

Analysis Of Factor Affecting The Quality Of Government Financial Report Bengkalis Regency

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Abstract: This study aims to determine the effect of Quality Human Resources, Internal Control, Utilization of Technology and Application of SAP on Quality of Financial Statements at the Government of Bengkalis Regency. The dependent variable in this study is the Quality of Financial Statements, while the independent variables are Human Resource Quality, Internal Control, Technology Utilization and Application of SAP. The population in this research is 81 SKPD at Government of Bengkalis Regency. The sampling technique is determined by purposive sampling. Data collection technique is by distributing questionnaires. Data analysis was done with multiple linear regression model with SPSS version 20.00 software. The results of this study indicate that the Quality of Human Resources, Internal Control, and Utilization Technology affect the Quality of Financial Statements of Bengkalis Regency Government. While the application of SAP has no effect on the Quality of Financial Statements of Bengkalis Regency Government. The result of the determination coefficient (adjusted R2) test is 0.889. This shows that the Quality of Financial Statement at SKPD Government of Bengkalis Regency influenced by the factor studied equal to 88,9%. While 11.1% is influenced by other factors not observed in this research.

Index Terms: Quality of Financial Statement, Quality of Human Resources, Internal Control, Technology Utilization, Application of SAP

1 INTRODUCTION

The Government of Indonesia has undertaken reform of state financial management both to the central government and to the local government with the enactment of a package of state finance law, namely Law no. 17 of 2003 on State Finances, Law no. 1 Act No.1 of 2004 on State Treasury. The legislation states that the Governor/Regent/Mayor submit a draft local regulation on the accountability of the APBD to the DPRD in the form of financial statements examined by the State Audit Board at the latest 6 (six) months after the fiscal year ends. The financial statements are prepared and presented in accordance with the Accounting Standards. Government Regulation No. 71 of 2010 on Government Accounting Standards states that financial statements are structured reports on the financial position and transactions conducted by a reporting entity. This is affirmed in the Statement of Government Accounting Standards Number 1 paragraph 9. The general purpose of the financial statements is to provide information on the financial position, budget realization, cash flow, and financial performance of a reporting entity useful to users in creating and evaluating decisions on resource allocation. The government financial report is essentially a form of government accountability to the people for the management of public funds from taxes, levies or other transactions (Mahmudi, 2003). For local governments it is imperative to prepare quality financial statements. The quality of local government financial statements reflects the orderly management of local government finances, which includes orderly administration and adherence to principles. The indicator that the local government's financial report is qualified is Unqualified Opinion (WTP) given by the Supreme Audit Agency (BPK) to the Local Government Financial Report (LKPD).

In an organization, especially government organizations related to efforts to achieve the established goals, can't be separated from the existence of human resources as the organizers drive the way. Human resources become the determinant of running whether or not, in addition to the availability of facilities and infrastructure. Riau Provincial Government, is still short of accounting personnel, so that the competence of financial officers is still low. There are still employees whose educational background is less appropriate to the field of duty, causing the application of accounting has not been effective. Failure of local government human resources in understanding and applying accounting logic will have an impact on mistakes made financial statements and mismatch reports with standards established by the government. The purpose of SPI is to improve the efficiency and effectiveness of the audit conducted by the BPK and for the local government to improve the internal control system and performance control. The role of SPI is to improve the performance, transparency, and accountability of State financial management. Facts that occur in the field indicate that from the examination of the Supreme Audit Agency (BPK) of 520 LKKL reported in IHPS I Year 2016 found 1,046 cases of weakness Internal Control System (SPI) Another thing that may affect the quality of government financial reports is the utilization of information technology. Technology is seen as a tool used by individuals to accomplish their tasks. Obligation of information technology utilization by government and local government is regulated in Government Regulation No.56 Year 2005 regarding Regional Financial Information System which is substitute of PP. 11 of 2001 on Regional Financial Information System. Although it is widely known that the benefits offered by an Information Technology include the speed of transaction processing and report preparation, the accuracy of calculation, the storage of large amounts of data, lower processing boards, multiprocessing capabilities (Wahana Komputer, 2003), but the implementation of information technology it is not cheap. Especially if the existing information technology is not or has not been able to be utilized optimally then the implementation of technology becomes futile and more expensive. Obstacles of application of information technology, among others related to the condition of hardware, software used, updating data, existing human resource conditions, and limited funds. This constraint that may be the factor utilization of information technology in

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government agencies has not been optimal. Application of Government Accounting Standards (SAP) is also one of the factors that can affect the quality of Regional Financial Reports. Implementation of Government Accounting Standards (SAP) should refer to the applicable Government Regulation, in this case Government Regulation Number 71 of 2010 on Government Accounting Standards which is a substitute of Government Regulation Number 24 Year 2005 on Government Accounting Standards. Governmental Accounting Standards governs the preparation of financial statements for general purposes in order to improve the comparability of financial statements to the budget, between periods, and between entities. The result of LHP by BPK Riau on the application of accounting system in Riau province was not in accordance with the regulations and the legislation. The Financial Supervisory Board found that non-compliance with laws and regulations in local financial management, among others are: (1) Delay in Procurement Vehicle Provincial Government Riau Riau FY 2014 Not Fitted Fines; (2) There is Debt from Year 2011 Up To Now for Other Retribution and Other Income Outcomes that Still Not Budgeted Payment; and (3) School Operational Assistance Grants for Fiscal Year 2014 Have Not Been Responsible. Based on the background of the problems described above, the formulation of the problem in this research is 1) Does the Quality of Local Government Apparatus have a significant effect on the Quality of Regional Financial Report of Bengkalis Regency ?, 2) Does Internal Control significantly affect the Quality of Regional Financial Report of Bengkalis Regency? , 3) Does Utilization of Information Technology have a significant effect on the Quality of Regional Financial Report of Bengkalis Regency ?, 4) Is the Application of Government Accounting Standard (SAP) has significant effect to the Quality of Regional Financial Report of Bengkalis Regency? Based on the formulation of the above problem, this study has the following objectives, 1) To examine the effect of apparatus quality on the quality of financial statements of the local government of Bengkalis Regency, 2) To examine the effect of internal control on the quality of financial statements of local government of Bengkalis Regency, 3) the influence of information technology on the quality of local government financial statements Bengkalis, 3) To test the effect of the application of Government Accounting Standards (SAP) to the quality of financial statements of local government Bengkalis Regency.

2 LITERATURE REVIEW

2.1 Quality of Financial Statements

Statement of Government Accounting Standards (PSAP) Number 1 paragraph 9 as contained in Government Regulation No. 71 of 2010 on Government Accounting Standards states that financial statements are structured reports on the financial position and transactions conducted by a reporting entity. The general purpose of the financial statements is to provide information on the financial position, budget realization, cash flow, and financial performance of a reporting entity useful to users in creating and evaluating decisions on resource allocation. useful for decision-making and to demonstrate the accountability of the reporting entity to the resources entrusted to it. Government financial reports should provide useful information to users in assessing accountability and making decisions about economic, social, and political decisions. Useful financial statements have

meaning in the financial statements containing information content. The financial statements will be useful if the report meets the qualitative standards. In the Accounting Standards Government explained that the qualitative characteristics of financial statements are:

1. Relevant, ie the information contained in it can affect the decision of the user by helping them evaluate current or present events and predict the future, as well as correcting their evaluations in the past. Relevant information has the following elements:

a. Benefit of feedback (feedback value).

Information allows users to assert tools to correct their expectations in the past.

b. Predictive value (predictive value).

Information can help users to predict future which will come based on past and present-day results.

c. Timeliness.

The information presented in a timely manner can be influential and useful in decision making.

d. Complete.

The information presented includes all accounting information that may affect decision making. Information underlying every point of key information contained in the financial statements is clearly disclosed in order to make a mistake in the use of information can be prevented.

1. Reliable, ie information in the financial statements are free of misleading notions and material mistakes, present every fact honestly, and can be verified. Reliable information meets the following characteristics:

a. Honest presentation.

Information describes honestly transactions as well as other events that should be presented or reasonably expected to be presented.

b. Can be verified (verifiability).

The information presented in the financial statements can be tested, and if the test is done more than once by different parties, the results will still show a conclusion that is not much different.

c. Neutrality.

Information is directed at general needs and does not favor the needs of certain parties.

2. Comparable, the information contained in the financial statements will be more useful if it can be compared with the previous period financial statements or financial statements of other reporting entities in general.

3. Understandable The information presented in the financial statements can be understood by the user and expressed in terms and terms tailored to the limits of the user's understanding.

2.2 Quality of Local Government Apparatus

In an organization, especially government organizations related to efforts to achieve the goals set, can't be separated from the element of human resources as a driver of the organization. Human resources become the determinant of running or not, in addition to the availability of facilities and infrastructure. Organization require quality human resources to be able to achieve the objectives that have been determined. To have qualified human or human that effective and effective need of human resource management (MSDM). With the existence of regional autonomy, the administration is delegated to their respective local governments. The

implication is that local governments should give emphasis on improving the quality of human resources that is civil servants of the region (PNSD). The regional government desperately needs a professional PNSD with broad insight, competence in the field and have a soul to compete in a sportsmanship. A professional PNSD will be able to complete the task and work completely. With its competence, PNSD can perform its main duty and function optimally. PNSD qualified and competent in the field of accounting (finance) become the main buffer to be able to compilation of quality financial statements. This means the quality of PNSD in accounting (finance) is a factor which affect the quality of financial reports prepared by local governments.

2.3 Internal Control

Internal controls are the policies and procedures applied to obtain reasonable assurance that the objectives of a specific business unit will be achieved (Arens et al., 2006). The definition of internal controls conveyed by the Committees of Sponsoring Organizations of the Tradeway Commission (COSO), that internal control is a process that is influenced to provide assurance that the goals of the organization can be achieved through: efficiency and effectiveness of operations, the presentation of financial statements that can be trusted, compliance with applicable laws and regulations. Internal controls can be explained as a process designed to provide a rational belief in the achievement of the financial reporting reliability objectives, effectiveness and efficiency of a company's operations and organizational conformity to existing rules and regulations. The purpose of internal control is to maintain the wealth of the organization or secure assets, check the accuracy and correctness of accounting data, encourage efficiency, encourage compliance with management policies. Internal control systems include organizational structure, methods, and coordinated measures to safeguard organizational wealth, check the accuracy and reliability of accounting data, encourage efficiency, and adhere to leadership policies. The internal control process of the organization consists of five elements: control environment, risk measurement, control activities, information and communication, and supervision of Bodnar and William (2006: 11). According to Government Regulation no. 60 of 2008, the internal control system is an integral process of actions and activities undertaken continuously by the leadership and all employees to provide reasonable assurance on the achievement of organizational goals through effective and efficient activities, reliability of financial reporting, security of state assets, and compliance against legislation.

2.4 Utilization of Information Technology

Application of information and communication technology which is technology development among others is computer media. Computer is an application of information and communication-based technology used as the main tool to process data into useful information by processing, presenting and managing information. In general there are three roles of information technology and communication as proposed by Munir (2011: 33). First, replace the human role by doing the automation activities of a particular task or process. Second, strengthen the human role of presenting information, tasks or processes. Third, restructure or make changes to a task or process. According to Mustafa's research, et al (2010) the utilization of information technology on the implementation of

accounting tasks. Information technology includes computers, software, databases, networks, electronic commerce, and other types related to technology. Information technology uses computer technology for processing and storage, also serves as a communication technology for deployment. Obligation of information technology utilization by government and local government is regulated in Government Regulation No.56 Year 2005 regarding Regional Financial Information System which is substitute of PP. 11 of 2001 on Regional Financial Information System. Obstacles of application of information technology, among others related to the condition of hardware, software used, updating data, existing human resource conditions, and limited funds. This constraint that may be the factor utilization of information technology in government agencies has not been optimal.

2.5 Understanding Application of Government Accounting Standards

Governmental Accounting Standards govern governing the presentation of financial statements for general purposes in order to improve the comparability of financial statements to the budget, between periods, and between entities. Financial Statements for general purposes are financial statements aimed at meeting the needs of most users of the report. The Government Accounting Standard sets out all considerations in the context of presenting the financial statements, the guidelines on the structure of the financial statements and the minimum requirements of the financial statements (Zeyn, 2011). The application of SAP requires each reporting entity, which in this case includes the local government to report on the efforts already made and the results achieved in the systematic and structured implementation of the activities in a reporting period for accountability, management, transparency, generation and evaluation performance. Through the application of SAP will be prepared a useful financial report. The usefulness of the financial statements is determined by the content of the information presented in the financial statements. In order for the financial statements to contain meaningful information, the financial statements should be prepared in accordance with SAP.

3 RESEARCH HYPOTHESIS

Effect of Quality of Local Government Apparatus on Quality of Financial Statement

With the existence of regional autonomy, the administration is delegated to their respective local governments. The implication is that local governments should give emphasis on improving the quality of human resources that is civil servants of the region (PNSD). The regional government desperately needs a professional PNSD with broad insight, competence in the field and have a soul to compete in a sportsmanship. This means that the quality of PNSD in the field of accounting (finance) is a factor that affects the quality of financial statements prepared local government. Research on the quality of apparatus quality of the financial statements performed by Daniel Kartika Adhi and John Suhardjo (2014) the quality of local government apparatus influential significant to the quality of financial statements. Based on the description above, the hypothesis proposed in this study are:

H1: The quality of Local Government Apparatus Affects Quality of Financial Statements

Effect of Internal Control on Quality of Financial Statement

Internal controls are the policies and procedures applied to obtain reasonable assurance that the specific objectives of a business unit will be achieved (Arens et al., 2006). The internal control definitions conveyed by the Committees of Sponsoring Organizations of the Tradeway Commission (COSO) internal control is an influenced process to provide assured assurance that organizational goals can be achieved through: efficiency and effectiveness of operations, the presentation of credible financial statements, compliance with laws and applicable rules. Research Tuti Herawati (2014), Kadek Desiana at all (2014) shows the internal control system significant effect on the quality of financial statements. Similarly, research conducted by As Syifa Nurillah (2014) research results show that the internal control system significantly influence the quality of financial statements. Based on the description above, the hypothesis proposed in this study are:

H2: Influence of Internal Control Affects the Quality of Financial Statement

Effect of Information Technology Utilization on Quality of Financial Statement

Obligation of information technology utilization by government and local government is regulated in Government Regulation No.56 Year 2005 regarding Regional Financial Information System which is substitute of PP. 11 of 2001 on Regional Financial Information System. Obstacles of application of information technology, among others related to the condition of hardware, software used, updating data, existing human resource conditions, and limited funds. This constraint that may be the factor utilization of information technology in government agencies has not been optimal. Research conducted by As Syifa Nurillah (2014), Tuti Herawati (2014), Demonti septiany (2015) utilization of information technology significant effect on the quality of financial statements. Based on the description above, the hypothesis proposed in this study are:

H3: Effect of Information Technology Influence on Quality of Financial Statement

The Effect of Implementation of Government Accounting Standards (SAP) on Quality of Financial Statements

Governmental Accounting Standards govern governing the presentation of financial statements for general purposes in order to improve the comparability of financial statements to the budget, between periods and between entities. Financial statements for general purposes are financial statements aimed at meeting the common needs of most report users. Through the application of SAP will be prepared a useful financial report. The usefulness of financial statements is determined by the content of the information presented in the financial statements financial statements contain meaningful information then the financial statements should be compiled based on SAP. Research influence the quality of apparatus to the quality of financial statements performed by Daniel Kartika Adhi and John Suhardjo (2014) quality of local government apparatus have a significant effect on the quality of financial statements. Based on the description above, the hypothesis proposed in this study are:

H4: Application of Government Accounting Standards (SAP) Influential on Quality of Financial Statements

4 RESEARCH METHODOLOGY

In accordance with the problems and objectives formulated, this research belongs to causative research. Causative research is useful for analyzing the effect of one variable with several other variables. Where research that aims to find out how far independent variables affect the dependent variable. This study is directed to provide empirical evidence that "The Effect of Application of Government Accounting Standards, Quality of Local Government Apparatus, Internal Control and Utilization of Information Technology on Quality of Local Government Financial Statements" The population used in this study is the Regional Device Work Unit (offices and Bodies) that exist in Bengkalis Regency. The Regional Device Working Units (SKPD) in Bengkalis district are 33 SKPD. Determination of sample by random sampling that is purposive sampling that is sample is determined based on certain criterion, that is echelon III official (Head of Section/Level) and IV (Head of Sub Division /Head of Sub Division/level) at District Device Work Unit in Bengkalis Regency, whose term of office is at least 1 year. The method used in this research is survey method with questionnaire technique. The questionnaire contains a list of questions asked to respondents to obtain data related to the research. Primary data obtained from the answers of the respondents of the research that is Bangkarawan SKPD Bengkalis. To obtain the required data in this study used the instrument in the form of questionnaires. The questionnaire was distributed by giving directly to the SKPD Bengkalis Treasurer. The questionnaire contains a list of questions whose answers are expressed using a Likert scale. To facilitate the processing and analysis of data, used several operational variables. The operational definitions relating to the process of data analysis in this study are as follows:

Dependent Variables

The dependent variable is the variables influenced by the independent variables (Indriantoro and Supomo, 1999) .Table variable in this study is the Quality of Local Government Financial Statements.

Quality of Financial Statements

Statement of Government Accounting Standards (PSAP) Number 1 paragraph 9 as contained in Government Regulation Number 71 of 2010 concerning Government Accounting Standards states that financial statements are structured reports on the financial position and transactions performed by a reporting entity. The general purpose of the financial statements is to present information on the financial position, budget realization, cash flow, and financial performance of a reporting entity beneficial to users in making and evaluating decisions on resource allocation. In principle, government financial reports are the assertions of government management that provide useful information for decision-making and to demonstrate the accountability of the reporting entity to the resources entrusted to it.

Target > 80%: value 5

Target 65 - 79%: value 4

Target 50 - 64%: value 3

Target 35 - 49%: value 2

Target <34%: value 1

Independent Variables

Quality of Local Government Apparatus With the existence of regional autonomy, the administration is delegated to their

respective local governments. The implication is that local governments should emphasize on improving the quality of human resources of local civil servants (PNSD). The regional government desperately needs a professional PNSD with broad insight, competence in its field and soul to compete in a sportsmanship. A professional PNSD will be able to complete the task and work completely. With its competence, PNSD can perform its main duties and functions optimally. Qualified and competent NPSD in accounting (finance) becomes the main buffer for the formation of qualified financial statements. This means the quality of PNSD in accounting (finance) is a factor that affects the quality of reporting finances compiled by local government. The question is measured using 5 Likert scale points (1 = strongly disagree and 5 = strongly agree).

Internal Control

The Internal Control System (SPAP) Internal Control is defined as follows: "The Internal Control System covers the organization as well as all the coordinated methods and conditions adopted in a company to protect its property, checks the accuracy and reliability of accounting data, improves business efficiency, and encourages in compliance with management policies that have been outlined. With regard to the components or elements of internal control, COSO in Haryono Jusup (2001: 257); Messier (2000: 188), said that internal control has 5 (five) components: (1) Control environment, (2) Risk interpretation, (3) Accounting information system and communication, (4) Control activities, (5) Monitoring . Internal control is measured by instruments developed by Prasetyono (2007). The instrument consists of several questions about the information related to internal control, using a 5-point Likert scale (1 = strongly disagree and 5 = strongly agree).

Utilization of Information Technology

According to Mustafa's research, et al (2010) the utilization of information technology on the implementation of accounting tasks. Information technology includes computers, software, databases, networks, electronic commerce, and other types related to technology. Information technology uses computer technology for processing and storage, as a communication technology for deployment. Obligation of information technology utilization by government and local government is regulated in Government Regulation No.56 Year 2005 regarding Regional Financial Information System which is substitute of PP. 11 of 2001 on Regional Financial Information System. Obstacles of application of information technology, among others related to the condition of hardware, software used, updating data, existing human resource conditions, and limited funds. This constraint may be a factor in the utilization of information technology in government agencies is not optimal. The question is measured using 5 Likert scale points (1 = strongly disagree and 5 = strongly agree).

Application of Government Accounting Standards

Definition of Government Accounting Standards by Bastian (2005: 134) is Government Accounting Standard, hereinafter called SAP, is accounting principles applied in preparing and presenting government financial statements. One of the efforts to realize transparency and accountability of state financial management is with the enactment of Law No. 17 of 2003 on State Finance which requires the form and content of the accountability report of the implementation of the State Budget

(APBN) or the Regional Budget (APBD) and presented in accordance with Government Accounting Standards established by Government regulations. Thus SAP is a requirement that has the power of law in an effort to improve the quality of government financial statements in Indonesia. The question is measured using 5 Likert scale points (1 = strongly disagree and 5 = strongly agree).

Multiple Linear Regression Analysis

Data analysis conducted in this study using multiple linear regression, where multiple linear regression analysis is used to measure the influence between more than one independent variable to the dependent variable (Ghozali 2011: 99). The multiple linear regression equation is as follows:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + e$$

Information :

Y = Quality of Local Government Financial Report

a = Constants

b1, b2, b3, b4 = Regression Coefficients

x1 = Application of Government Accounting Standards

x2 = Quality of Local Government Apparatus

x3 = Internal Control

x4 = Utilization of Information Technology

e = error

5 RESULTS AND DISCUSSION

Data Quality Test Results

Based on the result of validity test of variable of Application of Government Accounting Standard (X1), Quality of Local Government Apparatus (X2), Internal Control (X3), Utilization of Information Technology (X4) and Quality of Financial Statement (Y) have corrected item value - total correlation greater than 0.2185. This means that all statement items are declared valid. Based on the results of the variable reliability testing of the Application of Government Accounting Standards (X1), the Quality of Local Government Apparatus (X2), Internal Control (X3), Utilization of Information Technology (X4) and Quality of Financial Statements (Y) have Cronbach's Alpha value greater than 0, 6 so it can be stated all the variables in the research is reliable.

Normality Test Results

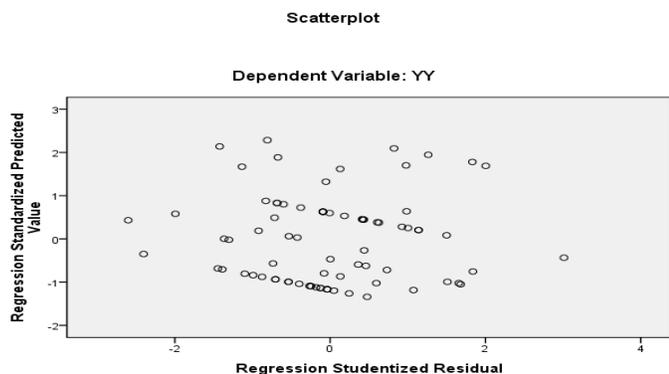
Normality test results in this study showed that the value of Sig Kolmogorov-Smirnov (K-S) obtained 0.715 results with significance at 0.686 (≥ 0.05) Thus it can be concluded that the overall data used in this study distributed normally.

Classic Assumption Test Results

In this study obtained tolerance values ≥ 0.10 and VIF ≤ 10 so it can be concluded not to happen multicollinearity.

Heteroscedasticity Test Results

The result of heteroscedasticity test can be seen in the following figure:



Picture: Scatterplot chart

From the above scatterplot chart shows that the points spread randomly and do not form a particular pattern. This shows that there is no heteroscedasticity in this study. Coefficient Determination Test Results (Adjusted R2).

Table 4.28: Results of Coefficient of Determination in Correlation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.946 ^a	.895	.889	.19837

Source: Processed Data SPSS version 20.00

To measure how big the relationship between the independent variables (X1, X2, X3 and X4) with the dependent variable (Y) is the value of R (correlation coefficient) in the table. The result by showing R (correlation coefficient) = 0,946 which means strong relation between independent variables with dependent variable equal to 94,6%. R2 (coefficient of determination) is a value that indicates the ability of independent variables to explain the dependent variable, in this study R2 of 0.889 which means that 88.9% variation (change) Y (audit quality) can be explained by variations of independent variables (X1, X2, X3 and X4) while the remaining 11.1% is explained by factors other than the model in this study.

Results of Multiple Linear Regression Analysis
Test results with IBM SPSS Version 20 software For hypothesis testing using multiple linear regression statistic model is as follows:

Table. 4.27: Results of Linear Multiple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	-.394	.131			
	Quality of human resources	.162	.064	.117	2.552	.013
	Internal Control	.286	.065	.657	11.170	.000
	Technology Utilization	.623	.056	.657	11.170	.000
	SAP Implementation	.135	.092	.081	1.468	.146

a. Dependent Variable: Quality of Financial Statements
Source: Processed Data SPSS version 20.00

From the table above, the equation is as follows:
 $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$
 $KA = -0.394 + 0.162X_1 + 0.286X_2 + 0.623X_3 + 0.135X_4 + e$

Hypothesis Testing Results And Discussion (t-test)
Effect of Quality of Local Government Apparatus on Quality of Financial Statement.

Table 4 Results of First Hypothesis Test

Independent Variables	tcount	t _{table}	Sig.	Information
Quality of Local Government Apparatus	2,552	1,990	0,013	H1 accepted

Source: Processed Data SPSS 21.0, 2017

From the table it is known that the value of ttable 1,990 at a significant level of 1.3% or 0.013. Based on regression test can be seen that tcount > ttable is 2.552 > 1.990 with significance value obtained is 0,013 < 0,05. From the test results can be concluded that the first hypothesis accepted. This shows that the quality of Local Government Apparatus influences the quality of Financial Report. Means the higher the Quality of Local Government Apparatus owned by an auditor then the better the quality of the financial statements produced by the auditor. This means that if employees have responsibility and perform their duties based on the guidelines then the better the capacity and the better the quality of local government financial statements. Based on the results of hypothesis testing can be concluded that the variable capacity of human resources affect the quality of financial statements of local government Bengkalis Regency. Effect of Internal Control on Quality of Financial Statement

Table 5 Results of Second Hypothesis Test

Independent Variables	tcount	t _{table}	Sig.	Information
Internal Control	4,386	1,990	0,00	H ₂ accepted

Source: Processed Data SPSS 21.0, 2016

From the table it is known that the value of ttable 1,990 at a significant level of 0.0% or 0.00. Based on regression test can be seen that t count < ttable is 4,386 < 1,990 with significance value obtained is, 00 < 0,05. From the test results can be concluded that the second hypothesis accepted. This shows that Internal Control influences the Quality of Local Government Apparatus. Means the more Internal Control owned by the government have an effect on the Quality of Local Government Apparatus. These results indicate that the internal control system in Bengkalis Regency SKPD is adequate. This can be seen from the making of Standard Operating Procedure (SOP) for every activity of budget management, there is separation of authority so that employees in SKPD work in accordance with their respective authority, each transaction supported by valid transaction proof and valid so that in process of preparation of financial statement, the resulting information becomes reliable.

Effect of Technology Utilization on Quality of Financial Statement

Table 6 Third Hypothesis Test Results

Independent Variables	tcount	t _{table}	Sig.	Information
Utilization of Information Technology	11,170	1,990	0,00	H ₃ accepted

Source: Processed Data SPSS 21.0, 2016

From the table it is known that the value of t_{table} 1,990 at a significant level of 0.0% or 0.00. Based on regression test can be seen that the value of t count <t_{table} is 11,170 <1,990 with significance value obtained is 0,00 <0,05. From the test results can be concluded that the third hypothesis accepted. This indicates that the utilization of Information Technology affects Internal Control. Means the higher utilization of Information Technology owned by an auditor influence on the Internal Control generated by the Government. Based on hypothesis testing, it can be concluded that the variables utilization of information technology affect the quality of financial statements Bengkulu Region. The better the utilization of information technology, the better the quality of local government financial statements are generated.

Effect of SAP Application on Quality of Financial Statement

Table 3 Results of Fourth Hypothesis Test

Independent Variables	tcount	t _{table}	Sig.	Information
SAP Implementation	1,468	1,990	0,146	H ₄ rejected

Source: Processed Data SPSS 21.0, 2017

From the table it is known that the value of t_{table} 1,990 at the level of significant 0,5% or 0,025. Based on regression test can be seen that t count <t_{table} is 1,468 <1,990 with significance value obtained is 0,146 > 0,05. From the test results it can be concluded that the fourth hypothesis is rejected. This shows that SAP Application is not against utilization of Information Technology. Means the higher Application of SAP does not affect the Quality of Financial Statements generated by the auditor. Based on the survey results in locations that provide a picture of the number of financial managers who are not accounting education background, the understanding of the new government accounting standards are still not well established.

4 CONCLUSION, RESEARCH LIMITATION, SUGGESTION

Based on the results of the research, the conclusions of this study can be described as follows:

1. The capacity of human resources affect the quality of financial statements Local Government of Bengkulu Regency. This means that the better the capacity of human resources, the better the quality of local government financial statements are generated.
2. Government Internal Control System (SPIP) has an effect on to quality of Bengkulu Government financial report. This means that, the better the implementation of SPIP elements, the better the quality of local government financial statements are generated.

3. Utilization of information technology affect the quality of financial statements Local Government Bengkulu. This means that the better utilization of information technology, the better the quality of local government financial statements are generated.

4. The application of SAP has no effect on the quality of Bengkulu Government's financial statements. This means that the higher application of Government Accounting Standards (SAP) does not affect the quality of government financial reports generated.

Limitations of Research

This research is still far from perfect word because it has limited research, including:

1. This research can not reach the whole of Regional Device Work Unit in Bengkulu Regency. Because there are some bodies that are not willing to be used as research sites, so there is a possibility that the expected research results are not maximized.
2. This study used survey method with questionnaires distributed without interview. It is helpful to collect data with a list of oral questions through interviews.
3. This study only discusses 4 (four) independent variables related to the Quality of Local Government Financial Report. Other variables are ignored and considered to have no effect on the Quality of Local Government Financial Statements.

Suggestion

1. Researchers then expected to be able to get the overall data from all the agencies/agencies /offices that exist, so that the results obtained more leverage.
2. For further research can complement the research method by using questionnaires and conducting direct interviews.
3. Can add other variables that affect the Quality of Financial Statements on SKPD in Local Government.

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