

ABSTRACT

Definition of Internal Control System is a process carried out by the board of commissioners, management and other personnel of the entity designed to provide adequate confidence in the achievement of three groups: a) Reliability of financial reporting, b) Effectiveness and efficiency of operations, c) Compliance with laws and regulations applies, because it penetrates the organization's operational activities and is an internal part of basic management activities. Internal control only provides adequate confidence, not absolute belief. The definition of regional financial accounting system is a series of activities that are systematically arranged which starts from procedures, implementation, equipment and elements in the accounting function to produce financial statements of local government as a form of accountability for the implementation of the Regional Budget.

The purpose of this study was to determine the effect of the internal control system and regional financial accounting system on the quality of financial statements. The research unit is the Bandung City Financial and Asset Management Agency and the research objectives are employees who work in the accounting department, the Bandung Financial and Asset Management Agency with a sample of 25 people.

The type of research method that will be used by the author is descriptive associative. Descriptive method is a method where the technique used in collecting data is done through the form of a hypothesis that is proposed in the form of an associative hypothesis. The analysis technique used is simple and multiple linear regression.

The results showed that the internal control system and the regional financial accounting system had an effect on the quality of financial statements at 66,9%. While the rest is equal to 33,1%. is the influence of other factors outside the variable being studied.

Keywords: Internal Control System, Regional Financial Accounting System and Quality of Financial Statement.