Moderating Effects on the Relationship Between Accounting Comprehension and Local Government Financial Reporting

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ABSTRACT

This study examines the direct impact of accounting comprehension on the quality of financial reports and explores the moderating effects of the Internal Control System (SPI), Accounting Information System (AIS), Human Resource (HR) Competence, and Organizational Commitment on this relationship. The research focuses on employees in the finance and accounting divisions of 31 Regional Apparatus Organizations (OPD) within the Buleleng Regency Government. A purposive sampling technique was employed, yielding a sample of 90 respondents. Primary data were collected through questionnaires, and the data were analyzed using moderated regression analysis (MRA) with SPSS as the analytical tool. The findings indicate that accounting comprehension has a significant effect on the quality of financial reports. Furthermore, SPI, AIS, and HR Competence serve as moderating variables that strengthen this relationship. However, Organizational Commitment does not moderate the effect of accounting comprehension on financial reporting quality.

Keywords: Financial Report Quality; Accounting Understanding; Internal Control System; Accounting Information System; Human Resources Quality

Moderasi Variabel Prediktor Terhadap Pengaruh Pemahaman Akuntansi Pada Laporan Keuangan Pemerintah Daerah

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh langsung pemahaman akuntansi terhadap kualitas laporan keuangan, serta untuk mengetahui pengaruh variabel moderasi Sistem Pengendalian Internal (SPI), Sistem Informasi Akuntansi (SIA), Kompetensi Sumber Daya Manusia, dan Komitmen Organisasi terhadap pengaruh pemahaman akuntansi pada kualitas laporan keuangan. Populasi penelitian ini adalah pegawai bagian keuangan dan akuntansi di tiga puluh satu (31) Organisasi Perangkat Daerah (OPD) Pemkab Buleleng. Metode penentuan sampel dalam penelitian ini menggunakan teknik purposive sampling sehingga didapatkan sampel berjumlah 90 orang. Untuk mencapai tujuan penelitian, dikumpulkan data primer melalui penyebaran kuesioner. Data dianalisis menggunakan teknik analisis regresi moderasi (MRA) dengan alat analisis yang digunakan yaitu SPSS. Hasil penelitian ini yaitu pemahaman akuntansi berpengaruh terhadap kualitas laporan keuangan, SPI memoderasi pengaruh pemahaman akuntansi terhadap kualitas laporan keuangan, SIA memoderasi pengaruh pemahaman akuntansi terhadap kualitas laporan keuangan, Kompeten SDM memoderasi pengaruh pemahaman akuntansi terhadap kualitas laporan keuangan, Komitmen Organisasi tidak memoderasi pengaruh pemahaman akuntansi terhadap kualitas laporan keuangan

Kata Kunci: Kualitas Laporan Keuangan; Pemahaman Akuntansi; Sistem Pengendalian Internal; Sistem Informasi Akuntansi; Kualitas Sumber Daya Manusia

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INTRODUCTION

The public's demand for accountability in governance continues to grow, requiring both central and local governments to enhance transparency in all aspects of financial management. Achieving good governance necessitates continuous efforts to strengthen transparency and accountability in regional financial administration. One of the key measures to ensure this is the submission of financial accountability reports, such as Local Government Financial Statements (LKPD) (Yuliani, 2016). A crucial aspect of financial accountability in local governments is the quality of LKPD, which reflects the effectiveness of financial reporting and management.

One of the primary indicators used to assess the quality of LKPD is the audit opinion issued by the Provincial Audit Board (BPKP). A Local Government Financial Statement that receives an Unqualified Opinion (Wajar Tanpa Pengecualian or WTP) from BPKP is generally considered to be of high quality. In this regard, the Buleleng Regency Government (Pemkab Buleleng) received a WTP opinion on its LKPD in 2021, marking the eighth consecutive year of achieving this recognition (dprd.bulelengkab.go.id, 2022). This consistent achievement suggests that the financial statements prepared by Regional Government Organizations (OPD) in Buleleng Regency adhere to established accounting standards.

However, the relationship between a WTP opinion and the actual quality of financial statements presents an interesting paradox. Receiving a WTP opinion does not necessarily guarantee that financial statements are free from material misstatements or fraudulent activities. While a WTP opinion indicates compliance with accounting standards, it does not eliminate the risk of financial irregularities. This is evidenced by the case of a former Regional Secretary of Buleleng Regency, who was allegedly involved in corruption and abuse of power for personal gain during the 2014–2019 fiscal years—the same period in which Pemkab Buleleng consistently received WTP opinions. This situation highlights a fundamental issue: audit opinions may not always reflect the true integrity and quality of financial management, revealing discrepancies between reported compliance and actual financial accountability.

High-quality financial statements are essential for ensuring transparency, accountability, and accuracy in financial reporting. Reliable financial reports enable stakeholders, including policymakers, investors, and creditors, to make informed decisions based on accurate financial data. This study is particularly relevant as it explores the moderating effects of predictor variables—such as work experience, education level, and training frequency—on the relationship between accounting comprehension and financial statement quality. Understanding the role of these moderating variables can provide valuable insights for organizations, particularly in enhancing the effectiveness of accounting education and training programs. If specific factors strengthen the relationship between accounting comprehension and financial reporting quality, organizations can strategically focus on improving these areas to enhance financial accountability.

Accounting comprehension plays a critical role in determining the quality of financial statements. A strong understanding of accounting principles allows financial statements to be prepared in a structured, accurate, and timely manner, making them useful for decision-making (Intania et al., 2019). Lestari and Rahayu

(2020) found that accounting comprehension has a positive effect on financial statement quality in the Regional Financial and Asset Management Agency (BPKAD) of Badung Regency. These findings align with prior research by Dian (2014), Meilani and Wasman (2014), and Wayan and Sri (2019), which similarly concluded that accounting comprehension significantly influences financial statement quality. Based on these studies, it can be inferred that a higher level of accounting comprehension leads to better-quality financial statements, while inadequate comprehension results in lower-quality reporting.

Despite the empirical evidence supporting the relationship between accounting comprehension and financial statement quality, this effect is not always consistent. Some studies have reported contradictory findings, suggesting that additional factors may influence this relationship. Wiarti (2022) found that accounting comprehension did not significantly affect financial statement quality in a study of MSMEs in the service sector in Tasikmalaya City. Similar findings were reported by Puteri et al. (2019) and Pebriantari & Andayani (2021), who also concluded that accounting comprehension does not always determine financial reporting quality. These inconsistencies indicate the presence of contingency factors—referred to as moderating variables—that may either strengthen or weaken the relationship between accounting comprehension and financial statement quality.

Stewardship theory provides a relevant framework for understanding financial accountability in local governments. This theory posits that government officials serve as stewards of public resources, tasked with managing financial, human, and natural resources in the best interest of society. Agency theory further supports this view, emphasizing that local governments, acting as agents on behalf of their principals—the public—are responsible for ensuring effective governance and financial transparency. In this context, financial statements serve as a critical accountability tool, reflecting how well local governments manage public resources. To produce high-quality financial statements that comply with applicable regulations and accounting standards, adequate accounting comprehension is essential.

According to Bloom's Taxonomy, understanding is a fundamental component of the cognitive domain. Therefore, financial and accounting staff within OPDs responsible for preparing LKPD must possess a sufficient level of accounting knowledge. Unlike private-sector entities, government financial statements involve complex reporting structures and specific regulatory requirements. Consequently, the accounting comprehension of OPD staff in Buleleng Regency should not be limited to general accounting principles but must also encompass expertise in public sector and governmental accounting.

Previous research, including studies by Lestari and Rahayu (2020), Dian (2014), Meilani and Wasman (2014), and Wayan and Sri (2019), consistently supports the notion that accounting comprehension positively influences financial statement quality. These findings reinforce the conclusion that higher levels of accounting comprehension contribute to improved local government financial reporting, while lower levels of comprehension lead to diminished reporting quality.

Based on this theoretical framework and prior research, the first hypothesis of this study is formulated as follows:

H_1: Accounting comprehension significantly affects the quality of local government financial statements.

The Internal Control System (Sistem Pengendalian Intern or SPI) plays a crucial role in ensuring the effectiveness and efficiency of accounting processes, particularly in enhancing the reliability of financial statements. A well-implemented internal control system strengthens the objectivity of financial information, minimizes inconsistencies, and facilitates the auditing process. Research conducted by Mulia (2018) found that the Government Internal Control System (Sistem Pengendalian Intern Pemerintah or SPIP) significantly influences the quality of financial statements in the West Pasaman Regency Government. These findings align with studies by Pangestu et al. (2019), Aldino and Septiano (2021), and Astuti and Suprantiningrum (2022), which also concluded that SPIP positively impacts financial reporting quality.

Similarly, the Accounting Information System (Sistem Informasi Akuntansi or SIA) plays a vital role in enhancing organizational performance and strengthening competitive advantage. SIA is designed to process financial transactions and generate information that supports decision-making (Kesumman & Suardikha, 2016). The development and integration of SIA within an organization can lead to improved financial performance, streamlined reporting, and greater accuracy in financial information. Research conducted by Maulinda (2021) found that SIA positively influences the quality of financial statements in the Tanjungbalai City Government, a finding that is further supported by Risnawati (2022).

Stewardship theory provides a relevant framework for understanding the role of local governments as stewards of public resources. According to this theory, government officials are obligated to serve their constituents effectively, ensuring that financial management practices align with the public interest. Local governments must comply with applicable regulations while delivering public services. This aligns with agency theory, which emphasizes the accountability of government institutions as agents of the people. To uphold financial integrity, local governments must implement robust internal controls, such as SPIP, to prevent fraud and financial misconduct. Despite the autonomy granted to local governments under regional decentralization policies, the central government maintains oversight through SPIP to ensure compliance with governance standards. Effective implementation of SPIP is expected to mitigate fraudulent activities, improve financial reporting quality, and enhance public trust in government institutions. Prior research by Mulia (2018), Pangestu et al. (2019), Aldino and Septiano (2021), and Astuti and Suprantiningrum (2022) consistently demonstrates that SPI significantly influences the quality of financial statements. Given these findings, SPI can be considered a moderating variable that either strengthens or weakens the relationship between accounting comprehension and financial statement quality.

Based on the theoretical and empirical evidence, the second hypothesis of this study is formulated as follows:

H_2: SPI moderates the effect of accounting comprehension on the quality of local government financial statements.

The Accounting Information System (SIA) serves as a critical tool for organizational management, enhancing efficiency, transparency, and control over financial operations. The quality of SIA directly impacts the accuracy and reliability of accounting information (Stair & Reynolds, 2012). Laudon (2016) defines business processes as the unique ways in which tasks are structured, coordinated, and executed to produce high-quality products or services. An effective SIA facilitates organizational decision-making by improving control over financial transactions, optimizing resource allocation, and ensuring regulatory compliance. SIA encompasses the processes of identifying, collecting, processing, and communicating accounting information to employees and decision-makers across various organizational levels. Perez et al., as cited in Trabulsi (2018), emphasize that SIA comprises the methods, principles, procedures, and standards used by organizations to record and report financial transactions.

Stewardship theory underscores the government's responsibility to maintain transparency, accountability, and financial integrity. The preparation of high-quality financial statements is an essential component of public sector accountability, ensuring that financial resources are managed efficiently and in accordance with regulatory standards. The Technology Acceptance Model (TAM) further explains that the successful adoption of technology, such as SIA, depends on its perceived usefulness and ease of use. In this context, the implementation of SIA across Regional Apparatus Organizations (OPD) in Buleleng Regency is expected to enhance the efficiency and accuracy of Local Government Financial Statements (Laporan Keuangan Pemerintah Daerah or LKPD). An integrated and well-functioning SIA improves the timeliness and precision of financial reporting, reducing the likelihood of errors and misstatements.

Prior research supports the argument that SIA positively influences financial reporting quality. Maulinda (2021) found that SIA enhances the quality of financial reports in the Tanjungbalai City Government, a conclusion reinforced by Risnawati (2022). A well-implemented SIA strengthens the relationship between accounting comprehension and financial reporting quality, ensuring that employees in the OPD of Buleleng Regency can efficiently prepare accurate financial statements. Conversely, if SIA is underutilized or poorly integrated, its moderating effect on accounting comprehension will be diminished, leading to inefficiencies in financial reporting.

Based on the theoretical framework and empirical findings, the third hypothesis of this study is formulated as follows:

H_3: SIA moderates the effect of accounting comprehension on the quality of financial reports.

The quality of human resources (HR) is not solely determined by technical skills or physical capabilities but also by education, knowledge, experience, maturity, attitudes, and personal values (Rahardjo, 2012). Nur (2020) defines HR quality as an employee's ability to effectively fulfill their responsibilities, supported by adequate education, training, and experience to achieve organizational objectives.

From the perspective of Stewardship Theory, HR quality plays a critical role in determining public satisfaction with local government services. In the context of financial accountability, the quality of financial reports produced by Regional Apparatus Organizations (OPD) as an element of good governance is largely influenced by the competence of the HR responsible for preparing them. Several studies have examined the relationship between HR quality and financial reporting quality, aligning with Stewardship Theory. Pangestu (2019) found that HR quality significantly affects the quality of financial reports in the Regional Government Work Units (Satuan Kerja Perangkat Daerah or SKPD) of Ponorogo. These findings are consistent with research by Aldino and Septiano (2021) and Astuti and Suprantiningrum (2022), which similarly concluded that HR quality directly impacts financial reporting outcomes. As stewards, government entities are obligated to provide transparent and high-quality financial information, ensuring that all activities under their responsibility are accurately reported to the public. Given the importance of HR quality in financial reporting, it is reasonable to propose that HR quality functions as a moderating variable that either strengthens or weakens the influence of accounting comprehension on financial statement quality.

Based on the theoretical framework, empirical findings, and logical reasoning presented above, the fourth hypothesis of this study is formulated as follows:

H_4: HR quality moderates the influence of accounting comprehension on the quality of financial reports.

Organizational commitment refers to an individual's level of involvement in and attachment to their organization, as well as their willingness to contribute to its success and remain part of it (Wibowo, 2015). Strong organizational commitment fosters confidence, support, and loyalty among employees, aligning their professional goals with the organization's objectives. A high level of commitment within an organization is crucial, as it directly influences employee performance, which in turn impacts overall operational effectiveness.

Stewardship Theory asserts that the government, as a steward, has a duty to serve the public (the principal) with the highest level of integrity and dedication. Accordingly, both central and local governments, including their subordinate agencies, must demonstrate a strong commitment to public service. This commitment must not only be institutional but must also be reflected in each employee's dedication to fulfilling their responsibilities. Organizational commitment is built on trust in the organization's values, employee willingness to contribute to its success, and loyalty to remain part of the institution.

Empirical studies have demonstrated the impact of organizational commitment on financial reporting quality. Kaok (2021) found that organizational commitment significantly influences the quality of financial reports in the Kaptel District Office, Merauke Regency. These findings are consistent with prior research by Triantoro and Nugraha (2014) and Aziyah and Yanto (2022), which support the premise that higher organizational commitment leads to improved financial reporting outcomes.

Within OPDs in Buleleng Regency, strong organizational commitment among employees can enhance the influence of accounting comprehension on

financial statement quality. Conversely, low organizational commitment may weaken this relationship, resulting in reduced financial reporting reliability.

Based on the theoretical framework, empirical evidence, and logical reasoning presented, the fifth hypothesis of this study is formulated as follows:

H_5: Organizational commitment moderates the effect of accounting comprehension on the quality of financial reports.

RESEARCH METHOD

This study employs a quantitative research approach, with the population comprising all employees in the finance and accounting divisions of 31 Regional Work Units (Organisasi Perangkat Daerah or OPD) within the Buleleng Regency Government (Pemkab Buleleng). The sampling method used is purposive sampling, selecting employees from the finance and accounting sections of these OPDs who hold positions as heads of finance sub-sections, treasurers, or finance staff. Pemkab Buleleng was chosen due to its significance in financial management, particularly in promoting transparency and accountability, as well as the availability of both primary and secondary data to support the study. The sample selection focuses on employees directly responsible for preparing financial reports, ensuring the relevance and reliability of the data collected.

This study utilizes both primary and secondary data sources. Primary data consist of responses from participants regarding their perceptions of financial report quality, the Internal Control System (Sistem Pengendalian Intern or SPI), the Accounting Information System (Sistem Informasi Akuntansi or SIA), human resource quality, and organizational commitment. Secondary data, obtained from Pemkab Buleleng, serve as supporting information for the analysis.

The data analysis techniques employed include validity and reliability tests, classical assumption tests, and Moderated Regression Analysis (MRA) using SPSS. Data were collected through a structured questionnaire designed with a 5-point Likert scale to measure respondents' perceptions effectively.

The hypothesis testing is formulated as follows:

$$Y = a + b1X1 + b2M1 + b3M2 + b4M3 + b5M4 + b6X1M1 + b7X1M2 + b8X1M3 + b9X1M4 + e \quad (1)$$

Where:

Y = Financial Report Quality
a = Constant Value
X1 = Accounting Understanding
M1 = SPI
M2 = SIA
M3 = Human Resources Quality
M4 = Organizational Commitment
b1 = Regression Coefficient of Independent Variables
b2-b5 = Regression Coefficient of Moderating Variables
b6-b9 = Regression Coefficient of Interaction between X1 and M1, M2, M3, and M4
e = *Standar error*

RESULTS AND DISCUSSION

This study examines the influence of accounting comprehension, internal control systems, human resource quality, and organizational commitment on the quality of regional government financial reports in Buleleng Regency. Data were collected using a questionnaire, with the research subjects consisting of employees from the Regional Work Units (Organisasi Perangkat Daerah or OPD) of Buleleng Regency.

A total of 93 questionnaires were distributed to respondents, including Heads of Finance Subsections, Treasurers, and Finance Staff from each OPD. The details regarding the distribution and collection of the questionnaires are presented in Table 1.

Table 1. Breakdown of Questionnaire Distribution and Retrieval

Description	Amount	Percentage
Total questionnaires distributed	93	100%
Questionnaires not returned	0	0%
Questionnaires returned	90	96.77%
Questionnaires that failed (did not meet criteria)	3	3.23%
Questionnaires used		
Return rate (response rate)	90	96.77%
Questionnaires used	90/93 x 100%	96.77%
Total questionnaires distributed	90/93 x 100%	96.77%

Source: Research Data, 2023

The initial test conducted is the analysis of descriptive statistics in Table 2.

Table 2. Descriptive Statistical Analysis

Variables	N	Minimum	Maximum	Mean	Std. Deviation
X1	90	41.00	65.00	52.92	6.614
M1	90	39.00	50.00	44.47	3.500
M2	90	19.00	30.00	24.80	2.279
M3	90	16.00	30.00	23.85	2.419
M4	90	25.00	40.00	33.55	3.535
Y	90	42.00	55.00	48.15	3.821

Source: Research Data, 2023

Based on the numbers for each variable, it shows that the standard deviation values are smaller than the mean values. This indicates that the respondents' answers regarding the questionnaire on the quality of financial reports are consistent. The results of the validity test for the research instrument are presented in Table 3 below.

Table 3. Validity Test Results

Variables	Instrument	Nilai Pearson Correlation	Information
Accounting Understanding (X1)	X1-X13	0.678 – 0.888	Valid
Internal Control System (M1)	M1-M10	0.588 – 0.770	Valid
Accounting Information System (M2)	M1-M6	0.393 – 0.840	Valid
Human Resource Quality (M3)	M1-M6	0.637 – 0.747	Valid
Organizational Commitment (M4)	M1-M8	0.609 – 0.761	Valid
Quality of Financial Reports (Y)	Y1-Y11	0.569 – 0.785	Valid

Source: Research Data, 2023

The results of the validity test in Table 3 show that all statement indicators used to measure the variables of accounting understanding (X1), internal control system (M1), accounting information system (M2), human resource quality (M3), organizational commitment (M4), and financial report quality (Y) have a Pearson correlation with the total score of each statement item greater than 0.50. Therefore, all statement indicators for each of these variables are valid.

Tabel 4. Hasil Uji Reliabilitas

Variabel	CronbachAlpha
Accounting Understanding (X1)	0.946
Internal Control System (M1)	0.887
Accounting Information System (M2)	0.727
Human Resource Quality (M3)	0.796
Organizational Commitment (M4)	0.854
Quality of Financial Reports (Y)	0.879

Source: Research Data, 2023

Based on Table 4. Results of the Reliability Test, it can be seen that all variables in the study have a Cronbach Alpha value greater than 0.60. Therefore, it can be concluded that all instruments used to measure the variables in the study have been declared reliable.

Table 5. Results of the Classical Assumption Test

1. Normality Test

	Unstandardized Residual
N	90
Asymp. Sig (2-tailed	0.085

2. Heteroscedasticity Test

No	Variable	Sig.	Information
1	Accounting Understanding (X1)	0.175	Free from Heteroskedasticity
2	Internal Control System (M1)	0.705	Free from Heteroskedasticity
3	Accounting Information System (M2)	0.463	Free from Heteroskedasticity
4	Human Resource Quality (M3)	0.671	Free from Heteroskedasticity
5	Organizational Commitment (M4)	0.516	Free from Heteroskedasticity

3. Multicollinearity Test

No	Variable	Tolerance	VIF
1	Accounting Understanding (X1)	0.631	1.584
2	Internal Control System (M1)	0.524	1.907
3	Accounting Information System (M2)	0.697	1.453
4	Human Resource Quality (M3)	0.667	1.498
5	Organizational Commitment (M4)	0.659	1.517

Source: Research Data, 2023

As shown in Table 5, the results of the normality test indicate that the Kolmogorov-Smirnov significance value is 0.085, which exceeds the threshold of 0.05. This suggests that the sample follows a normal distribution and meets the assumption of normality. The heteroscedasticity test results demonstrate that the significance values for all independent and moderating variables are above the alpha significance level of 0.05, indicating the absence of heteroscedasticity. Furthermore, the results of the multicollinearity test confirm that all variables pass the test, as evidenced by Variance Inflation Factor (VIF) values below 10 and

tolerance values exceeding 0.10. These findings suggest that multicollinearity is not a concern in this study.

Table 6. Results of Hypothesis Testing of the Direct Influence of Accounting Understanding on the Quality of Financial Reports

Variables	Beta Coefficient Value	Significance	Information
Constants	26.806	0.000	-
Accounting Understanding (X1)	0.403	0.000	Ha1: Accepted

Source: Research Data, 2023

As shown in Table 6, the results of the regression analysis demonstrate the direct effect of Accounting Understanding (X1) before its interaction with the moderating variables—Internal Control System (SPI), Accounting Information System (SIA), Human Resource Quality, and Organizational Commitment. The partial effect of Accounting Understanding on financial reporting quality is positive and significant, as indicated by the beta coefficient of 0.403 and a significance value of 0.000. These results support the acceptance of Ha1 and the rejection of H0, confirming that Accounting Understanding significantly influences the quality of financial reporting.

These findings suggest that a higher level of accounting comprehension among accounting and finance staff across the 31 OPDs in Buleleng Regency leads to improved financial reporting quality. Conversely, a lower level of accounting understanding results in a decline in financial reporting accuracy and reliability.

This study's results align with previous research conducted by Dian (2014), Meilani and Wasman (2014), and Wayan and Sri (2019), all of whom concluded that accounting comprehension significantly affects financial reporting quality. Additionally, these findings are consistent with the study by Lestari and Rahayu (2020) on Badan Pengelola Keuangan dan Aset Daerah (BPKAD) of Badung Regency, which similarly found a positive relationship between accounting understanding and financial report quality.

Beyond supporting empirical studies on the direct influence of Accounting Understanding on Financial Report Quality, these findings also reinforce the principles of Stewardship Theory and Agency Theory. According to these theories, civil servants (Aparatur Sipil Negara or ASN) in regional governments, acting as agents, have a duty to serve the public (the principal) to the best of their ability. The public, in turn, has the right to demand transparency and accountability in the management of regional financial resources, as reflected in the Local Government Financial Statements (Laporan Keuangan Pemerintah Daerah or LKPD). Given this obligation, accounting and finance staff in OPDs must possess adequate accounting knowledge to produce high-quality financial reports that meet both regulatory requirements and public expectations.

Tabel 7. Hasil Uji Hipotesis dengan MRA Setelah Interaksi Moderasi

Hypothesis Test Results			
Variables	Beta Coefficient Value	Significance	Information
Constants	30.711	0.000	-
Accounting Understanding (X1)	0.995	0.063	-
Internal Control System (M1)	1.448	0.033	-
Accounting Information System (M2)	0.070	0.046	-
Human Resources Quality (M3)	0.365	0.041	-
Organizational Commitment (M4)	0.245	0.779	
X1_M1	0.218	0.043	Ha2: Accepted
X1_M2	0.305	0.031	Ha3: Accepted
X1_M3	0.105	0.042	Ha4: Accepted
X1_M4	0.078	0.619	Ha5: Rejected
Uji Kelayakan Model (Uji F)			
F	Nilai Signifikansi		
29.508	0.000		
Uji Koefisien Determinasi (R^2)			
Model	*Adjusted R Square*		
1	0.686		

Source: Research Data, 2023

Table 7 presents the results of the F-test, or model feasibility test. The analysis yields an F-value of 22.555 with a significance level of 0.000, which is below the alpha threshold of 0.05. This indicates that the independent and moderating variables collectively influence the dependent variable, confirming that the model used in this study is statistically valid and appropriate.

The coefficient of determination test, as measured by the adjusted R-square value, is also shown in Table 7. The adjusted R-square value of 0.686 (68.6%) suggests that the independent and moderating variables explain 68.6% of the variation in the dependent variable, while the remaining 31.4% is influenced by factors outside the model.

Table 7 also presents the results of hypothesis testing using Moderated Regression Analysis (MRA) for alternative hypotheses Ha2, Ha3, Ha4, and Ha5. The interaction between Accounting Understanding (X1) and the Internal Control System (SPI), represented as X1_M1, has a significance value of 0.043, which is below the alpha level of 0.05 (0.043 < 0.05). This leads to the rejection of H0 and the acceptance of Ha2, confirming that SPI moderates the relationship between Accounting Understanding and Financial Statement Quality. The positive beta coefficient of 0.218 further indicates that SPI strengthens this relationship, implying that the more effectively SPI is implemented across the 31 OPDs in Buleleng Regency, the greater the impact of employees' accounting comprehension on the production of high-quality financial statements.

This finding aligns with previous research on the direct effect of SPI on financial reporting quality, including studies by Mulia (2018), which found that SPIP significantly influences financial statement quality in the West Pasaman Regency Government, as well as research by Pangestu et al. (2019), Aldino and Septiano (2021), and Astuti and Suprantiningrum (2022). From the perspective of

Stewardship Theory, civil servants (Aparatur Sipil Negara or ASN) have a responsibility to serve the public, including producing financial statements as a form of accountability. While accounting comprehension is critical, SPI plays an equally essential role in ensuring the reliability and effectiveness of financial reporting in the public sector. An effectively implemented SPI across all OPDs strengthens the ability of accounting and finance personnel to produce high-quality financial statements.

Similarly, the interaction between Accounting Understanding (X1) and the Accounting Information System (SIA), represented as X1_M2, has a significance value of 0.031, which is below the alpha threshold of 0.05 (0.031 < 0.05). This leads to the rejection of H0 and the acceptance of Ha3, indicating that SIA moderates the relationship between Accounting Understanding and Financial Statement Quality. The positive beta coefficient of 0.305 suggests that an effective SIA enhances the impact of accounting comprehension on financial reporting quality. The better the implementation of SIA across the 31 OPDs, the stronger the influence of accounting comprehension on financial statement quality.

This finding is consistent with research by Maulinda (2021) and Risnawati (2022), which found a significant positive relationship between SIA and financial reporting quality. Moreover, these results support Stewardship Theory, which emphasizes the obligation of OPD employees to prepare financial statements as part of their responsibility in managing public resources. Additionally, the findings align with the Technology Acceptance Model (TAM), which posits that the effectiveness of an information system depends on its perceived ease of use and usefulness. The SIA's role in strengthening the impact of accounting comprehension on financial statement quality highlights the importance of ensuring that financial reporting systems are both accessible and functional.

The interaction between Accounting Understanding (X1) and Human Resource Quality (SDM), represented as X1_M3, has a significance value of 0.042, which is below the alpha threshold of 0.05 (0.042 < 0.05). This leads to the rejection of H0 and the acceptance of Ha4, confirming that HR Quality moderates the relationship between Accounting Understanding and Financial Statement Quality. The positive beta coefficient of 0.105 suggests that higher HR quality strengthens the impact of accounting comprehension on financial reporting quality. This implies that well-trained, competent employees in the finance and accounting departments of the 31 OPDs enhance the reliability of financial statements.

These results are consistent with research conducted by Pangestu (2019), Aldino and Septiano (2021), and Astuti and Suprantiningrum (2022), which found that HR quality significantly influences financial reporting quality. This finding also aligns with Stewardship Theory, which emphasizes the need for public servants to deliver high-quality service, including financial accountability. Recruiting and retaining highly competent HR personnel in OPDs ensures that accounting comprehension translates more effectively into accurate and transparent financial reporting.

In contrast, the interaction between Accounting Understanding (X1) and Organizational Commitment (M4), represented as X1_M4, has a significance value of 0.619, which is above the alpha threshold of 0.05 (0.619 > 0.05). This leads to the acceptance of H0 and the rejection of Ha5, indicating that Organizational

Commitment does not moderate the relationship between Accounting Understanding and Financial Statement Quality.

This result contradicts studies by Triantoro and Nugraha (2014) and Kaok (2021), which found that organizational commitment significantly influences financial reporting quality. However, it aligns with research by Hernanda (2020) and Aziyah and Yanto (2022), which found no significant effect of organizational commitment on financial statement quality. This outcome also challenges Stewardship Theory's assumption that strong organizational commitment should enhance accountability and financial reporting quality. The findings suggest that, within the OPDs of Buleleng Regency, employee commitment to the organization does not necessarily translate into improved performance in preparing financial reports. Consequently, organizational commitment does not moderate the relationship between accounting comprehension and financial reporting quality.

CONCLUSION

Based on the results of the analysis and discussion, this study finds that accounting comprehension has a significant effect on the quality of regional financial reports produced by accounting and finance employees across the 31 OPDs of Buleleng Regency. Additionally, the Internal Control System (SPI) significantly moderates the relationship between accounting comprehension and financial report quality, with a positive (strengthening) effect. Similarly, the Accounting Information System (SIA) and Human Resource (HR) Quality also significantly moderate this relationship, both exerting a positive strengthening influence. However, Organizational Commitment does not moderate the effect of accounting comprehension on financial report quality.

Based on these findings, it is recommended that department heads in the 31 OPDs of Buleleng Regency focus on improving and maintaining the organizational commitment of their staff, particularly those in the accounting and finance divisions responsible for preparing regional financial reports. Strengthening organizational commitment may enhance employee performance, ultimately leading to higher-quality financial reporting.

Furthermore, future research should consider incorporating additional independent variables into regression models to provide further empirical insights into factors that directly influence or interactively moderate the quality of regional financial reports. Expanding the scope of analysis could contribute to a more comprehensive understanding of the determinants of financial reporting quality in local government settings.

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