

ABSTRACT

In accordance with the mandate of PP Number 71 year 2010 on Government Accounting Standards (SAP), the Government is obliged to implement accrual-based accounting in drafting financial statements. The accrual based SAP that serves as a guideline can lead the local government to present relevant, reliable, understandable and comparable, informative and quality financial statements so as to have the benefits gained and Help stakeholders to take an internal decision.

This research aims to analyse the implementation of SAP-based accruals in internal decision making and the quality of regional financial reporting on the Bandung city government as well as knowing the influence of SAP-based implementation of accruals against and quality of the financial reporting of the Bandung local government.

This type of research is quantitative research with descriptive statistical analysis techniques and simple linear regression. The sampling technique is non probability sampling using the sensus sampling method. The population of data used is SKPD Kota Bandung with a sample number of 83 respondents.

The results showed that in a partial application of SAP based accruals on the Bandung city government had a significant influence on internal decision making and the quality of local government financial reporting. An independent variable i.e. the accrual based SAP implementation affects the Internal decision making (Y1) dependent variable by 54.4% while the accrual based SAP implementation affects the dependent variables of the local government's financial reporting quality (Y2) by 59.7%.

Based on the results of the research, researchers are expected to add variables that have not been studied. For the Government of Bandung, it is advisable to apply the same accounting policy from year to year, carrying out the registration of obligations in accordance with the nominal value and increasing the value of the information contained in the financial statements so as to make the investment-related decisions

Keywords: Public Sector accounting, government accounting standards, accrual bases, Internal decision making, quality financial reporting,