

## CHAPTER IV

### RESEARCH RESULT AND DISCUSSION

#### A. General Description of Research Object/Subject

Sampling in this study uses purposive sampling where all samples come from government that are directly related to the financial statements of the village government. Starting from the local government as an auditor and coach, the sub-district government as the verifier and the village government itself as the executor. The population in this study is all of Bantaeng Regency governments.

**Table 4.1**  
**Scattered Questionnaire**

No	Name of Village	Scattered Questionnaire	Return Questionnaire
1	Baruga	4	4
2	Layoa	5	5
3	Labbo	4	4
4	Pattallassang	4	4
5	Kampala	4	4
6	Lonrong	3	3
7	Bonto Tiro	5	5
8	Rappoa	4	4
9	Pa'bentengang	4	4
10	Borong loe	5	5
11	Mappillawing	3	3
12	Bonto Marannu	4	4

No	Name of Village	Scattered Questionnaire	Return Questionnaire
13	Bonto Daeng	4	4
14	Bonto Jai	5	5
15	Tombolo	2	2
16	Lumpangang	3	3
17	Bonto Majannang	3	3
18	Kayu Loe	4	4
<b>Total</b>		<b>70</b>	<b>70</b>
<b>Questionnaire that can be processes</b>			<b>68</b>
<b>Return rate</b>			<b>97,14%</b>

*Source: primary data processed,2018*

From table 4.1 shows that each village which was made as the sample of the study was taken 3-5 respondents to fill the research questionnaire. For the regional government itself, 10 respondents and the sub-district government were taken 17 respondents. There are 70 questionnaires that can return with a return rate of 97.14% and only 68 questionnaires that can be processed until the end of this research.

**Table 4.2**  
**Respondents data**

<b>Total sample</b>		<b>Frequencies</b>	<b>Percentage</b>
Gender	Male	40	58.8%
	Female	28	41.2%
<b>Total</b>		<b>68</b>	<b>100.0%</b>
Age	<20	1	1,4%
	20-35	32	47%
	36-50	33	48,5%
	>50	2	4,1%
	Not filled	-	0%
<b>Total</b>		<b>68</b>	<b>100%</b>

<b>Total sample</b>		<b>Frequencies</b>	<b>Percentage</b>
Education Level	Senior High school	28	41.2%
	Diploma	5	7.4%
	Bachelor	28	41.2%
	Master	4	5.9%
	Doctor	-	0.0%
	Not filled	3	4.4%
<b>Total</b>		<b>68</b>	<b>100%</b>
Education Background	Accounting	1	1.5%
	Management	8	11.8%
	Economy	11	16.2%
	Social	25	36.8%
	Another	12	17.6%
	Not filled	11	16.2%
<b>Total</b>		<b>68</b>	<b>100%</b>
Based on the length in the office	<1 year	12	17.6%
	1-5 years	22	32.4%
	6-10 years	17	25.0%
	>10 years	13	19.1%
	Not filled	4	5.9%
<b>Total</b>		<b>68</b>	<b>100%</b>
Based on the length in current position	<1 year	15	22.1%
	1-5 years	22	32.4%
	6-10 years	9	13.2%
	>10 years	12	17.6%
	Not filled	10	14.7%
<b>Total</b>		<b>68</b>	<b>100%</b>

*Source: primary data processed, 2018*

Based on the table 4.2 there are 68 respondents of this research. Based on the gender, the total male respondents are 40 males with percentage 58,8% and female are 28 with the percentage 41,2%. For age information, the total respondents with <20 years old is 1 with percentage 1,4%, 20-35 years old are 32 with percentage 47%, 36-50 years old are 33 with the percentage 48,5% and >50 years old are 2 with the percentage 4,1%. Based on the

education level, the total respondents that graduated from senior high school are 28 with percentage 41,2%, diploma are 5 with percentage 7,4%, bachelor are 28 with the percentage 41,2%, master are 4 with percentage 5,9%, doctor 0 with percentage 0% and respondents who did not fill education level are 3 with percentage 4,4%. Based on education background, the respondents with accounting background are 1 with percentage 1,5%, management are 8 with percentage 11,8%, economics 11 with the total percentage 16,2%, social are 25 with the total percentage 36,8%, the other background are 12 with the percentage 17,6%, and the respondents who did not fill the education background are 11 with the total percentage 16,2%. Based on the length in the office, the respondents that <1 year length in the office are, 12 with percentage 17,6%, 1-5 years are 22 respondents with percentage 32,4%, 6-10 years are 17 with the percentage 25%, >10 years are 13 respondents with the percentage 19,1%, and the respondents who not filled this section are 4 with the percentage 5,9%. Based on the length in the current position, the information of the respondent that <1 year is 15 with the percentage 22,1%, 1- 5 years are 22 respondents with the total percentage 32,4%, 6-10 years are 9 respondents with the percentage 13,2%, >10 years are 12 respondents with the percentage 17,6%, and the respondents who did not fill this section are 10 respondents with the percentage 14,7%.

## B. Descriptive Statistics Test

### 1. Descriptive statistics test result for independent variable

Descriptive statistics tests contain explanations related to descriptions of research that can be processed through data, diagrams, graphs and other forms to make it easier to make conclusions thoroughly. Descriptive statistical analysis is used to see a general description of the minimum, maximum, mean and standard deviations of a research. Minimum value is the smallest value of the data. Maximum value is the biggest value of the data. Mean is the average value of the table, while standard deviation is the value in determining the distribution of the data in sample.

**Table 4.3**  
**Descriptive statistics test result for independent variables**

	N	Minimum	Maximum	Mean	Std. Deviation
Accountability	68	17	25	21,19	1,863
Transparency	68	19	30	25,44	2,174
Human resource competence	68	22	39	32,40	3,533
Regulation Compliance	68	35	45	38,96	3,257
The use of information technology	68	19	44	34,57	5,002
Valid N (listwise)	68				

*Source: primary data processed, 2018*

We can see from the table 4.3, accountability, the minimum value is 17 while the maximum value 25. In the other side the mean of this variable is 21,19 and the standard deviation is 1,863. For transparency, the minimum value is 19 while the maximum value 30. In the other side the mean of this variable is 25,44 and the standard deviation is 2,174. for human resource competence, the minimum value is 22 while the maximum value 39. In the

other side the mean of this variable is 32,40 and the standard deviation is 3,533. for regulation compliance, the minimum value is 35 while the maximum value 45. In the other side the mean of this variable is 38,96 and the standard deviation is 3, 257. For the usage of information technology, the minimum value is 19 while the maximum value 44. In the other side, the mean of this variable is 34,57 and the standard deviation is 5,002.

## 2. Descriptive statistics test result for dependent variable

Descriptive statistics of the dependent variable are used to see the number of respondents and the percentage of answers for each statement on the questionnaire according to the available options on the dependent variable. In this research, the dependent variable used is financial statement quality with questionnaire as a tool to measure it. Minimum value is the smallest value of the data. Maximum value is the biggest value of the data. Mean is the average value of the table, while standard deviation is the value in determining the distribution of the data in sample. For dependent variable, the descriptive statistics test result can be shown in the table 4.4

**Table 4.4**  
**Descriptive statistics test result for dependent variable**

	N	Minimum	Maximum	Mean	Std. Deviation
FSQ1	68	2	5	4.26	,638
FSQ 2	68	3	5	4,34	,614
FSQ 3	68	3	5	4,32	,558
FSQ 4	68	3	5	4,31	,496
FSQ 5	68	3	5	4,01	,503
FSQ 6	68	3	5	4,31	,580

	N	Minimum	Maximum	Mean	Std. Deviation
FSQ 7	68	3	5	4,19	,526
FSQ 8	68	2	5	4,10	,577
FSQ 9	68	2	5	4,06	,485
Financial Statement Quality	68	29	43	37,91	2,864
Valid N (listwise)	68				

*Source: primary data processed, 2018*

Based on the table 4.4, the 1<sup>st</sup> question for financial statement quality minimum value is 2 and the maximum value is 5. In the other side, the mean for the 1<sup>st</sup> question is 4,26 and the standard deviation is 0,638. The 2<sup>nd</sup> question for financial statement quality minimum value is 3 and the maximum value is 5. In the other side, the mean for the 2<sup>nd</sup> question is 4,34 and the standard deviation is 0,614. The 3<sup>rd</sup> question for financial statement quality minimum value is 3 and the maximum value is 5. In the other side, the mean for the 3<sup>rd</sup> question is 4,32 and the standard deviation is 0,558. The 4<sup>th</sup> question for financial statement quality minimum value is 3 and the maximum value is 5. In the other side, the mean for the 4<sup>th</sup> question is 4,31 and the standard deviation is 0,496. The 5<sup>th</sup> question for financial statement quality minimum value is 3 and the maximum value is 5. In the other side, the mean for the 5<sup>th</sup> question is 4,01 and the standard deviation is 0,503. The 6<sup>th</sup> question for financial statement quality minimum value is 3 and the maximum value is 5. In the other side, the mean for the 6<sup>th</sup> question is 4,31 and the standard deviation is 0,580. The 7<sup>th</sup> question for financial statement quality minimum value is 3 and the maximum value is 5. In the other side, the mean for the 7<sup>th</sup> question is 4,19 and the standard deviation is 0,526 The

8<sup>th</sup> question for financial statement quality minimum value is 2 and the maximum value is 5. In the other side, the mean for the 8<sup>th</sup> question is 4,10 and the standard deviation is 0,577. The 9<sup>th</sup> question for financial statement quality minimum value is 2 and the maximum value is 5. In the other side, the mean for the 9<sup>th</sup> question is 4,06 and the standard deviation is 0,485. The total minimum of financial statement quality is 29 and the maximum value is 43. In the other side, the mean is 37,91 and the standard deviation is 2,864.

To find out the number of respondents and the percentage of answers for each statement on the questionnaire according to the options available on the dependent variable, the result can be shown in table 4.5.

**Table 4.5**  
**Descriptive statistics test result for dependent variable**

Questions	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	N	%	N	%	N	%	N	%	N	%
FSQ1	0	0,00	1	1,47	4	5,88	39	57,35	24	35,29
FSQ2	0	0,00	0	0,00	5	7,35	35	51,47	28	41,18
FSQ3	0	0,00	0	0,00	3	4,41	40	58,82	25	36,76
FSQ4	0	0,00	0	0,00	1	1,47	45	66,18	22	32,35
FSQ5	0	0,00	0	0,00	8	11,76	51	75,00	9	13,24
FSQ6	0	0,00	0	0,00	4	5,88	39	57,35	25	36,76
FSQ7	0	0,00	0	0,00	4	5,88	47	69,12	17	25,00
FSQ8	0	0,00	1	1,47	5	7,35	48	70,59	14	20,59
FSQ9	0	0,00	1	1,47	3	4,41	55	80,88	9	13,24

*Source: primary data processed, 2018*

The table 4.5 is the result of descriptive statistics based on the respondent's option seen from each statement instrument in dependent variable. For the 1<sup>st</sup> question, the total for the respondents that strongly



disagree is 0 with 0% percentage, disagree 1 with 1,47% percentage, neutral 4 with 5,88%, agree 39 with 57,35%, and strongly agree is 24 with 35,29%. For the 2<sup>nd</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree 0 with 0% percentage, neutral 5 with 7,35%, agree 35 with 51,47%, and strongly agree is 28 with 41,18%. For the 3<sup>rd</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 0 with 0% percentage, neutral is 3 with 4,41% percentage, agree is 40 with 58,82%, and strongly agree is 25 with 36,76%. For the 4<sup>th</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 0 with 0% percentage, neutral is 1 with 1,47% percentage, agree is 45 with 66,18%, and strongly agree is 22 with 32,35%. For the 5<sup>th</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 0 with 0% percentage, neutral is 8 with 11,76% percentage, agree is 51 with 75%, and strongly agree is 9 with 13,24%. For the 6<sup>th</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 0 with 0% percentage, neutral is 4 with 5,88% percentage, agree is 47 with 69,12%, and strongly agree is 25 with 36,76%. For the 7<sup>th</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 0 with 0% percentage, neutral is 4 with 5,88% percentage, agree is 47 with 69,12%, and strongly agree is 17 with 25%. For the 8<sup>th</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 1 with 1,47% percentage, neutral is 5 with 7,35% percentage, agree is 48 with 70,59%,

and strongly agree is 14 with 20,59%. For the 9<sup>th</sup> question, the total for the respondents that strongly disagree is 0 with 0% percentage, disagree is 1 with 1,47% percentage, neutral is 3 with 4,41% percentage, agree is 55 with 80,88%, and strongly agree is 9 with 13,24%.

The table 4.6 is the result of descriptive statistics based on the average distribution of respondents' answers seen from each question instrument in each variable.

**Table 4.6**  
**Average respondent / variable answer frequency distribution**

Y	Financial statement quality								
	Questions								
	1	2	3	4	5	6	7	8	9
Mean	4,26	4,34	4,32	4,31	4,01	4,31	4,19	4,10	4,06
X <sub>1</sub>	Accountability								
	Questions								
	1	2	3	4	5				
Mean	4,24	4,34	4,37	4,04	4,21				
X <sub>2</sub>	Transparency								
	Questions								
	1	2	3	4	5	6			
Mean	4	4,22	4,40	4,29	4,21	4,32			
X <sub>3</sub>	Human resource competence								
	Questions								
	1	2	3	4	5	6	7	8	
Mean	4,03	4,26	4,18	4,21	3,82	4,18	3,88	3,84	
X <sub>4</sub>	Compliance regulation								
	Questions								
	1	2	3	4	5	6	7	8	9
Mean	4,31	4,28	4,26	4,26	4,32	4,29	4,44	4,44	4,34
X <sub>5</sub>	The use of information technology								
	Questions								
	1	2	3	4	5	6	7	8	9
Mean	4,25	4,26	4,12	4,15	3,84	3,79	3,51	3,47	3,18

*Source: primary data processed, 2018*

### C. Quality of Data Instrument

#### 1. Validity Test and Reliability Test

##### a. Validity test

Validity is the level of reliability of a measuring instrument used. Data will be valid if the data match with what should be measured. The validity of the data can be seen from the total value of Bivariate Correlation Pearson  $r$  count is greater than  $r$  table and the significance value is not more than 0,05 in the SPSS version 15,0 data processing program for windows.

**Table 4.7**  
**Validity test result**

<b>Variable</b>	<b>Item</b>	<b><math>r</math>- count</b>	<b>Significance</b>	<b>Information</b>
Financial Statement Quality	KLP1	0,735	0,000	Valid
	KLP2	0,525	0,000	Valid
	KLP3	0,441	0,000	Valid
	KLP4	0,625	0,000	Valid
	KLP5	0,501	0,000	Valid
	KLP6	0,641	0,000	Valid
	KLP7	0,560	0,000	Valid
	KLP8	0,656	0,000	Valid
	KLP9	0,666	0,000	Valid
Accountability	AK1	0,737	0,000	Valid
	AK2	0,780	0,000	Valid
	AK3	0,698	0,000	Valid
	AK4	0,502	0,000	Valid

<b>Variable</b>	<b>Item</b>	<b>r- count</b>	<b>Significance</b>	<b>Information</b>
	AK5	0,369	0,000	Valid
Transparency	TR1	0,344	0,000	Valid
	TR2	0,441	0,000	Valid
	TR3	0,762	0,000	Valid
	TR4	0,824	0,000	Valid
	TR5	0,774	0,000	Valid
	TR6	0,549	0,000	Valid
Human Resource Competence	SDM1	0,652	0,000	Valid
	SDM2	0,535	0,000	Valid
	SDM3	0,704	0,000	Valid
	SDM4	0,827	0,000	Valid
	SDM5	0,828	0,000	Valid
	SDM6	0,818	0,000	Valid
	SDM7	0,839	0,000	Valid
	SDM8	0,791	0,000	Valid
Regulation Compliance	KUU1	0,822	0,000	Valid
	KUU2	0,683	0,000	Valid
	KUU3	0,740	0,000	Valid
	KUU4	0,500	0,000	Valid
	KUU5	0,705	0,000	Valid
	KUU6	0,805	0,000	Valid
	KUU7	0,768	0,000	Valid
	KUU8	0,660	0,000	Valid
	KUU9	0,685	0,000	Valid
The Use Of Information Technology	TI1	0,688	0,000	Valid
	TI2	0,672	0,000	Valid

Variable	Item	r-count	Significance	Information
	TI3	0,750	0,000	Valid
	TI4	0,742	0,000	Valid
	TI5	0,768	0,000	Valid
	TI6	0,651	0,000	Valid
	TI7	0,770	0,000	Valid
	TI8	0,741	0,000	Valid
	TI9	0,704	0,000	Valid

*Source: primary data processed, 2018*

Based on the table 4.7, the validity test result shown that all of the questionnaire question as a measurement tools have Pearson Correlation value on r-count  $\geq 0,25$  which is the value of t table. So, all instrument questionnaire statements are valid.

#### b. Reliability

If the items of a scale “hang together” and measure the same construct, a scale is said to have high internal consistency reliability (Huck, 2007 in Robinson, 2009). To see the data is reliable, the data should be have Cronbach Alpha value  $\geq 0,60$ . The result of reliability can be shown on the table 4.8.

**Table 4.8**  
**Reliability test result**

Variable	Cronbach Alpha value	Information
Financial statement quality	0,772	Reliable

<b>Variable</b>	<b>Cronbach Alpha value</b>	<b>Information</b>
Accountability	0,721	Reliable
Transparency	0,706	Reliable
Human resources competence	0,891	Reliable
Regulation compliance	0,874	Reliable
The use of information technology	0,879	Reliable

*Source: primary data processed,2018*

Based on the able 4.8, the Cronbach Alpha value of reliability test result  $\geq 0,60$  means that the instruments tool for every variable in this research is reliable. It means that the questions in this research instrument have consistency so that it can be used to another research in the same subject.

## 2. Classic assumption test

### a. Normality test

The normality test is used to determine whether the regression model is used, the confounding variable, and the residual has a normal distribution. Normality testing has been carried out for this research with the results on the table 4.9.

**Table 4.9**  
**Normality test result**

	<b>One Kolmogorov-Smirnov</b>	
	<b>Sig,</b>	<b>Information</b>
Unstandardized residual	0,886	Normal

*Source: primary data processed,2018*

To know whether our data is normally distribute or not, we can see the significant value that should be  $\geq 0,05$ . Based on the table 4.9, the significant value is 0,886. Means that the data distribute normally and can continue analyzing using parametric statistics.

b. Multicollinearity test

Multicollinearity test is used to find out whether in the regression model in the study there is a correlation between the independent variables, the multicollinearity can be seen with tolerance value and Variance Inflation Factor (VIF). Multicollinearity test has been carried out for this research with the results on table 4.10.

**Table 4.10**  
**Multicollinearity test result**

Variable	Collinearity statistic		Information
	Tolerance	VIF	
Accountability	0,843	1,187	does not contain multicollinearity
Transparency	0,780	1,282	does not contain multicollinearity
Human resource competence	0,550	1,819	does not contain multicollinearity
Regulation compliance	0,572	1,749	does not contain multicollinearity
The use of information technology	0,661	1,513	does not contain multicollinearity

*Source: primary data processed,2018*

Based on the table 4.10, the multicollinearity test result shows that the value of tolerance  $>0,10$  and the VIF  $<10$  means that there is no correlation between independent variable and the regression model does not contain multicollinearity in this research.

c. Heteroscedasticity test

Heteroscedasticity test is used to find out whether the research data used in the regression model variance and residual inequalities occur one observation to another observation. Heteroscedasticity can be seen through the glacier test on the SPSS data processing program which is determined by its significance value, the results of the heteroscedasticity test of this study are shown in the table 4.11.

**Table 4.11**  
**Heteroscedasticity test result**

Variable	Sig.	Conclusion
Accountability	0,408	Homoscedasticity
Transparency	0,162	Homoscedasticity
Human resource competence	0,392	Homoscedasticity
Regulation compliance	0,479	Homoscedasticity
The use of information technology	0,067	Homoscedasticity

*Source: primary data processed, 2018*



The model regression can be free from heteroscedasticity if significance value  $< 0,05$ . Based on the table 4.11 all of the variables are free from heteroscedasticity.

#### D. Research Result (hypothesis test)

##### 1. F test

F test or simultaneous test is used to determine whether all independent variables simultaneously or simultaneously influence the dependent variable. The influence can be seen through the ANOVA table in column F and significant column.

**Table 4.12**  
**F test result**

Model	F	Sig.
Regression	7,953	,000

*Source: primary data processed,2018*

Based on the table 4.12, the significant value of f test result is 0,000 which is  $< 0,05$  that become significant level. It can be concluded that the independent variable simultaneously effects towards financial statement quality of village government.

##### 2. T test

Partial testing of each independent variable on the dependent variable is a way to find out whether the independent variable influences the dependent variable. The requirement for the

independent variable to have an influence on the dependent variable can be seen from the regression coefficient in the direction of the hypothesis and the significance value in the t test. If the significance value  $<0,05$ , the hypothesis is not accepted or rejected. In the other side, if the significance value for t test  $>0,05$  then the hypothesis is accepted so that the independent variable partially effected to the dependent variable. The test results can be seen in the Coefficients table on the SPSS version 15.0 data processing system.

**Table 4.13**  
**Research result (t test)**

<b>Hypothesis</b>	<b>B</b>	<b>Sig,</b>	<b>Conclusion</b>
H <sub>1</sub> = accountability positively affect towards financial statement quality of village government	0,190	0,084	Rejected
H <sub>2</sub> = transparency positively affect towards financial statement quality of village government	0,097	0,389	Rejected
H <sub>3</sub> = human resource competence positively affect towards financial statement quality of village government	-0,022	0,872	Rejected
H <sub>4</sub> = regulation compliance positively affect towards financial statement quality of village government	0,285	0,034	Accepted

<b>Hypothesis</b>	<b>B</b>	<b>Sig,</b>	<b>Conclusion</b>
H <sub>5</sub> = the use of information technology positively affect towards financial statement quality of village government	0,317	0,012	Accepted

*Source: primary data processed,2018*

a. Hypothesis 1 test

Based on the table 4.13, the result of hypothesis test shows that there is no effect of accountability towards financial statement quality in village government. It is proven by regression coefficient value (B) 0,190 and the significant value 0,084 which is more than  $\alpha$  value or 0,05. It can be concluded that accountability does not positively affect towards financial statement quality of village government.

b. Hypothesis 2 test

Based on the table 4.13, the result of hypothesis test shows that there is no effect of transparency towards financial statement quality in village government, It is proven by regression coefficient value (B) 0,097 and the significance value 0,389 which is more than  $\alpha$  value or 0,05. It can be concluded that transparency does not positively affect towards financial statement quality of village government.

c. Hypothesis 3 test

Based on the table 4.13, the result of hypothesis test shows that there is no effect of human resource competence towards financial statement quality in village government. It is proven by regression coefficient value (B) 0,022 and the significance value 0,872 which is more than  $\alpha$  value or 0,05. It can be concluded that human resource competence does not positively affect towards financial statement quality of village government.

d. Hypothesis 4 test

Based on the table 4.13, the result of hypothesis test shows that there is effect of regulation compliance towards financial statement quality in village government. It is proven by regression coefficient value (B) 0,285 and the significance value 0,034 which is less than  $\alpha$  value or 0,05, It can be concluded that regulation compliance positively affects towards financial statement quality of village government.

e. Hypothesis 5 test

Based on the table 4.13, the result of hypothesis test shows that there is effect of the use of information technology towards financial statement quality in village government. It is proven by regression coefficient value (B) 0,317 and the significant value 0,012 which is less than  $\alpha$  value or 0,05. It can be concluded that the use of information of technology positively affects towards financial statement quality of village government.

### 3. Coefficient determination test (Adjusted R<sup>2</sup>)

The coefficient of determination test is a test performed on a regression model to measure how far the ability of the model in explaining the variation of the dependent variable. The high value of R square (R<sup>2</sup>) means that the ability of independent research variables to contribute to the dependent variable will be high.

**Table 4.14**  
**Coefficient determination test result**  
**Model Summary(b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,625(a)	,391	,342	2,324	1,605

*Source: primary data processed, 2018*

Based on the table 4.14 it is shows that the adjusted R square is 0,342 or 34,2% means that the independent variable does not contribute towards dependent variable. It can be concluded that independent variable explains 34,2% of dependent variable, 65,8% represent from the another variable outside the model.

#### E. Discussion

1. The effect of accountability towards financial statement quality in village government

As we know that accountability is a form of government's responsibility to the public without violating ethics. Based on table 4.13, it shows that accountability does not affect the quality of financial statements. So the high level of accountability, the level of financial

statements quality will not effect. This is in line with Setyoko's research (2011) which stated that most villages in Purbalingga Regency recipients of the ADD program are unable to realize financial administration accountability. This condition is in line with the results of research by Kloot and Martin (2001) which found differences in the level of accountability in rural and urban areas. In urban areas, accountability reports are very important as an effort to provide information to the public. Whereas in rural areas often people are less concerned about the issue of accountability of their government.

2. The effect of transparency towards financial statement quality in village government

Based on table 4.13, it shows that transparency does not affect financial statement quality of village government. Therefore, the higher the level of transparency of the village government, the level of financial quality of the village government will not effect. This is in line with conditions in the field which have limited publications access in delivering financial statement.

The results of this research indicated that transparency does not affect the quality of village government financial statements, this is in line with Septiningtyas (2017) research that transparency does not affect financial statement quality in local government.

3. The effect of human resource competence towards financial statement quality in village government.

Human resource competence is an ability that is owned by each individual in carrying out a task or function to achieve an organizational or personal goal. The purpose of the maximum use of human resources in the organization is that the output / financial statement produced will be better.

Based on table 4.13, the competence of human resources does not affect financial statement quality in village government. The competence of human resources in this study is measured by several statements related to responsibility, training and experience. On the other hand, at table 4.2, respondent with accounting background is only 1 person while in improving the quality of village financial statements it will be better if the competencies of human resources have educational background in their fields, get trained and have experience. In fact, in this study, respondents were still very lacking in indicators of educational background, training and experience. This is not in line with the research of Setyowati et al (2016) which stated that there is effect of human resource competence towards financial statement quality in local government.

4. The effect of regulation compliance towards financial statement quality in village government.

Based on table 4.13 regulation compliance has a positive effect towards financial statement quality of village government. Therefore,

the higher the level of government compliance with the law, the financial statement quality of village government will be high. With the regulation as the basis for making financial statements, the village government can properly prepare the financial statements according to what has been arranged.

Permendagri No. 113 year 2014 was used as a guideline for village government in managing village finances. The guideline used can provide village financial management as desired. In addition, with the regulation which requires village governments to carry out village financial management with the principles that have been mentioned on the regulation, it forces village officials to carry out village financial management as well as possible and report on its performance in accordance with the actual conditions.

5. The effect of the use of information technology towards financial statement quality in village government.

Information technology is a technology that can support / help human work in producing something needed, because information technology when used wisely will be very helpful in accordance with what is needed. In government sector the use of technology is very necessary to provide information to store data or in the formulation of performance and preparation of financial statements, with the existence of these technologies human resources will be greatly helped and will also save time, costs and energy.



Based on table 4.13, the use of information technology affects the quality of financial statements. Therefore, the higher the level to use of information technology, the higher level of financial statement quality will be. This is not in line with the research Setyowati et al (2016) which states that the use of information technology does not affect financial statement quality in local government

