

The Impact of Accrual-Based Accounting in Financial Reporting of the Regional Revenue Agency of Surabaya City

William Stephanus Tristan Lesar, Riko Setya Wijaya*, Marseto

Program Studi Ekonomi Pembangunan, Fakultas Ekonomi Dan Bisnis, UPN "Veteran" Jawa Timur, Indonesia

*Correspondance author : setyawijaya.ep@upnjatim.ac.id

Article

Article History

Received : 2024/12/28

Reviewed : 2025/01/03

Accepted : 2025/01/30

Published : 2025/02/04

DOI:

doi.org/10.29313/ethos.v13i1.5715



Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

Volume : 13
No. : 1
Month : Januari
Year : 2025
Pages : 22 - 30

Abstract

Accrual-based accounting methods have been widely used in various regional apparatuses in Indonesia, especially at the Regional Revenue Agency of Surabaya City. Financial reporting using this accrual basis has a significant impact on the performance of the financial sub-division at the Surabaya Regional Funding Agency. The authors chose the finance sub-division at the Regional Revenue Agency of Surabaya City as the research location since the authors are currently doing an internship program in that division, and the tasks are closely related to the application of an e-accounting website using an accrual basis system in financial reporting. This study aims to understand more about the implementation of accrual-based accounting methods at the Regional Revenue Agency of Surabaya City. The method used is qualitative descriptive, which consists of reviewing journal articles as supporting evidence and interviews with several employees in the finance sub-division at the Surabaya City Regional Revenue Agency using structured questions. Results of the analysis show that the use of the accrual-based actuation system had a significant impact on the financial report work in the Finance Sub-Division of the Regional Revenue Agency of Surabaya City. The findings in this study can be used as evidence that an accrual-based accounting system is a wise and efficient step in the systematics of financial reporting at the regional apparatus.

Keywords: Impact, Accrual Basis, Financial Reporting.

Copyright © 2025 The Author(s).

Introduction

For the purpose of improving financial information in financial management, the government must carry out reforms in the presentation of financial statements (Putra & Varina, 2021). Government Accounting Standards (SAP) were created by the Government Accounting Standards Committee (KSAP) and enforced by Government Regulation Number 71 of 2010, which replaced Government Regulation Number 24 of 2005 (Sekar Sari *et al.*, 2023). Accrual-based government accounting rules have been stipulated by Government Regulation Number 71 of 2010 (Rosana & Bharata, 2023).

According to Government Regulation Number 71 of 2010, accrual basis accounting is an accounting basis in which economic transactions and other events are recognized, recorded, and presented in financial statements at the time the transaction occurs, that is, when cash is received or paid (Pratama *et al.*, 2024). Financial statements created using accrual-based SAP are intended to benefit users and auditors of local government financial statements rather than spending money (Angga Permana, 2022). It is in accordance with the accounting principle that costs should be proportional to profits; the government can create high-quality financial reports with the help of this SAP (Amrih, 2023).

Back then there was no integrated computerized system, and government administration was done manually. In that year, the government administration system did not have government accounting standards (Strivany, 2024). The only government financial accountability report to the House of Representatives is the State Budget Calculation (PAN), which is made based on budget calculation contributions from departments and institutions that are made manually with a single entry (Alrahim & Wibowo, 2022). The government's PAN report is sent to the House of Representatives within two to three years. In the same year, the Treasury Department also began to think about how to change government accounting (Desmawan & Nofianti, 2024). Finally, in 1980, the Ministry of Home Affairs issued the Minister of Home Affairs Decree No. 900-099 on the Regional Financial Administration Manual (MAKUDA) that regulated regional financial records, which was, basically, just a bookkeeping system rather than an accounting system (Safari *et al.*, 2024).

According to the Minister of Finance Regulation 270/PMK.05/2014, Accrual-Based Government Accounting Standards are accounting principles used to prepare and present government financial statements (Feni Pirani *et al.*, 2023). These principles include recognizing income, expenses, assets, debts, and equity in accrual-based financial reporting and also recognizing income, expenditure, and financing in reporting on budget implementation based on the basis that has been set in the state or regional budget for expenditure (Lasabuda *et al.*, 2020).

Both central and regional governments are required to present financial under the Government Accounting Standards (Ternalemta *et al.*, 2021). The Legislature will also use it to understand the information presented in the financial statements, and external auditors (BPK) will use it as a standard for the implementation of audits (Wawointana *et al.*, 2021). Thus, SAP becomes a guideline that unites perceptions between preparing audits and preparing financial statements. One of the local government agencies responsible for managing regional revenue, including taxes and levies, is the Surabaya City Regional Revenue Agency. In this situation, the implementation of SAKD is crucial to ensure that regional revenues are managed properly and follow applicable regulations overall.

This research was conducted to discover and understand the field conditions related to the application of an accrual-based accounting system in the financial sub-division of the Surabaya City Regional Revenue Agency. It not only discusses the impact but also the systematics of procedures and the obstacles faced during the preparation of financial statements in the financial sub-division of the Surabaya City Regional Revenue Agency, which will later be adjusted to the Government Accounting Standards. This research is expected to provide knowledge, new insights, and evaluation materials for the work unit of the financial sub-division of the Surabaya City Regional Revenue Agency related to the problems and obstacles experienced during the use of the accrual-based accounting system through the Surabaya City BPKAD e-accounting website.

Method

This research uses a descriptive qualitative method. The descriptive qualitative research method aims to provide a clear and knowledgeable description of a phenomenon or condition that is being studied or researched (Syafii, 2022). This research prioritizes the collection of qualitative data that is descriptive, such as conducting interviews with resource persons, field observations, and the collection of documentation to produce a comprehensive understanding of the research object

(Abdullah, 2015). The approach taken in this study is to conduct data manipulation by exploring the results of interviews and observations on the financial sub-division of the Surabaya City Regional Revenue Agency. The data collection was carried out by preparing several questions that had been formulated related to the use and impact of the accrual-based accounting system in the financial sub-division of the Regional Revenue Agency of the City of Surabaya and conducting several brief observations on articles and literature related to the implementation of the accrual-based accounting system in the regional apparatus. The following is a flowchart of the implementation of the qualitative method carried out.

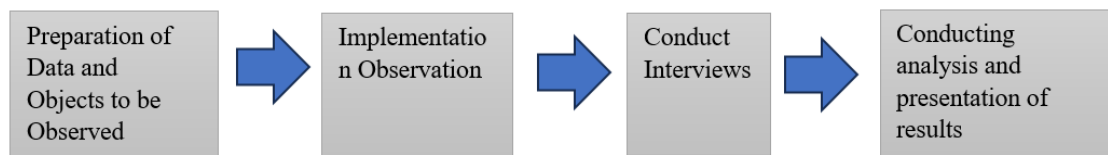


Figure 1. Research Flowchart

Data was prepared by arranging several literature studies on using accrual-based accounting systems in local governments and questions to conduct interviews. After that, during the implementation of the research, direct observation was conducted on the financial sub-division of the Regional Revenue Agency of the City of Surabaya. Once the observation and interviews were completed, the author triangulated the data, which will later be presented in the results and discussion section. Overall, the use of an accrual-based accounting system in the financial subdivision of the Regional Revenue Agency of Surabaya City has a significant impact on the efficiency of financial reporting.

Results and Discussion

The Surabaya City Regional Revenue Agency is a government institution (regional apparatus) that has the duty and responsibility to manage the local taxes of the city of Surabaya, which is located on Jl. Jimerto No. 25-27, Ketabang, Genteng District, Surabaya City, East Java Province. The Surabaya City Revenue Agency was established to improve the management of regional taxes by the laws and regulations that have been set. The taxes collected by the Surabaya City Regional Revenue Agency are divided into 2 types: taxation tax and MPS tax (self-reporting tax). Those two taxes have different enactments in financial reporting, which is positioned as income from goods and services. They also have different treatments for reporting expenditures or budgeting expenditures.

An accrual-based accounting system records income and expenses at the time the transaction occurs, not when cash is received or paid. This means that every transaction is recorded as it occurs, providing a more accurate picture of an entity's financial position and performance. In the financial reporting, several taxes have been classified into two types, namely MPS tax and taxation tax; the following are the differences between the two types of taxes:

Table 1.
The Difference Between MPS Tax and Assessment Tax in Financial Reporting Using an Accrual-Based Accounting System

No	Taxation-Tax	Self Report - Tax
1	A taxation tax is a tax whose value of tax objects classified as taxation tax has been determined in laws and regulations.	A taxation tax is a tax whose value of tax objects classified as taxation tax has been determined in laws and regulations.
2	In reporting using an accrual-based accounting system, taxation tax will be	In reporting using an accrual-based accounting system, MPS tax (self-reporting tax) is not

No	Taxation-Tax	Self Report - Tax
	classified as income payable or income receivable.	considered income payable or non-income receivables.
3	A reversal journal or overbook is required when the tax has been paid or payment has been made to the object owed.	A reversal journal or overbook is required in certain conditions, such as obstacles in the process of transferring funds from banks other than banks that are recorded as the central bank of the RKUD Financial Cash of the Surabaya City Regional Revenue Agency.

Source: Interview Primary Data Processed

Several differences need to be considered in making journal inputs with an accrual-based accounting system. Based on the explanation in Table 1, the following are the tax objects that have been classified as Taxation Tax and MPS Tax (Self-Reporting Tax, namely:

1. Assessment Tax: It is a tax that has been stipulated in the legislation for the value of each tax object that has been registered, such as land housing and office building tax, billboard tax, and groundwater tax.
2. MPS Tax (Self-Reporting Tax): It is a tax whose insured value to the taxpayer concerned is not regulated in the legislation but it is taken from the results of the report according to the nominal reported by the taxpayer, such as restaurant tax, hotel tax, catering tax, and other food services; BPHTB; entertainment tax (including taxes on movie entertainment, music, dance performances, and the like); electricity tax (electricity use; in financial reporting, it is called by the code name road maintenance tax generated by itself); and parking tax.

Financial reporting in the financial sub-division of the Surabaya City Regional Revenue Agency uses the e-accounting and e-payment applications/websites owned by the Surabaya City BPKAD. This e-accounting website is the combination of the implementation of Government Accounting Standards with technological developments that have a significant impact on the efficiency of financial reporting in the financial sub-division of the Surabaya City Regional Revenue Agency. The position of the account in financial reporting, especially the goods and services tax revenue carried out in the financial sub-division of the Regional Revenue Agency of the City of Surabaya, is as in the example below:

1. MPS Tax (Self-Reporting)

Table 2.

Example of Financial Reporting of Service and Goods Tax Revenue on the BPKAD Surabaya City E-accounting Website Using an Accrual-Based Accounting System (Per 1 Tax Object Report)

No. Journal	Date	Document Number		Description	
00057xx	11-11-2024	00431x		PBJT Hotel	
<i>Sub Activity Code</i>	<i>Name of Sub-Activity</i>	<i>Detailed Sub Codes</i>	<i>Detailed Sub-Sub</i>	<i>Nominal</i>	
1.20.00.0.30.xx	Equity	2.1.03.01.01 .xxx	RK PPKD	Debit (D)	Rp.576.824.xxx,xx
1.20.00.0.30.xx	Regional Revenue Agency Revenue	2.1.03.01.01 .xxx	PBJT- Hotel	Credit (C)	Rp.576.824.xxx,xx
Total				Rp. 0	

Source: E-accounting Surabaya, 2024

2. Taxation Tax

Table 3.

Example of Financial Reporting of Service and Goods Tax Revenue on the BPKAD Surabaya City E-accounting Website Using an Accrual-Based Accounting System (Per 1 Tax Object Report)

<i>No. Journal</i>	<i>Date</i>	<i>Document Number</i>		<i>Description</i>	
<i>Sub Activity Code</i>	<i>Name of Sub-Activity</i>	<i>Detailed Sub Codes</i>	<i>Detailed Sub-Sub</i>		<i>Nominal</i>
00057xx	11-11-2024	00460x			Advertising Tax
1.20.00.0.30.xx	Equity	2.1.03.01.01 .xxx	RK PPKD	Debit (D)	Rp.135.470.7xx,xx
1.20.00.0.30.xx	Asset	1.1.03.09.01 .0xxx	Advertising Tax Receivables for Fabric	Credit (C)	Rp.135.470.7xx,xx
Total					Rp. 0

Source: E-accounting Surabaya, 2024

The table shows an example of a worksheet of financial statements of service and goods revenue on the BPKAD Surabaya City e-accounting website. In the MPS (Self-Reporting Tax) tax, the sub-activity part will be filled with the Regional Revenue Agency Registration account since the tax has been received and transferred to the main cash of the RKUD of the Surabaya City Regional Revenue Agency. The date of the document listed is the date on which the report has been considered valid by the treasurer of revenue; however, the payment of the tax occurred on the 10th (one day before). This happened because the process of transferring funds from the main bank that collects payments to RKUD cash takes 12 to 24 working hours at the bank concerned. Meanwhile, for taxation, there are differences in sub-activities and names of sub-details, as the tax is a tax payable and requires a reversal journal or overbook, and it is classified as assets and tax receivables.

The implementation of an accrual-based accounting system provides an opportunity for the financial sub-division of the Surabaya City Regional Revenue Agency to conduct a recap and examination of report data that probably experience obstacles such as defaults, delays in tax payments, adjustments to several regulations, or the date of payment that is recorded either as revenue or as receivables. The reports, as shown in tables 3 and 4, have a significant impact on financial reporting activities, which is also supported by statements from the results of interviews conducted by the authors on each employee who has a responsibility in the financial sub-division. They are the revenue treasurer, expenditure treasurer, and head of the finance sub-division, who have direct involvement in the use of accrual-based accounting systems, as shown in the table below:

Table 4.

Brief Summary of Interview Results Related to the Use of the Accrual-Based Accounting Journal System

<i>No</i>	<i>Sources</i>	<i>Summary of Answer</i>
1	Ms. Laily (Head of Finance Sub-Division)	"The use of the accrual system in Bapenda has been regulated in the Mason Law. The system is applied because it adjusts to the operating hours of banks used by the RKUD (Regional Treasury). Thus, the financial sub-division used the <i>cash basis</i> and <i>accrual basis</i> . The basic use of Accrual helps employees in the efficiency of MAS, considering there are many certificates of deposit in a day that are almost impossible to do on time manually. Moreover, there

		should be targets to achieve by the Surabaya Revenue Agency so that the use of this e-accounting site has a big impact on efficiency in the Regional Apparatus, especially for PD who handles regional financial statements."
2	Mr. Adi (Employees at the Treasurer of Reception)	"The use of this basic accrual system is due to the time lag when taxpayers calculate and report their taxes as usual for MPS taxes. When a taxpayer makes a payment on a single date, it will be recognized as income, but it cannot be reported as income because it still requires a validation process from the revenue treasurer. Another reason to employ the base accrual system at the Regional Revenue Agency is the option of state-owned banks used by taxpayers to report their taxes, as the process of transferring funds from banks other than Bank Jatim takes approximately one day. All funds received will be approved by the treasurer when the funds have been transferred to the RKUD, which can only be reported in the form of a Certificate of Deposit."
3	Mr. Rizky (Treasurer of Expenditure Assistant)	"In my opinion, this accrual-based reporting system is very helpful and efficient for employees. Despite the successful use of technology, since the website is used by all regional apparatus related to finance in Surabaya, it frequently experiences downtime that hinder the financial reporting process. I hope the problem can be fixed and the system can be updated so that the website/application can run smoothly."

Source: Interview Primary Data Processed

Overall, the use of an accrual-based accounting system has a significant impact on the acceleration and efficiency of financial statement processing in the financial sub-division of the Surabaya City Regional Revenue Agency. This is also supported by statements from the source during the interview. The work on the financial report is also supported by several other applications, such as an application for working on the report blueprint from the results of the e-accounting recap and data support from the e-payment website to help validate data following STS and SP2D data which will be input on the BPKAD Surabaya City e-accounting website.

Conclusions

The application of accrual-based accounting at the Regional Revenue Agency of Surabaya City has had a significant impact on the quality of financial statements. Through this accounting system, the resulting financial statements become more transparent and accountable, allowing stakeholders to obtain more accurate information regarding the financial position and performance of local governments. By recognizing income and expenses at the time of the transaction, the financial statements reflect a more realistic financial condition, including unpaid liabilities and future income. The information generated from accrual-based reports supports more informed decision-making by management, as well as increases efficiency in budget management.

The implementation of this system also encourages the development of human resource capacity within the Regional Revenue Agency through training and increasing understanding of accrual-based

accounting. The application of an actual-based accounting system not only provides benefits that can be seen in real terms in the field. Several obstacles are still faced by the financial sub-division of the Surabaya City Regional Revenue Agency, such as network constraints that cause the financial reporting process on the e-accounting website to be hampered, delays in the reports being processed so that there is a build-up of deposit certificates in a day, and not anyone can carry out financial reporting tasks using the e-accounting website, as there are many components in the accounting system based on the accrual used.

Overall, this study shows that the application of accrual-based accounting not only improves the quality of financial statements but also contributes to the transparency and accountability of regional financial management. Therefore, it is recommended that the Regional Revenue Agency continue to evaluate and improve the implementation of this system to achieve better financial management goals in the future.

References

- Abdullah, M. (2015). Metodologi Penelitian Kualitatif. In *Aswaja Pressindo*.
- Alrahim, A. A., & Wibowo, P. (2022). Analisis manfaat laporan keuangan berbasis AKRUAL dalam pengambilan keputusan di Pemerintah Kabupaten Bantaeng. *Jae (Jurnal Akuntansi Dan Ekonomi)*, 7(3), 80–93. <https://doi.org/10.29407/jae.v7i3.18579>
- Amrih, G. G. (2023). Perkembangan Keuangan Berstandar Akuntansi Akrua. *Journal of Economics and Business UBS*, 12(2), 1323–1336.
- Angga Permana, K. W. (2022). Analisis Implementasi Basis Akrua Pada Laporan Keuangan Badan Pengelolaan Keuangan Dan Aset Daerah Kota Palembang. *Jurnal Ilmiah Akuntansi Rahmanyah*, 5(1), 1–16. <https://doi.org/10.51877/jiar.v5i1.211>.
- Desmawan, D., & Nofianti, N. (2024). Penerapan Akuntansi Berbasis Akrua dengan Menggunakan Aplikasi SAIBA Pada Kementerian Sosial RI. *JUMSI (Jurnal Manajemen Akuntansi)*, 15(1), 37–48.
- Feni Pirani, Muhamad Rifandi, & Choirul Anam. (2023). Pengaruh Penerapan Standar Akuntansi Pemerintah Berbasis Akrua, Sistem Pengendalian Internal dan Pengawasan Keuangan Terhadap Kualitas Laporan Keuangan di SKPD Kabupaten Bantul. *J-CEKI : Jurnal Cendekia Ilmiah*, 2(6), 385–397. <https://doi.org/10.56799/jceki.v2i6.1734>
- Lasabuda, A. A., Morasa, J., & Tirayoh, V. Z. (2020). Analisis Penerapan Akuntansi Berbasis Akrua Dalam Penyajian Laporan Keuangan Pada Badan Pengelola Keuangan dan Aset Daerah Provinsi Sulawesi Utara. *Going Concern : Jurnal Riset Akuntansi*, 15(2), 167. <https://doi.org/10.32400/gc.15.2.28068.2020>
- Pratama, E. A., Sinadela, S., & Gushendarto, G. (2024). Pengaruh Penerapan Standar Akuntansi Pemerintahan Berbasis Akrua, Kompetensi Sumber Daya Manusia Dan Sistem Pengendalian Internal Terhadap Kualitas Laporan Keuangan (Studi Kasus Pada Organisasi Perangkat Daerah Provinsi Jambi). *ECOMA: Journal of Economics and Management*, 2(1), 45–57. <https://doi.org/10.55681/ecoma.v2i1.38>
- Putra, S. A., & Varina, R. J. (2021). Implementasi Standar Akuntansi Pemerintahan Berbasis Akrua dalam Penyusunan Laporan Keuangan Daerah Kota Bengkulu Provinsi Bengkulu. *Jurnal Terapan Pemerintahan Minangkabau*, 1(2), 85–98. <https://doi.org/10.33701/jtpm.v1i2.2071>
- Rosana, L., & Bharata, R. W. (2023). Implementasi Standar Akuntansi Pemerintah Berbasis Akrua Terhadap Kualitas Penyajian Laporan Keuangan. *Jurnalku*, 3(1), 23–34. <https://doi.org/10.54957/jurnalku.v3i1.366>
- Safari, M. D. E. T., Putri, A. N., & Ernayani, R. (2024). Pengaruh Implementasi Sistem Akuntansi Pemerintahan Berbasis Akrua Terhadap Kualitas Pelaporan Keuangan Publik. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 10(5), 3036–3040.

- Sekar Sari, M., Silvia, D., & Putri, A. E. (2023). Pengaruh Penerapan Akuntansi Pemerintahan Berbasis Akruai, Dan Pengendalian Intern Terhadap Kualitas Laporan Keuangan Pemerintah Pada Dinas Komunikasi Informatika Dan Statistik Provinsi Lampung. *Jurnal Ilmiah Ekonomi Dan Bisnis*, 20(2), 194–201. <https://doi.org/10.31849/jieb.v20i2.16202>
- Strivany, A. R. (2024). Analisa Penerapan Sistem Akuntansi Keuangan Daerah Pada Badan Pendapatan Daerah Kota Surabaya. *MUSYTARI Neraca Manajemen, Ekonomi*, 8(4).
- Syafii, M. (2022). *Metode Penelitian Kualitatif - UMSU Medan Terbaik - Akreditasi Unggul*. <https://umsu.ac.id/metode-penelitian-kualitatif-adalah/>
- Ternalemta, Kalangi, L., & Tinangon, J. J. (2021). Pengaruh Kompetensi Sumber Daya Manusia, Penerapan Akuntansi Berbasis Akruai, Sistem Pengendalian Internal Pemerintah Dan Pemanfaatan Teknologi Informasi Terhadap Kualitas Laporan Keuangan. *Jurnal Riset Akuntansi Dan Auditing "GOODWILL,"* 12(2), 264–275.
- Wawointana, W. J., Saerang, D. P. ., & Afandi, D. (2021). Evaluasi Penerapan Standar Akuntansi Pemerintahan Berbasis Akruai pada Badan Keuangan dan Aset Daerah (BKAD) Kota Manado. *Jurnal EMBA*, 9(3), 822–831.