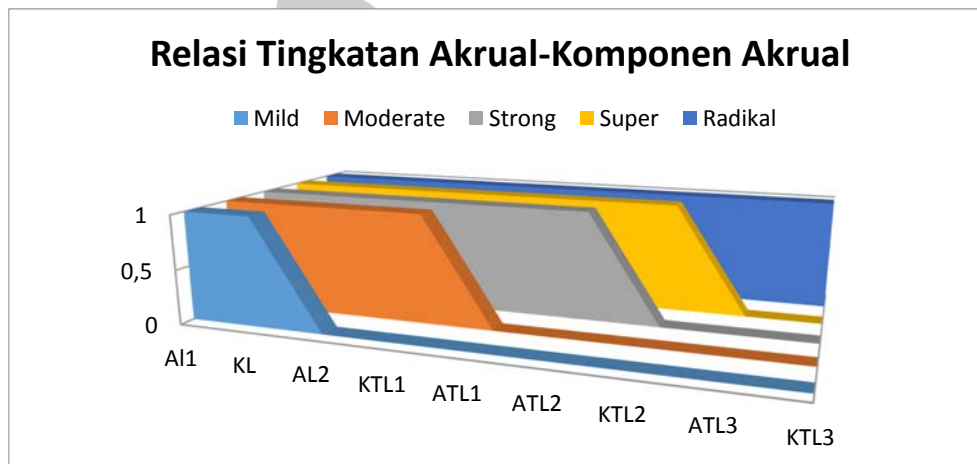
KTL1	0	1	1	1	1
ATL1	0	0	1	1	1
ATL2	0	0	1	1	1
KTL2	0	0	0	1	1
ATL3	0	0	0	0	1
KTL3	0	0	0	0	1

From the table above account that in mild accrual are current asset and current obligation. Account in current asset (AL1) are income credit, claim to other party, and credit elimination. And account in current obligation (KL) are current debt, service debt, other party claim to the government.

Account that included in moderate accrual are: all account in mild accrual plus current asset 2 (ATL2) liability on front, current retaliation and current long term credit. Aside there are long term obligation (KTL1) contingency obligation (long term claim)

Accounts in strong accrual are; every account in mild and moderate accrual plus operational asset, regional government special assets, infrastructure, and shrinking accumulation.

Accounts in super accrual are every account in before level plus tax obligation (KTL2), accounts in radical accrual are every account before plus legislative social benefit (ATL3), future income cash funded (KTL3), above explanation could be described by following graphic:



The graphic above shows that the higher accrual level in financial report it will have more accrual account and transaction in it

- c. Study object analysis with accrual based component accounts basis
 This is the result of object analysis on our study using accrual accounts from many level as component of accrual state from each financial reports

of regional government (PEMDA). regional government that we observing are 18 from 1 province 13 district and 4 city government in Sumatera Selatan. The details are: Musi Banyuasin District (Mba), Palembang City (Plg), Ogan Komering Ilir District (Oki), Ogan Ilir District (OI), Banyuasin District (Bsin), Musi Rawas District (Mra), Lubuklinggau City (Lgu), Lahat District (Lht), Empat Lawang District (Lwg), Muara Enim District (Menim), Ogan Komering Ulu District (Oku), Ogan Komering Ulu Selatan District (Okus), Ogan Komering Ulu Timur District (Okut), Penukalabab Lematang Ilir District (Pali), Pagar Alam City (Alam), Prabumulih City (Prabu) and Sumatera Selatan Province (Prov).

Each accrual components identified in each financial report of regional government in accounting period of 2013. 2014, 2015.

The results are as follow:

Table 1.
 Accrual Component Statistic Data

Aku n	Mean			Min			Max			Deviasi		
	2015	2014	2013	2015	2014	2013	2015	2014	2013	2015	2014	2013
Al1	4,6	3,6	2,9	3,0	2,0	0,0	5,0	5,0	5,0	0,7	1,0	1,4
KL	2,9	2,0	1,5	1,0	1,0	0,0	4,0	3,0	3,0	1,1	0,6	0,9
AL2	0,9	0,1	0,1	0,0	0,0	0,0	1,0	1,0	1,0	0,4	0,3	0,2
KTL 1	0,2	0,2	0,2	0,0	0,0	0,0	1,0	1,0	1,0	0,4	0,4	0,4
ATL 1	1,1	1,1	1,0	1,0	1,0	0,0	1,0	1,0	1,0	0,0	0,0	0,2
ATL 2	1,1	0,2	0,1	1,0	0,0	0,0	1,0	1,0	1,0	0,0	0,4	0,2
KTL 2	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
ATL 3	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
KTL 3	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0

Above table shows the average accrual component point current asset group 1 is 4,6 (2015), 3,6 (2014), 2,9 (2013), with lowest score in consecutive 2015,2014 and 2013 with 3,2,0 and highest in consecutive are 2015, 2014 and 2013 with 5,5,5 with deviation 0,7 (2015), 1,0 (2014), 1,4 (2013). it

shown that mean have increased since 2013 until 2015. also the lowest score also increasing 0 to 3. highest score stagnant in 5. this means accrual transaction in current asset happened in study period. This is suitable with regulation in Indonesia that stated 2013 still in CTA, then the transition in 2014 and accrual state in 2015.

current obligation accrual component have mean score of 3 with lowest of 1 and highest 3 and deviation 1. current asset 2 have mean 0,9 lowest 0 highest 1 deviation 0,4. in current asset 1 and 2 have same mean 1,1 with lowest 1,1 and highest 1 with deviation 0,4. this means accrual transaction in current obligation occur during study period, This is suitable with regulation in Indonesia that stated 2013 still in CTA, then the transition in 2014 and accrual state in 2015.

Accrual component in current asset 2 have moving mean from 0,1 to 0,9 and in current obligation 1 have constant score in 0,2. this shows that current asset 2 component increase and in current obligation 1 stagnant.

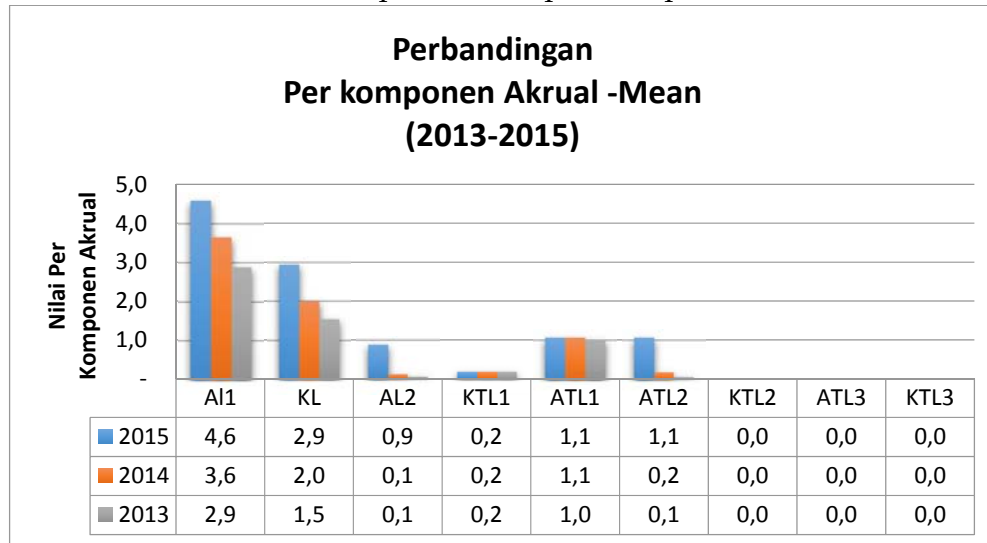
In in current asset 1 and 2 also occur accrual transaction. But it is relatively stagnant. This means in current asset consistent but still slightly increasing.

In in current obligation 2, in current asset 3 and in current obligation 3 not yet occur a transaction, it means that the transaction are unknown by studied object or in no authorities by studied object.

From statistic data generally could be understood that highest accrual component is in current asset (AL1) followed by current obligation (KL1) and incurrent asset 1,2 (ATL 1,2) and lastly incurrent obligation 1 (KTL1). while in incurrent obligation 2 (KTL2), (ATL3) and (KTL3) there are no transaction component

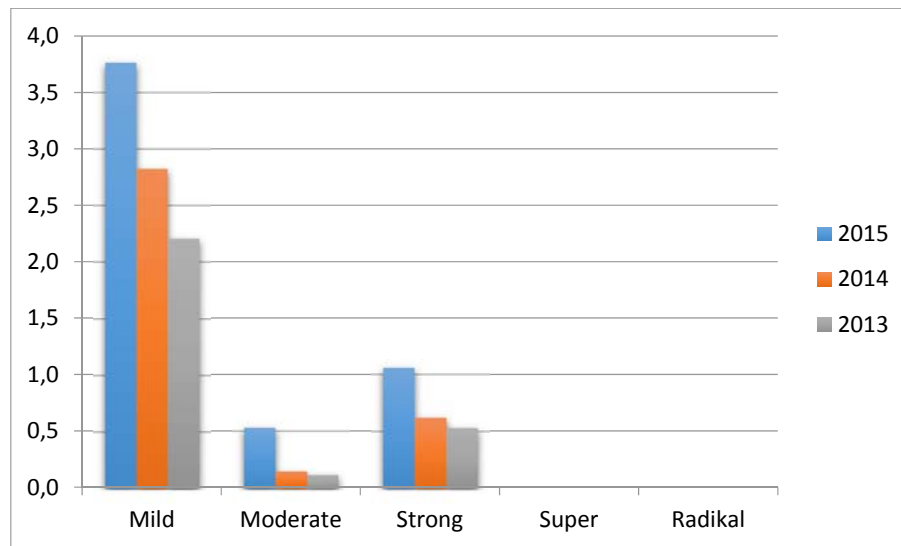
If the result have to illustrated in component compare graphic in studied period one element basic (mean) then the result will be as follow:

Table 2
 Accrual Component Comparison per Period



With so result shows that account as accrual transaction component with highest influence are current asset and incurrent asset followed by incurrent asset and incurrent obligation. This shows mild accrual level are more dominant in studied object of 2015 with highest score of 5 and lowest 3. followed by moderate accrual and strong accrual. While super and radical does no occur.

If accrual transaction passed on to account level then accounts can be grouped in accrual level in financial report. With assumption that we already gave before that we classified many accrual accounts from accrual transactions that occur in regional government with financial basis, become financial report accrual level. Above statistic could be seen in compare accrual component table in each period below:



The result that we could get is there are levelled accrual events in every year. Significant change start from 2013, till 2015. furthermore, accrual level happened in each year of study. Significant changes start in 2013, until 2015. aside from that accrual level occur during each year have changes. 2013 have accrual transaction with mean of 0,5 in mild and strong accrual. 2014 have accrual transaction in mild to strong with 1 mean. 2015 there are accrual transaction in mild to strong accrual with higher mean of 3,5. significant changes occur during 2013 to 2015 as we know government has regulation that made regional government implementing accrual based accounting during that year.

This is the effect of regulation that push regional government to implementing accrual based accounting. In 2014 object still implementing cash basic toward accrual 2014 is in transition and in 2015 is the time when object must implementing accrual based accounting. This study is matched with government regulation and implemented by regional government as the study object. However it still not in super accrual and radical accrual. This is considered normal because object still in first years in implementing new regulations.

d. Accrual level analysis in regional government financial report

In previous part has been explained the previous studies that shown many accrual transactions, accrual year and accrual point in 2015, 2014 and 2013. for that it need to be proved that each regional government in Sumatera Selatan has implemented accrual based.

In table data based on accrual account there was difference between data 2015, 2014 and 2013 have different background than 2015. 2014 and 2013

were transition year from cash toward accrual to accrual based. Financial report in 2015 must use accrual basis.

In next table we give result of data in each accounts in every regional government per year of study:

Table
Regional Government Accrual Component 2015

	1. Mba	2. Plg	3. OKI	4. OI	4. Bsin	6. Mra	7. Mtr	8. Lgu	9. Lht	10. Lwg	11. Alm	12. Okus	13. Okut	14. Pali	15. Oku	16. Mnm	17. Prb	18. Prv
AlI	5	5	5	3	4	4	5	5	5	3	5	4	5	4	4	4	4	4
KL	3	4	1	2	4	2	4	4	3	3	4	1	2	3	2	3	4	1
AL 2	1	1	0	1	1	0	1	1	1	0	1	1	1	1	1	1	1	1
KT L1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0
AT L1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
AT L2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
KT L2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AT L3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KT L3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Source: Data (2016)

Data shown that there are evenly accrual transaction in every object on 2015. however, the spread level have differences. Score weight was vary from lowest to highest.

In mild accrual component could be translated that every regional government had implementing accrual based transaction. Mild accrual is the first stage. In this level regional government shown to have transaction in current asset and current obligation account. Tabulation results above shown that overall regional government had practiced transaction in this level.

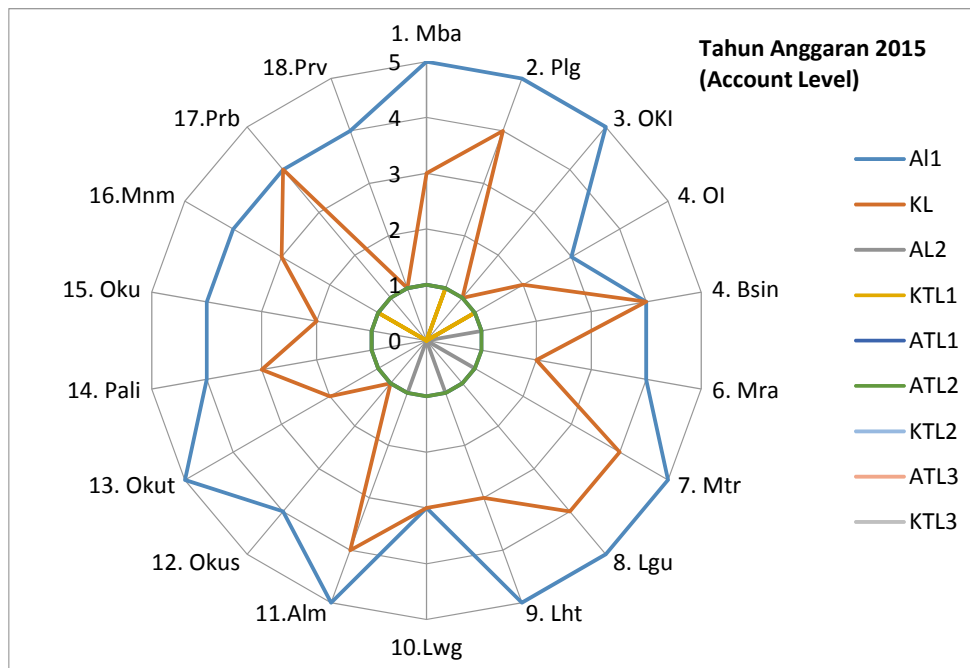
In moderate accrual level regional government have accrual transaction in current asset 2 and incurrent obligation 1. current asset 2 generally practiced except for one regional government Empat Lawang. Meanwhile incurrent obligation 1 are fully not yet implemented.

In strong accrual the government regional government have transaction in incurrent asset level. In tabulation, shown that that regional government had practiced accrual based transaction like asset management and it's shrink.

While in super accrual and radical accrual is not yet implemented. Super accrual marked with tax obligation transaction and radical accrual marked with future income flow and legislative social benefit.

To make it easier to understand above analysis we have make graphic for it:

Table
 Account Accrual Level 2015



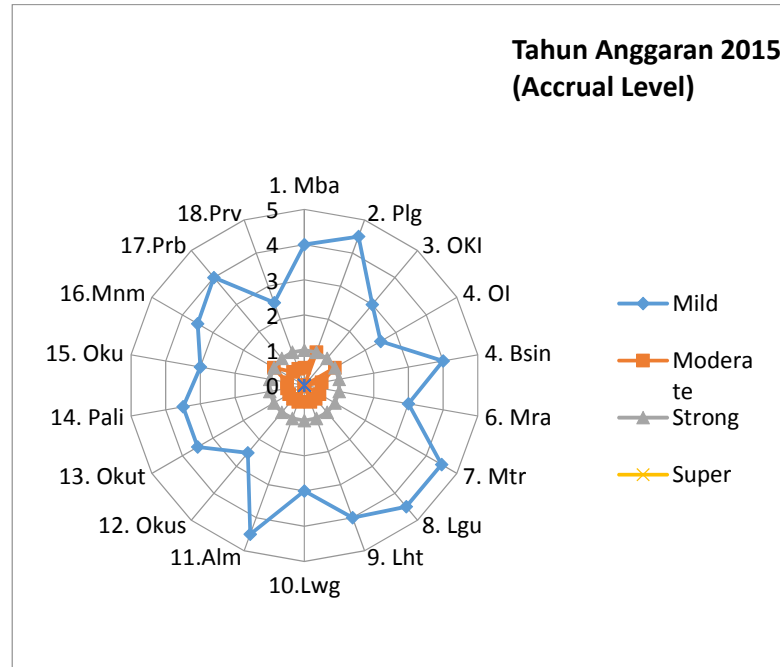
To shown accrual level in financial report in each regional government than it is required to have accrual graphic in financial report stages. The graphic shown regional government financial report accrual level in each government level.

With the assumption from previous art than accrual component in account level could be converted into accrual level group. If that graphic converted in accrual group level then it will be easier to compromise and interpreting it.

The following is each regional government accrual level from 2015:

Table

Account Level Group Accrual Level 2015



Source: Data (2016)

In mild level all regional government had implemented it. In moderate except for Empat Lawang all the regional government had implemented it, in strong level from the graphic all of the government had implemented accrual transaction.

However, super and radical accrual had not yet implemented by government.

Data tabulation from 2014 using similiar methods as in 2015.

Accrual transaction data passed on to accrual account and then classified and weighted into account stages accrual level and financial report. Financial report then identified using the assumption. The following is tabulation data in 2014:

Table
Regional Government Accrual Component 2014

	1. Mba	2. Plg	3. OKI	4. OI	4. Bsin	6. Mra	7. Mtr	8. Lgu	9. Lht	10. Lwg	11. Alm	12. Okus	13. Okut	14. Pali	15. Oku	16. Mnm	17. Prb	18. Prv
AI1	4	3	4	2	3	4	2	4	5	3	5	5	4	3	3	3	3	2
KL	2	2	1	1	1	2	2	2	2	2	3	2	3	2	2	2	2	1
AL 2	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
KT L1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0
AT L1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
AT L2	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	1
KT L2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AT L3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KT L3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

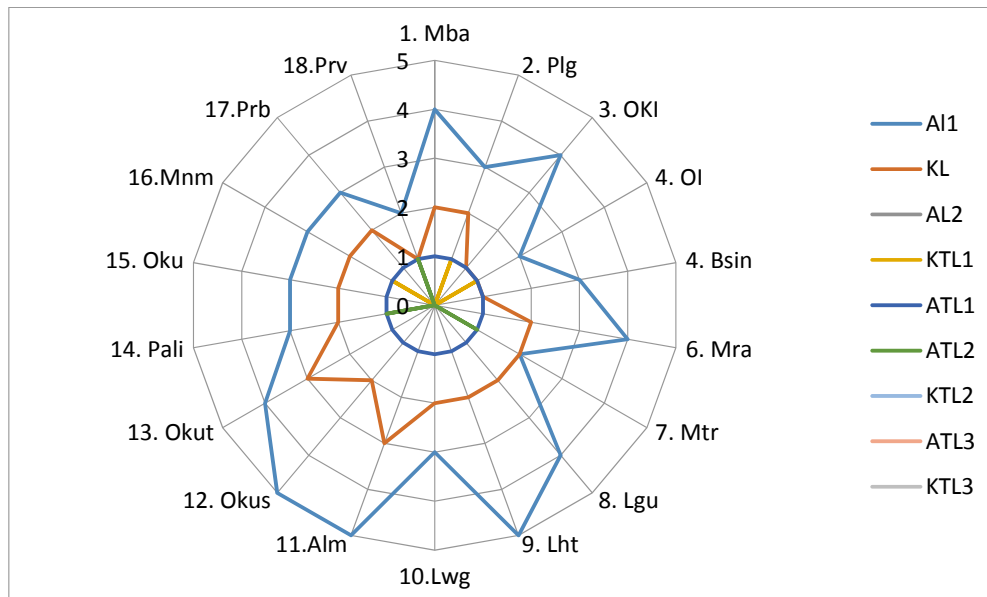
Source: Data (2016)

Tabulation result as shown on table above. Result shown that current asset 1 and current obligation (both mild accrual) both have high accruality score. Transaction occur in all regional governance. Meaning during 2014 regional government already implementing accrual based accounting. In moderate accrual there current asset 2 that already implemented even only in 2 government in Province government and Pali District government. Incurrent obligation transaction 1 had been implemented in some region in Ogan Ilir, Muara Enim, and the others not.

In strong accrual there are incurrent asset 1 accrual transaction practice in every regional government, but incurrent asset 2 only on Musirawas Utara, Pali, and Province Government.

In super and radical accrual overall there are none accrual transaction in every object. To make it easier to understand the analysis we have made the graphic for it

Table
 Account Accrual Level 2014

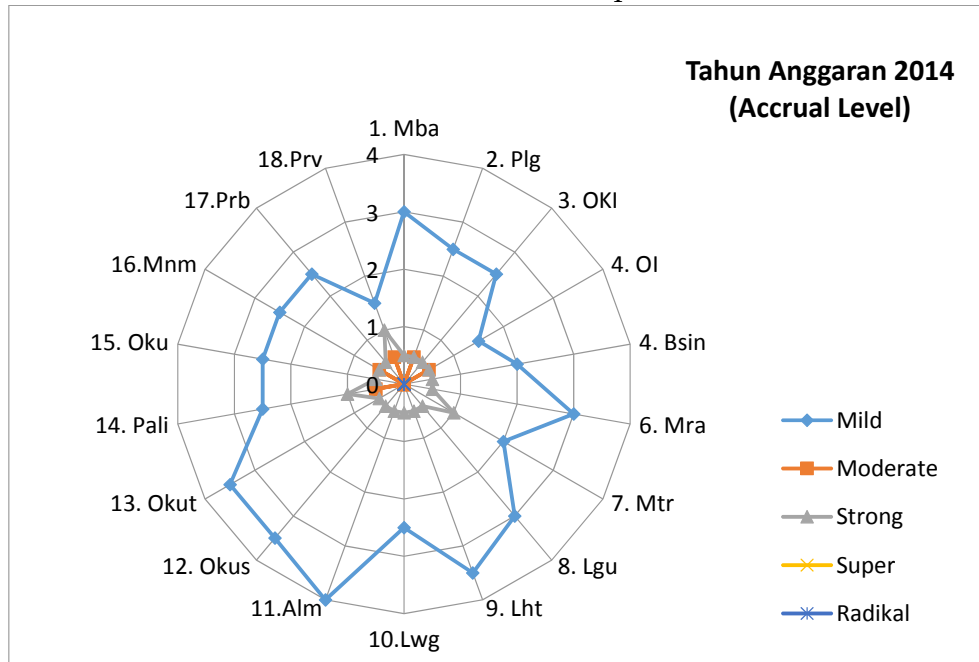


Source: Data (2016)

To shown accrual level in regional government financial report then it is necessary to make accrual graphic in financial report of 2014. with assumption from previous part then accrual component in account level could be converted into accrual level group. This is important in order to fully understand it with easy.

If the graphic converted in accrual level group then the graphic will be easier to understand. The following is each regional government accrual level in 2014:

Table
 Account Level Accrual Group Level 2014



Source: Data (2016)

In mild accrual level shown that every regional government has already used the transaction. In moderate level only Sumatera Selatan and Pali Government implemented it. In strong level all the regional government has already implemented it, but in incurrent asset 2 only in Musirawas Utara, Pali, SumSel. However there are none in super and radical transaction that been implemented by regional government.

Tabulation data for budget period of 2013 will be shown in the next part. In 2013 background by regulation factor with cash toward accrual basis. This period is considered as transition period to implementing accrual based. Regional government started to implementing accrual basis but in year end as transition event to get data report.

The following is tabulation accrual account in each accrual level for every regional government in accounting period of 2013-2014 and 2015.

Table
 Accrual Component per Regional Government 2013

	1. Mba	2. Plg	3. OKI	4. OI	4. Bsin	6. Mra	7. Mtr	8. Lgu	9. Lht	10. Lwng	11. Alm	12. Okus	13. Okut	14. Pali	15. Oku	16. Mnm	17. Prb	18. Prv
Al1	4	4	4	1	3	2	0	4	5	3	4	3	2	0	3	3	2	2
KL	2	2	1	1	0	1	0	2	2	1	3	2	3	0	2	2	1	1
AL 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
KT L1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0
AT L1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1
AT L2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
KT L2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AT L3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KT L3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Source: Data (2016)

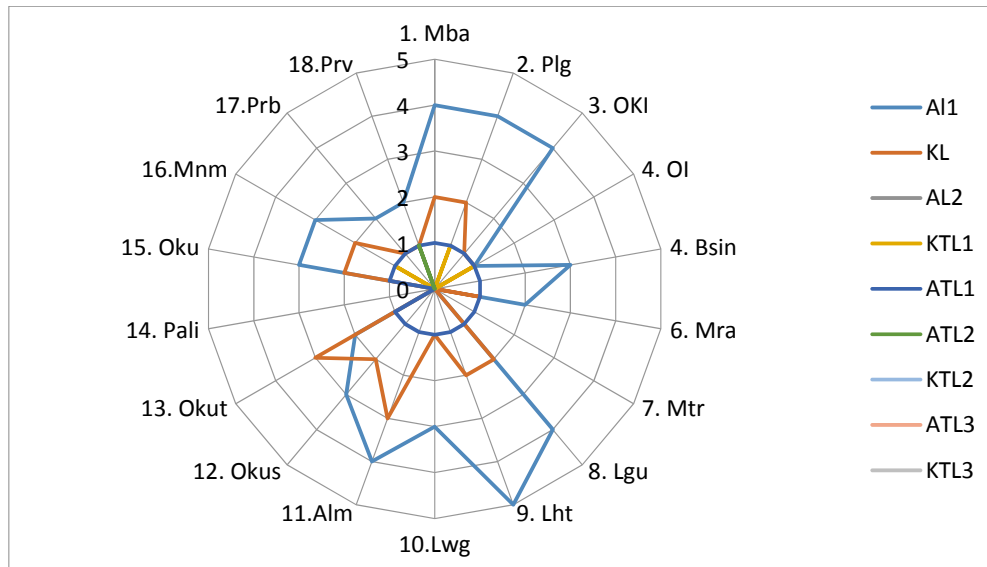
Tabulation results as shown. Result shown that current asset 1 and current obligation both have relatively high accrual score. This indicate there are high transactions. This transaction occur in every regional government, meaning in 2013 all regional government in Sumatera Selatan has implemented fist type of accrual transaction. With exception of Pali and Muratara, because of the newly development region.

In moderate accrual there are current asset 2 that already implemented even only in one region SumSel. Incurrent obligation 1 has already implemented in Palembang, Ogan Ilir, and Muara Enim.

In strong accrual there are incurent asset 1 practice in every regional government, but incurent asset 2 only implemented by SumSel Province Region.

In super and radical accrual overall none of the object has implemented it. To make it easier to understand the analysis we have made graphic

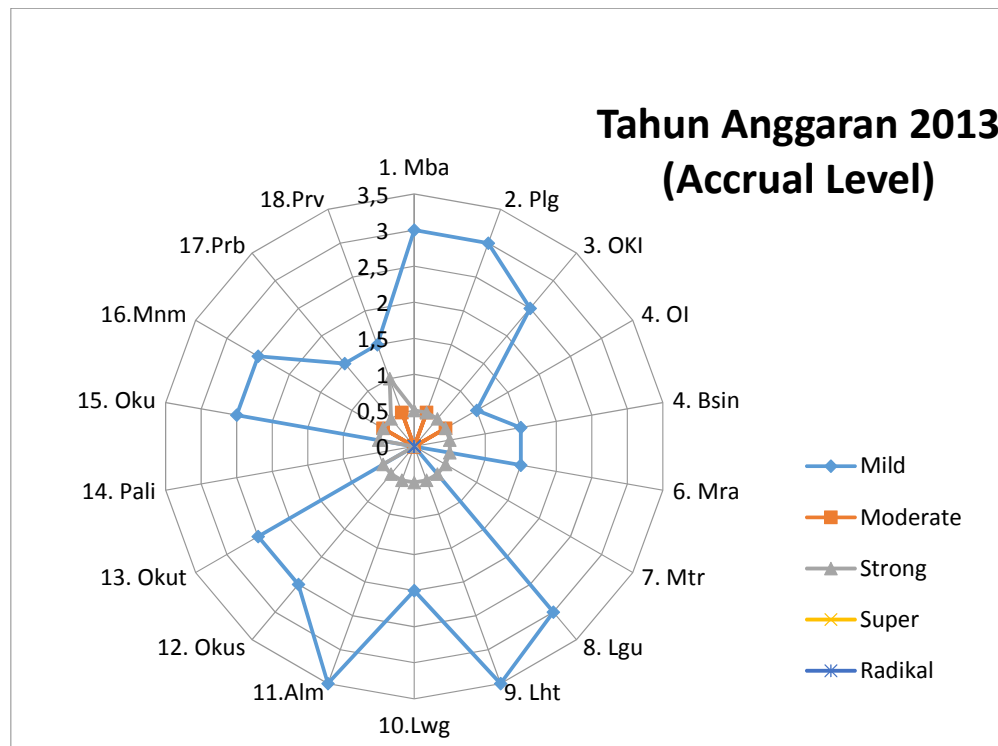
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Source: Data (2016)

To shown accrual level in financial report in each regional government the it is necessary to make accrual graphic in financial report of 2013 period. Based on the assumption above then the accrual component in account level could be converted into accrual level groups, this is important in order to fully undertand the analysis on the study. If the graphic has been converted in accrual level group then the graphic will be easier to understand, the following are regional government accrual level graphic on 2013:

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Source: Data (2016)

Result shown that there are high accrual mild transaction in regional government meaning that in 2013 every regional government in Sumatera Selatan had implemented accrual based transaction basis. With the exception of Pali and Muratara.

Muratara, because of the newly development region.

In moderate accrual there are current asset 2 that already implemented even only in one region SumSel. Incurrent obligation 1 has already implemented in Palembang, Ogan Ilir, and Muara Enim.

In super and radical accrual level it seems that none of the regional government had implemented it.

I. Conclusion

Data analysis that we have done on previous part give conclusion that accrual transaction kinds that occur in regional government including accruan transaction, delayed and depretiation. Those transactions are potential transaction in accrual transaction. However not every transaction occur in every regional government.

Accounts that impacted by those transactions are: current asset 1, current obligation, current asset 2, incurrent obligation 1, incurrent asset 1,

incurrent asset 2, incurrent obligation 2, incurrent asset 3, incurrent obligation 3.

Regional government in Sumatera Selatan in general had implementing mild accrual, moderate accrual and strong accrual transaction basis. Super accrual and radical accrual level have not yet implemented in regional government of Sumatera Selatan.

Accrual transaction that occur in 2013 reflect that accrual transaction level is still low but starting to increase in 2014 and more in 2015. This shown the increasing of accrual implementation since 2013 (CTA based), 2014 (CTA based) to 2015 (accrual based) this is according to government regulation regarding implementation of accrual based accounting.

Generally regional government start to implementing accrual basis since 2013 until 2015 and there are three accrual level that shown (mild accrual, moderate accrual, strong accrual)

J. Suggestion

We suggest that the next study to make some strong measurement of the strenght of regional government accrual discretion. In order to measure the capacity of regional government in implementing accrual basis.

K. Limitation

Our study have some limitation. The limit of our study is for one we have not yet observing discretion point. In this study we have not yet explore in mathematical equation of accrual discretion in each of regional government in Province, District, or City level. This is because in early step of our study we only wanted to identified many kinds of accrual level in regional governance.

In the next study we will pay more attention in discretion point. Discretion point could be measured by many models existing. This has been done by many researcher. We have done the calculation with Jones model (1991) but by the time this study released was not yet finished.

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