

ABSTRACT

This study aims to analyze the effect of the implementation of the Regional Government Information System (SIPD) and Internal Control System (SPI) on the Quality of Financial Statements at sub-districts in Indramayu Regency. This research uses a quantitative approach with the Structural Equation Modeling based on Partial Least Square (SEM-PLS) method. The data were collected through questionnaires distributed to 63 respondents involved in regional financial management.

The results show that partially, the Regional Government Information System (SIPD) does not have a significant effect on the Quality of Financial Statements, while the Internal Control System (SPI) has a positive and significant effect. Simultaneously, SIPD and SPI are able to explain 87.5% of the variance in the Quality of Financial Statements, which is categorized as strong. In addition, the results of the PLS Predict test indicate that the model has good predictive capability.

These findings indicate that the quality of financial statements is more influenced by the effectiveness of the Internal Control System rather than solely relying on the utilization of information systems. Therefore, improving the quality of financial statements requires strengthening the implementation of SPI as well as optimizing the use of SIPD.

Keywords: Regional Government Information System, Internal Control System, Financial Statement Quality.