ANALYSIS OF REGIONAL REVENUE AND EXPENDITURE BUDGET OF MAGELANG REGENCY

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Abstract
This research aims to describe the targets and realization of the Regional Revenue & Expenditure Budget in the Magelang Regency Government. Research using a qualitative narrative approach was chosen in this essay to state the targets and realization of the Magelang Regency Government's Regional Revenue & Expenditure Budget. The results of the research on targets & realization of the Regional Revenue & Expenditure Budget (APBD) of Magelang Regency for the period 2016 to 2018 show that Magelang Regency's regional income has not been relatively good & effective in realizing its income. The level of realization of spending in the Magelang Regency Government has started relatively well in realizing it.

Keywords: Budget Realization, Financial Management, Regional Expenditure, Revenue Budget

1. INTRODUCTION
Regional autonomy is the authority obtained by an autonomous region that is used to organize, control and manage the interests of the people by using statutory regulations. The regional government has an obligation to add to the services & welfare of the local people in a fair & comprehensive and sustainable manner (Wibisono et al., 2020). The part based on national development, namely regional development that is directed at balancing the region and increasing the growth rate between regions, between cities as well as between villages.

In the Regulation of the Minister of Home Affairs Number 21 of 2011 regarding the 2nd Amendment, the Regulation of the Minister of Home Affairs Number 13 of 2006 states that regional finance is all regional rights & obligations in the context of administering regional government which can be evaluated using money, including all assets in the form of rights & area obligations. Rights are territorial rights that are used to seek other sources of revenue that are in accordance with the applicable laws and regulations. While the obligation is the regional obligation to issue money that will be used to organize & carry out all regional government affairs.

Regional financial management is a holistic activity that includes planning, implementation, administration, reporting, accountability, & regional financial supervision. The regional budget is a tool that is used to determine the amount of income & spending, selection of decisions & development planning, origin of development to evaluate performance & senses to coordinate all work unit activities.

The Regional Income & Expenditure Budget is a regional financial regulation plan that is prepared annually which contains revenue planning, expenditure planning, and regional financing planning in one regulatory year (Safa'ah et al., 2021). The regional Revenue & Expenditure Budget describes a quantitative classification based on the goals
& objectives of the regional government and the main tasks & functions of work units that must be prepared in a structure that refers to achieving a certain level of performance (Tarigan, 2020). This means that the Regional Income & Expenditure Budget can put a concrete image of the demand for the amount of funding for various targets to be achieved, main tasks & functions in accordance with the conditions, potential & real needs of the people for a certain period of time. Thus, the allocation of funds used to finance various kinds of activities and activities can provide benefits that can be felt by the people and public services that are oriented to the common interest. Realization of the Regional Revenue & Expenditure Budget (hereinafter referred to as RAPBD) reviewed based on the Budget Realization Report (hereinafter referred to as LRA).

Financial report analysis is used to help find out & interpret financial reports (Bastian, 2019). The Budget Realization Report is one of the primary regional government accountability reports because government regulations are the basis of governance (Rahmadani, 2018). But in practice the realization of the rules has not reached the target to be achieved. This budget has primary duties on stability, distribution, allocation of natural resources, organizational planning & management and performance evaluation. This study aims to analyze the goals and realization of the regional Revenue & Expenditure Budget in Magelang Regency.

2. LITERATURE REVIEW
2.1. Public Sector Accounting

Public sector accounting is a process of collecting, recording, classifying, analyzing, and reporting financial transactions of a public organization that provides financial information for users of financial statements that are useful for decision making.

Public sector accounting can be defined as technical procedures and accounting analysis applied to the management of citizen funds in high state institutions & departments below them, regional governments, State-Owned Enterprises (hereinafter referred to as BUMN), Regionally-Owned Enterprises (hereinafter referred to as BUMD), NGOs & social foundations as well as in public & private sector cooperation projects. Public sector accounting is related to using 3 things, namely providing information, managing management & accountability.

2.2. Regional Revenue and Expenditure Budget

According to Government Regulation Number 58 of 2005 concerning Regional Financial Management, the Regional Revenue & Expenditure Budget (hereinafter referred to as APBD), is the annual regional government financial plan in Indonesia which is approved by the Regional People's Representative Council and determined by regional regulations. Rules are financial plans for the future which usually cover a period of one year and are expressed in monetary units. A budget is an organization's short-term plan that translates various events into a more concrete annual financial plan (Ginting & Agita, 2019).

2.3. Regional Financial Management

Government Regulation Number 105 of 2000, states that regional finance is all regional rights & obligations in the framework of regional government administration which can be evaluated using money including all other forms of wealth related to using
the rights & obligations of the area in the framework of the Regional Revenue & Expenditure Budget.

According to the regulation of the Minister of Home Affairs Number 13 of 2006, the structure of the Regional Revenue & Expenditure Budget (APBD) consists of 3 parts, namely regional income, regional expenditure and regional financing which are identified as follows:

1) Regional Revenue is regional revenue in the form of an increase in assets or a decrease in debt in the relevant regulatory year. Income can be in the form of cash inflows of assets, increase or decrease in debt that is not from regional government donations.

2) Regional spending is a holistic expenditure according to the territory's generic cash account that reduces the equity in the relevant regulatory year period that will not be refunded by the regional government.

3) Regional financing are regional revenue & expenditure sources that are used to cover the budget deficit. Revenue in the APBD includes all budget revenues through the regional generic cash account. Funding receipts are used to pay the main loan and capital participation of the regional government. Revenues in the Regional Revenue & Expenditure Budget can be grouped into:

   a) Regional original revenue (PAD) consisting of: regional taxes, regional levies, output of regionally owned companies and separated regional wealth management output & other valid regional original income.
   b) Balancing funds consist of: Output sharing taxes, fees for acquisition of land & building rights, & income taxes, output sharing and generic allocation funds.
   c) Other valid income, namely SAP regulates the presentation of expenditure in the realization report according to the character of expenditure and type of expenditure.

Based on the Regulation of the Minister of Home Affairs Number 21 of 2011 regarding the second amendment, exclusive spending is grouped into:

1) Exclusive shopping. Exclusive spend is budgeted spending related exclusively to events & activities. Exclusive shopping consists of:
   a) Employee Shopping
   b) Shopping for goods & services
   c) Capital spending

2) Non-exclusive shopping Non-exclusive shopping is budgeted shopping that is not related exclusively to using the application of various events & activities. Non-exclusive shopping consists of:
   a) Employee spending
   b) Flower shopping
   c) Subsidy spending
   d) Gift shopping
   e) Shopping for social donations
   f) Spend for output
2.4. Budget

Rules are written plans about the activities of an organization which are expressed quantitatively in units of money and specific time periods. The budget has the meaning of receipts & expenditures in a one-year period.

The public sector budget is activity & financial planning periodically which contains events & activities and the amount of funds obtained & expected in order to achieve organizational goals. The rule function is:

1) As a guide for state management, the rules describe application plans in state administration for a specific period. The government can measure its financial capacity to finance development through regulations.

2) As a priority facility, because the amount of income is limited in the interim, the amount of spending always increases. With this priority scale, the government can prioritize spending rules that are highly expected & reduce and even eliminate unexpected spending rules, to use other terms in terms of state spending the use of rules is required to be effective and efficient.

3) As a means of political negotiation, the existence of financial resources managed by the government is a vehicle for political negotiations using parliament according to several political parties using different objectives. Identification of the need for rules, namely: to become a means of planning, to become a means of control & to become a means of evaluation.

2.5. Budget Realization Report Analysis

Analysis is an excavation of something to be studied by presenting the available information to look for connections. The rule realization report is a component in the financial statements for an exclusive period in which it presents the realization & rules (Fauzi, 2021). The budget is an economic tool owned by the government to direct social and economic changes, guarantee transcendence and improve the quality of life of citizens.

3. RESEARCH METHODS

The writing of this article used a simple literature review approach on several articles collected through the keywords “literature review”, “telaah literatur”, “scoping review”, and “systematic review” from several journal portals which include Google Scholar, ResearchGate, SpringerLink, and EBSCO. The inclusion criteria for this study were: (1) articles in Indonesian and English; (2) articles written within the 2012-2021 range.

Articles were excluded if only available in abstract form or not open access. Literature review was an activity of examining books, scientific articles, and other sources that were relevant to a particular problem, field of research, or theory that aimed to provide a description, summary, and critical evaluation of these works. A literature review was designed to provide an overview of the sources being researched on a particular topic (Pradana et al., 2021). In this study, it discussed the Accounting for the Revenue and Expenditure Budget for the Regional Revenue and Expenditure of Magelang Regency.

Using the keywords above, 52 articles were found based on the abstract and title that fulfilled the requested keywords. After selecting and filtering, the researcher tries to find the full text of each appropriate article. The full text obtained was then read to
obtain several final articles which could be further studied and could be used to answer research questions from several final articles. The author decided to use 4 full text articles for light literature review to answer this study question.

4. RESULTS AND DISCUSSION

This literature study was carried out by examining existing publications in accordance with the material under study, namely accounting analysis in the public sector. Using the selection criteria, it was found that there were 4 studies that provided complete texts and a more detailed review of the literature could be carried out.

<table>
<thead>
<tr>
<th>No</th>
<th>Writer</th>
<th>Sample</th>
<th>Research Outcomes</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>(Komariyah &amp; Sugiyanto, 2019)</td>
<td>Magelang Regency</td>
<td>Implementation of decentralization still not enough</td>
<td>The results of calculations and analysis of Regional Financial Performance can be concluded, that the level of effectiveness and efficiency in regional financial management Magelang Regency is fairly effective and efficient</td>
</tr>
<tr>
<td>2</td>
<td>(Febriyana, 2021)</td>
<td>Magelang Regency Government</td>
<td>Budget realization effectiveness</td>
<td>The level of realization of spending by the Government of Magelang Regency has started quite well in realizing it.</td>
</tr>
<tr>
<td>3</td>
<td>(Mariasari &amp; Sunaningsih, 2021)</td>
<td>Magelang Regency Government</td>
<td>Regional shopping management</td>
<td>Regional spending is managed efficiently, with an average proportion of 75.65 percent. The average operational expense ratio is 78.92 percent and the ratio for capital expenditure is 19.75 percent. In essence, the Magelang Regency Government prioritizes financing for operational costs rather than capital expenditure.</td>
</tr>
<tr>
<td>4</td>
<td>(Budianto, 2021)</td>
<td>Magelang Regency Government</td>
<td>Focus on the indirect budget</td>
<td>In realizing its own regional income, the Government of Magelang Regency has an effectiveness ratio of 97.37%. On the other hand, the Magelang Regency Government still prioritizes its budget in indirect spending compared to direct shopping.</td>
</tr>
</tbody>
</table>

Table 2. Targets and Realization of Regional Revenues of the Magelang Regency Government in Magelang Regency

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Budget Targets</th>
<th>Realization</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2.168.440.109.680,00</td>
<td>2.036.308.197.125,00</td>
<td>93,91 %</td>
</tr>
<tr>
<td>2017</td>
<td>2.168.655.957.155,00</td>
<td>2.271.336.015.858,00</td>
<td>103,87 %</td>
</tr>
</tbody>
</table>

CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE (CASHFLOW)

https://ojs.transpublika.com/index.php/CASHFLOW/
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Table 2 above is the result of research on the target and realization of the regional income budget for Magelang Regency. Regional Revenue of Magelang Regency consists of Regional Original Revenue (PAD), Balancing Funds, & Other valid regional income groups include Grant Income, Tax/Retribution Sharing Funds by Province & other Regional Governments during the 2016-2018 period. From the table above we can see that Magelang Regency has not been relatively good at realizing its income. During the period from 2016 to 2018 the realization of Magelang Regency revenue did not reach the previously budgeted amount.

Percentage in 2016 as much as 93,91%, the highest occurred in 2017, namely as much as 103,87%, which was said to be effective because the regional government's efforts to use regulations to achieve planned targets could be well realized & in 2018 it decreased by 97% ,72 %. To increase development in Magelang Regency, the Regency Government is needed to be able to evaluate Local Own Revenue (PAD) and maximize the potential of the region in Magelang Regency.

Other sources of income must be explored by optimizing the existing economic potential effectively & efficiently. The contribution of the region's original income is expected to continue to increase, but the largest proportion of the regional income structure is still dominated by the source of income according to the Balancing Fund, as a result of encouraging increased independence in regional development financing, the regional government of Magelang Regency is always trying to share & increase the potential income that is there is. The results of achieving PAD are based on a number of revenues including regional taxes, output of regional wealth management & other applicable PAD.

Efforts made by the Regional Government of Magelang Regency in order to achieve and increase regional income are using regional income incentives and extensification, improving the quality of human resources and increasing infrastructure. Exploring the potential of regional taxes & regional levies, expanding the base of regional tax & levies revenue to increase regional income of Magelang Regency.

Table 3. Targets and Realization of Regional Expenditures in Magelang Regency

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Budget Targets</th>
<th>Realization</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2,340,396,942,410,00</td>
<td>2,073,797,322,922,00</td>
<td>88,61 %</td>
</tr>
<tr>
<td>2017</td>
<td>2,417,344,682,330,00</td>
<td>2,451,441,154,742,00</td>
<td>101,41 %</td>
</tr>
<tr>
<td>2018</td>
<td>2,662,575,016,000,00</td>
<td>2,486,540,561,169,00</td>
<td>93,39 %</td>
</tr>
</tbody>
</table>

In table 3 above are the targets and realization of regional spending in Magelang Regency in the form of direct spending and indirect spending. In 2016, the percentage of regional expenditure of 88,61% can be said to be relatively good in realizing regional expenditure because the realization of expenditure did not exceed the budgeted target. However, in 2017 the regional expenditure of 101,41% is said to be relatively not good at realizing the regional expenditure because it still exceeds the size of the budgeted target.

In 2018 the percentage of regional spending decreased to 93,39%. Magelang Regency Expenditures explained that the largest proportion of Realization of the Magelang Regency Expenditure Budget was in Indirect Expenditures. This Indirect
Expenditure structure is dominated by Personnel Expenditures. Regional spending is prioritized for private regional infrastructure spending related to accelerating the development of public service facilities & the economy in order to increase employment opportunities, reduce poverty levels & reduce disparities in the provision of public services between regions.

Table 4. Direct Expenditure and Total Regional Expenditure of Magelang Regency

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Direct Expenditure</th>
<th>Total Spend</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>693,753,000,000.00</td>
<td>2,073,797,322,922.00</td>
<td>33.43 %</td>
</tr>
<tr>
<td>2017</td>
<td>974,834,178,125.00</td>
<td>2,451,441,154,742.00</td>
<td>39.76 %</td>
</tr>
<tr>
<td>2018</td>
<td>997,431,927,908.00</td>
<td>2,486,540,561,169.00</td>
<td>40.11 %</td>
</tr>
</tbody>
</table>

In table 4 above it can be seen that the direct expenditure of Magelang Regency was in 2016 as much as 33.43%, in 2017 as much as 39.76%, and in 2018 as much as 40.11%, most of these funds were used for capital expenditure. It can be seen that the development of Direct Expenditures is difficult to increase due to the high proportion of Indirect Expenditures. The average homogeneous personal expenditure is used for Personnel Expenditure, Goods & Services Expenditure, and Capital Expenditure.

Table 5. Indirect Expenditure and Total Regional Expenditure of Magelang Regency

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Indirect Expenditure</th>
<th>Total Spend</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1,380,044,322,922.00</td>
<td>2,073,797,322,922.00</td>
<td>66.54 %</td>
</tr>
<tr>
<td>2017</td>
<td>1,476,606,976,617.00</td>
<td>2,451,441,154,742.00</td>
<td>60.23 %</td>
</tr>
<tr>
<td>2018</td>
<td>1,489,108,633,261.00</td>
<td>2,486,540,561,169.00</td>
<td>59.88 %</td>
</tr>
</tbody>
</table>

In table 5 above it can be seen that the indirect expenditure of Magelang Regency consists of personnel expenditure, grant expenditure, social assistance expenditure, financial assistance expenditure, and unexpected expenditure with a percentage in 2016 of 66.54%, in 2017 of 60.23% and in 2018 of 59.88%. Indirect expenditures consist of Grant Expenditure, followed by Revenue Sharing Expenditures to Provinces/Districts/Cities and Village Governments, Unforeseen Expenditures, Personnel Expenditures, Financial Assistance Expenditures to Provinces/Districts/Cities and Village Governments and Social Assistance Expenditures.

5. CONCLUSION

Based on the output of the research that has been done, it can be concluded that the target & realization of regional revenue regulations for Magelang Regency in 2016 to 2018 can be said to have not been relatively good at realizing because the realization did not reach the amount that had been budgeted. In this case, to increase regional development in Magelang Regency, Magelang Regency is obliged to increase the management and origins of Regional Original Revenue (PAD). The target & realization of regional spending in Magelang Regency in the form of personal spending & indirect spending is said to be relatively good in 2016 & 2018, whereas in 2017 it can be said that
it has not been relatively good because the realization of regional spending still exceeds the size of the budgeted target.

The results of research on the target and realization of the Regional Income & Expenditure Budget for Magelang Regency, the Regional Government of Magelang Regency, in increasing its own regional income, must work harder and pay more attention to the allocation of funds. The regional government can enhance management performance towards the realization of the Regional Income & Expenditure Budget for Magelang Regency so that it becomes an area that is not dependent on donations according to the central government as well as the province.

REFERENCES