

**COMPARATIVE ANALYSIS OF FIXED ASSETS IN LOCAL
GOVERNMENT FINANCIAL REPORTS BY THE SUPERIOR AUDIT
AGENCY**

(A Study Of Reporting Entities In West Java)

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ABSTRACT

The purpose of this study is to analyze the comparative use of fixed assets in the financial statements of the West Java Provincial Government by the Supreme Audit Agency (*BPK*). The method used was qualitative research with descriptive methods. Data collection techniques included interviews, observation, documentation, and triangulation. Data analysis was carried out through data reduction, data presentation, and conclusion drawing. This research was conducted at the West Java Provincial Representative Office of the Supreme Audit Agency (*BPK*). The results indicate that the Financial Statement Audit Cycle was conducted using a risk-based audit approach, encompassing planning, implementation, and reporting of audit results. The most common problem with fixed assets in Bandung City, Garut Regency, and Tasikmalaya Regency was the inaccuracy and inaccuracy of inventory card recording for each balance sheet account in the Regional Government Financial Statements. Efforts were made to optimize fixed asset management, and the *BPK* consistently provided recommendations and monitored the results of follow-up actions taken by the Regional Governments.

Keywords: *Comparison, Fixed Assets, West Java Province*

A. INTRODUCTION

Regional Government is one of the substances in the constitution of the Republic of Indonesia as stated in Article 18 paragraph (2) of the 1945 Constitution, that provincial, district and city regional governments regulate and manage their own government affairs according to the principles of autonomy and

assistance tasks (Sudiar, 2015; Yudha & Dina, 2020). Regional governments exercise the broadest possible autonomy, except for government affairs which are determined by law to be the affairs of the Central Government (Setiabudhi, 2019). One of them is being given the authority to manage the regional assets it owns optimally (Firdaus, 2019). The determining factor for the performance of a good government is the part based on the management of regional assets (Faried, & Aituarauw, 2021).

Management and accountability in Regional Government is the management of regional assets owned by each Regional Government Organization (Simanjuntak, 2018; Sinambela, 2019). Regional asset management is very necessary so that these assets can be useful and their condition is maintained, this is done to support the successful implementation of regional government administration (Tangkuman, 2014; Tefa & Thaal, 2019). Legal references in the implementation of regional asset management are very necessary, so that regional asset management procedures can be carried out properly and correctly (Hadi, 2023). The procedures for managing regional assets have been regulated by the Government in the *Peraturan Menteri Dalam Negeri Nomor 19 Tahun 2016* (Hadiyanti & Nahar, 2016). If assets are not managed properly, they will actually become a burden because some of them require care/maintenance and their value will decrease over time (Wartuny, 2020).

Accountability for managing regional assets is submitted by authorized officers in the region in the form of a Government Financial Report (Luji et al., 2024). Regional Government Financial Reports relate to the financial reports of Regional Work Units within the Regional Government (Rusman, 2017). There is a significant influence of state-owned asset administration on the quality of government financial reports (Widiati et al., 2021). Facts in the Audit Report on Regional Government Financial Reports in 2018, as many as 83 regional governments received a Fair with Exceptions (*WDP*) opinion from the Republic of Indonesia Audit Board (Muhammad, 2021). Likewise, what happened in the *LHP LKPD*, there were 364 out of 415 district governments that received an unqualified opinion from the *BPK* in 2020 (Faisal & Rosmiati, 2022). One of the provinces in the spotlight is West Java.

Based on the results of the audit of 27 audit entities, in general, several general problems are still being faced, namely problems in the procurement of goods/services that give rise to indications of regional losses; problems with fixed assets, both related to administration and utilization, and also related to the implementation of Home Affairs Ministerial Regulation 108 of 2016 concerning the Classification and Codification of BMD.

Data from 2015-2019 shows that there were problems in auditing entities in 28 districts/cities as shown in the below table.

Table 1: List of Entities in the West Java Regional Government

No.	Local Government Entities	TA 2015	TA 2016	TA 2017	TA 2018	TA 2019
1	West Java Province	WTP	WTP	WTP	WTP	WTP
2	Bandung Regency	WDP	WTP	WTP	WTP	WTP
3	West Bandung Regency	WDP	WDP	WDP	WDP	WTP
4	Bekasi City	WTP	WTP	WTP	WTP	WTP
5	Bogor Regency	WTP	WTP	WTP	WTP	WTP
6	Ciamis Regency	WTP	WTP	WTP	WTP	WTP
7	Cianjur Regency	WTP	WTP	WTP	WDP	WTP
8	Cirebon Regency	WTP	WTP	WTP	WTP	WTP
9	Garut Regency	WTP	WTP	WTP	WTP	WTP
10	Indramayu Regency	WTP	WTP	WTP	WTP	WTP
11	Karawang Regency	WTP	WTP	WTP	WTP	WTP
12	Kuningan Regency	WTP	WTP	WTP	WTP	WTP
13	Majalengka Regency	WTP	WTP	WTP	WTP	WTP
14	Pangandaran Regency	WDP	WTP	WTP	WTP	WTP
15	Purwakarta Regency	WTP	WTP	WTP	WTP	WTP
16	Subang Regency	TMP	WDP	WDP	WTP	WTP
17	Sukabumi Regency	WTP	WTP	WTP	WTP	WTP
18	Sumedang Regency	WTP	WTP	WTP	WTP	WTP
19	Tasikmalaya Regency	WTP	WTP	WTP	WDP	WTP
20	Bandung City	WDP	WDP	WDP	WTP	WTP
21	Banjar City	WTP	WTP	WTP	WTP	WTP
22	Bekasi City	WTP	WTP	WTP	WTP	WTP
23	Bogor City	WDP	WTP	WTP	WTP	WTP
24	Cimahi City	WTP	WTP	WTP	WTP	WTP
25	Cirebon City	WDP	WTP	WTP	WTP	WTP
26	Depok City	WTP	WTP	WTP	WTP	WTP
27	Sukabumi City	WTP	WTP	WTP	WTP	WTP
28	Tasikmalaya City	WDP	WTP	WTP	WTP	WTP

(Source: 2025 Research Processing)

Fixed asset management issues in Regional Government Financial Reports also remain a concern for reporting entities in West Java Province. The author selected a 10% sample of reporting entities in West Java for comparison. Several considerations related to research on fixed assets led to the selection of Bandung City, Tasikmalaya Regency, and Garut Regency.

Table 2: Fixed Asset Value in 3 Reporting Entities

No	Description	Garut Regency	Tasikmalaya Regency	Bandung
1	Land	844.332.009.669,02	497.272.605.881,72	33.643.959.071.743,00
2	Equipment and Machinery	839.781.712.605,56	1.227.418.886.090,46	2.635.210.434.547,45
3	Buildings and Structures	1.701.188.773.766,80	1.424.291.562.121,77	3.777.483.902.493,09
4	Roads, Irrigation and Networks	1.176.240.062.850,20	2.615.066.513.542,20	3.505.114.849.060,91
5	Other fixed assets	294.925.100.838,92	196.817.092.019,41	231.368.835.810,05
6	Construction in Progress	48.407.916.719,89	221.090.497.908,67	238.123.365.503,40
7	Accumulated depreciation	1.556.854.111.948,34	1.920.932.253.057,20	3.684.020.415.409,17
	Amount	3.348.021.464.502,05	4.261.024.924.507,03	40.347.240.043.748,70

(Source: BPK Audit Report 2025)

The Center for Financial Studies in State Finance, second edition (2016:56) states that assets are a strategic factor in state/regional financial management. In general, the value of fixed assets is the largest compared to other accounts on an entity's balance sheet. Therefore, the existence of fixed assets significantly impacts the running of government. Based on this description, this article will focus on analyzing fixed assets in regional government financial reports by the Supreme Audit Agency (BPK) through a study of Reporting Entities in West Java Province.

B. LITERATURE REVIEW

Fixed assets

According to Government Accounting Standards Regulation Number 7, Paragraph 4, fixed assets are tangible assets with a useful life of more than 12 months, intended for use in government activities or by the public. One of the criteria for classifying fixed assets as fixed assets is their substantial value. Fixed assets with a small unit value can be directly classified as inventory.

Fixed assets can be classified based on similarities in nature and function in the entity's operating activities, including:

- 1) Land; Land classified as fixed assets is land acquired for government operational activities in a ready-to-use condition.
- 2) Equipment and Machinery; Equipment and machinery consist of motor vehicles, electronic equipment, and office inventory, as well as equipment that has significant value and revenue and can be used for more than twelve

months.

- 3) Buildings and Structures; Buildings and structures include all structures acquired and intended for use in government operations in a ready-to-use condition.
- 4) Roads, Irrigation, and Networks; Roads, irrigation, and networks constructed by the government and owned or controlled by the government and ready for use.
- 5) Other Fixed Assets; Other fixed assets include fixed assets that cannot be classified as the fixed asset groups mentioned above. These fixed assets are acquired and used for government operations.
- 6) Construction in Progress; Construction in Progress includes fixed assets in progress but not fully completed as of the financial statement date..

Acquisition of fixed assets can be done in various ways, including through purchase, donation, joint acquisition and exchange.

- a) Acquisition of Fixed Assets from Purchase; The acquisition of fixed assets from purchases is recorded twice: for the preparation of the balance sheet and the statement of operations, and for the preparation of the Profit and Loss Account (LRA). The recording for the LRA preparation is an increase in capital expenditures on the debit side and a decrease in the cash of the disbursing treasurer on the credit side. The recording for the balance sheet preparation is an increase in fixed assets on the debit side and a decrease in the cash of the disbursing treasurer on the credit side.
- b) Acquisition of Fixed Assets from Donations; Based on PSAP No. 7, paragraphs 45-48, fixed assets received from donations are stated at their fair value at the time of acquisition. Donations of fixed assets are defined as unconditional transfers of an asset.

Audit Board of the Republic of Indonesia

The Audit Board of Indonesia (*BPK*) is one of the highest state institutions within the government. The existence of the Audit Board of Indonesia is based on Articles 23E, 23F, and 23G of the 1945 Constitution of the Republic of Indonesia. Article 23E paragraph (1) states that to audit the management and accountability of state finances, an Audit Board of Indonesia is established, as regulated in the *Undang-Undang Nomor 15 Tahun 2006* concerning the Audit Board.

The *Undang-Undang Nomor 15 Tahun 2004* concerning the Audit of State Financial Management and Accountability, Article 4 regulates the types of audits carried out by the Audit Board, which consist of:

- a) A financial audit is an audit of financial reports.
- b) A performance audit is an audit of state financial management, encompassing economic and efficiency aspects, as well as an audit of effectiveness.
- c) A specific-purpose audit is an audit that is not included in the audits referred to in paragraphs (2) and (3).

Article 23 paragraph (1) of the 1945 Constitution states that the audit of the management and accountability of state finances is carried out by the independent and autonomous Supreme Audit Agency (*BPK*). Furthermore, in the *Undang-Undang Nomor 15 Tahun 2004* concerning the Audit of Financial Management and Accountability of State Finances, Article (1) number 11, an opinion is a

professional statement for the auditor's conclusion regarding the level of fairness of the information presented in the financial statements.

This is further clarified in the explanation of Article 16 paragraph (1) regarding the opinion, which is a professional statement by the auditor regarding the fairness of financial information in the financial statements in accordance with the following standards: (i) compliance with government accounting standards, (ii) adequacy of disclosure, (iii) compliance with laws and regulations, and (iv) effectiveness of the internal control system. There are 4 (four) types of opinions that can be given by the auditor, namely an unqualified opinion, a qualified opinion, and a disclaimer of opinion.

Inspection Result Report

The audit conducted by the *BPK-RI* of the reporting entity is subsequently included in the audit report as a form of accountability for its duties under Law Number 15 of 2004 concerning Audit of State Financial Management and Accountability, Article 17 paragraph (2) "The *BPK* shall report the regional government's financial report no later than two months after receiving the government's financial report. The audit report is submitted to the Regional People's Representative Council (*DPRD*).

The *Undang-Undang Nomor 15 Tahun 2006* concerning the Audit Board, Article 1 paragraph (14): Audit results are the final result of compliance, credibility, accuracy, truth, and reliability of data and information related to state financial management and accountability. These results are based on the *BPK*'s decision contained in the Audit Report. Audit standards are implemented independently, objectively, and professionally.

C. METHOD

This research uses a comparative study, as explained by Silalahi (2015:127) that comparative research is research that compares the differences between two or more symptoms (Creswell 2014; Creswell 2018). Comparative research is either descriptive comparative research or correlational comparative research (Krippendorff, 2018; Hasanah, 2016). Based on the expert opinion, it is known that comparative research is research that compares objects, people and other things by analyzing the similarities and differences between the objects/subjects being researched (Somantri 2005; Sugiyono, 2020). The data collection techniques in this research are through observation, interviews and documentation (Agustini et al. 2023; King, Keohane, and Verba 1995). Meanwhile, data analysis techniques are carried out through several stages which include: data reduction, data presentation and drawing conclusions to provide conclusions regarding the overall findings and analysis carried out (Zaini et al., 2023).

D. EXPLANATION

Regional Government Financial Report Audit Cycle

The *BPK* Audit Cycle is a series of activities that begin from the initial stage to the final stage of audit activities on an Entity (*BPK RI*, Audit Management Guide, 2015). In order to implement the mandate of the Law on Auditing the Management and Accountability of State Finances, since 2004 the *BPK* has

carried out audits of Financial Reports on an Entity annually based on an activity calendar prepared and regulated by the *BPK* itself. In general, the audit planning cycle includes evaluation of the previous year's audit, preparation and scheduling, training/workshops, preparation for field work implementation and ends with the submission of the Audit Result Report to the *DPR*, *DPD*, and the Government.



Figure 1. Regional Financial Audit Cycle
(Source: Processed research results 2025)

The main stages of audit implementation include planning, implementation, and financial reporting. Entity audits involve all *AKNs* conducting audits of the *LKPD*. *LKPD* audit planning requires coordination, including audit evaluation, preparation and scheduling, interim audits, and audit preparation training/workshops.

1. Planning

Audit planning has been carried out through an interim audit prior to the receipt of the Unaudited Audit Report, which includes Understanding the Audit Objectives and Expectations of the Interim Audit Assignment, Understanding the Entity, Analysis of Audit Results Follow-up Monitoring, Understanding the Internal Control System, Internal Control System Testing and Risk Assessment, Determining Initial Materiality/Report Level and Initial Materiality at the Account Level, Determining the Sample Selection for the Detailed Audit of the Financial Statements, Testing of Controls over Cycles/Accounts, and Limited Substantive Testing of Cash, Capital Expenditures, and Goods and Services Expenditures.

Assignment An understanding of the audit objectives and expectations of the assignment is necessary to determine the focus or targets that the auditor must pay attention to. The audit team can develop audit procedures based on the formulated audit focus or targets.

Understanding the entity must take into account the previous year's audit working papers and the results of the interim audit. This understanding of the entity includes the background/legal basis for establishing the regional government, the entity's main activities, including sources of regional revenue, the

influencing environment, relevant officials up to two levels below the regional head, and extraordinary events that impact regional financial management. The auditor updates the entity's data if there are significant changes that impact the presentation of the financial statements.

The auditor must consider the results of the audit and follow-up actions taken on previous audit results. The auditor must examine the impact of the previous audit results and their follow-up actions on the audited *LKPD*, particularly regarding the possibility of recurring audit findings and corrective actions taken by the local government. The results of the understanding and testing of the *SPI* from the interim audit are used as the basis for the risk assessment. The risk assessment procedure is conducted at the entity level and for each account or account group/cycle.

Materiality is the magnitude of omissions or errors in recording that significantly affect decision-making. In developing an audit strategy, auditors classify materiality into two groups: a) Planning materiality levels related to the financial statements as a whole, b) TM related to individual accounts or financial items. Determination of the sample test method is based on the auditor's professional judgment by considering several aspects, including: a) Risk assessment matrix from the interim audit results; b) Risk level; c) Predetermined materiality level; d) Number of samples; e) Cost and benefit.

1. Audit Implementation

Regional financial audits are conducted through several stages by the Supreme Audit Agency:

- a) Analytical Testing; Analytical testing is conducted to identify logical relationships in the presentation of accounts in the *LKPD* and assess the adequacy of disclosure of each change in items/accounts in the audited *LK*, as well as to determine significant areas in *SPI* testing and substantive testing of transactions and balances. Analytical testing in the audit process is conducted through data analysis, ratio analysis, and trend analysis, in accordance with the areas designated as random tests.
- b) Testing of Controls; Control testing involves testing the effectiveness of the design and implementation of internal control systems (*SPI*) within the framework of accountability for the implementation of the regional budget (*APBD*). In testing the design of the *SPI*, the auditor evaluates whether the *SPI* has been adequately designed and relatively minimizes misstatements and fraud. Meanwhile, testing the implementation of the *SPI* is conducted by examining the implementation of controls on activities or transactions carried out by the regional government. *SPI* testing serves as the basis for subsequent substantive testing.
- c) Substantive Testing of Transactions and Balances; Substantive testing includes testing transactions, account balances, and disclosures in the audited financial statements. This testing is conducted after the auditor obtains the financial statements and is conducted to verify management's assertions regarding the financial statements, namely:
 - Existence and occurrence;
 - Completeness;

- Rights and obligations;
 - Valuation and allocation;
 - Presentation and disclosure.
- d) Completion of Assignment; Activities in completing assignments include compiling, submitting and discussing audit findings and proposed adjustment journals as well as obtaining responses from agencies.

2. Reporting

After conducting the detailed tests above, the examiner concludes the results of the examination and the objects of examination which include:

- a) Budget Realization Report;
- b) SAL Change Report;
- c) Balance Sheet;
- d) Operational Report;
- e) Cash Flow Statement;
- f) Statement of Changes in Equity; and
- g) Notes to the Financial Statements.

BPK Findings on 3 Reporting Entities in West Java

Based on the problem graph mentioned in IHPS 1 2020, the problems found in the financial reports of district/city governments in West Java with a population of 3 samples consisting of 3 LKPD entities in West Java.

3. Land Assets

	Fixed assets	Land
Entity	Fixed Asset Value (Rp)	Problems
Bandung	33.643.959.071.743,0 0	The recording on the KIB A goods inventory card is not yet accurate and informative
		Not all land owned by the Bandung city government has certificates
		The land for the traffic park building is used by the Ade Irma Suryani Foundation without any cooperation agreement, either for rent or loan
		Land for the Government Office Building, which is the former Binong Sub-district Office and the former KUA Office. The land is controlled by the heirs of the late T Djuharya and there is an ownership sign for the heirs
		The land for the Bandung Zoo building, measuring 159,978 m2, is controlled by another party

		The land at Lapangan Pemancar, where the Beacon Light Tower is located, is registered as a land asset of the Bandung City Government. The land is under the control of AirNav Indonesia.
Garut Regency	844.332.009.669,02	The recording on the KIB A goods inventory card is not informative Not all land assets are supported by ownership certificates
Tasikmalaya Regency	497.272.605.081,72	In the Department of Education and the Department of Health, there are 10 plots of land that do not have an acquisition price

(Source: processed research results 2025)

4. Fixed Assets Machine Equipment

Fixed Assets Equipment And Machine		
Entity	Fixed Asset Value (Rp)	Problems
Bandung	2.635.258.834.547,45	Recording of equipment and machinery that has not been detailed/incomplete at the Public Works Department and Regional Secretariat.
		There are 17 fixed assets of equipment and machinery in the form of vehicles worth Rp. 3,729,181,260.00 whose loan period has expired and four of them are not accompanied by vehicle handover reports.
		Equipment and machinery belonging to the West Java Provincial Government recorded as fixed assets in the KIB B Education Office
Garut Regency	839.781.712.605,56	Pencatatan Aset Tetap Peralatan dan Mesin belum dilakukan secara memadai
Tasikmalaya Regency	1.227.418.886.090,46	Fixed assets of equipment and machinery worth Rp. 1,668,453,495 cannot be traced/declared lost, consisting of office equipment and two-wheeled vehicles
		Recording of Fixed Assets Equipment and Machinery in KIB B has not been done adequately

(Source: processed research results 2025)

5. Fixed Assets: Buildings and Structures

Aset Tetap Dan Bangunan Gedung		
Entity	Fixed Asset Value (Rp)	Problems
Bandung	3.777.483.902.493,09	Recording of Fixed Assets for Buildings and Structures in KIB C has not been carried out adequately
		There are building and construction assets that have been destroyed and have not been proposed for write-off from the balance sheet amounting to Rp. 13,577,464,228.
Garut Regency	1.701.188.773.766,80	Recording of Fixed Assets for Buildings and Structures in KIB C has not been carried out adequately
Tasikmalaya Regency	1.424.291.582.121,77	Recording of Fixed Assets for Buildings and Structures in KIB C has not been carried out adequately

(Source: 2020 BPK Audit Report)

6. Fixed Assets: Networks, Roads, and Irrigation

Fixed Assets in Network and Irrigation Operation		
Entity	Fixed Asset Value (Rp)	Problems
Bandung	3.505.114.849.060,91	There are fixed assets of roads, networks and irrigation that have been destroyed and have not been proposed for removal from the balance sheet amounting to Rp. 2,078,137,062
		At the Department of Transportation there are non-road assets recorded as roads, namely in the form of signs and lights
Garut Regency	1.176.240.062.850,20	Recording of fixed assets of roads, networks and irrigation is not informative
Tasikmalaya Regency	2.615.066.513.542,20	Recording of fixed assets such as roads, networks and irrigation that do not correspond to the classification of the goods
		Fixed road assets handed over to community groups and the West Java provincial government have not been supported by handover minutes

(Source: 2020 BPK Audit Report)

7. Other Fixed Assets

Other Fixed Assets		
Entity	Fixed Asset Value (Rp)	Problems
Bandung	231.368.835.810,05	There are other fixed assets that have been destroyed but have not been proposed for removal from the balance sheet
		Other fixed assets belonging to the West Java provincial government are still recorded as assets in the KIB E education service
Garut Regency	294.925.100.838,92	There are other fixed assets in a severely damaged condition that are still recorded in fixed assets
		There are other fixed assets recorded in combination
Tasikmalaya Regency	294.925.100.838,92	Recording of other fixed assets has not been completed successfully

(Source: 2020 BPK Audit Report)

8. Construction in Progress

Construction Progress in		
Entity	Fixed Assets Value (Rp)	Problems
Bandung	238.123.365.503,4	Not all Construction In Progress has determined the location, level of completion and timeframe for completion of the work.
Garut Regency	48.407.916.719,89	-
Tasikmalaya Regency	221.090.497.908,67	Recording has not been carried out adequately because there are planning documents in the form of detailed engineering designs (DED) which have been recorded as construction in progress for years

(Source: 2020 BPK Audit Report)

Based on these findings, the Comparison of Fixed Asset Values in 3 entities, the author found the highest value of Fixed Assets in the Financial Report of the Bandung City Regional Government amounting to Rp. 40,347,240,043,748.70 (forty trillion three hundred forty-seven billion two hundred forty million forty-three thousand seven hundred and forty-eight rupiah) with 16 problem indicators. The regional government entity received an Unqualified Opinion from the *BPK* and can further improve asset management, starting from planning to reporting regional assets. Based on the results of the

BPK audit, the problem indicators in the sample that the author conducted, the least problems were found in the fixed assets of the Garut Regency regional government financial report with a value of Rp. 3,348,021,464,502.05 (three trillion three hundred forty-eight billion twenty-one million four hundred sixty-four thousand five hundred and two rupiah). The number of problem indicators is 8 points. Problem indicators.

Regional government entities that receive an Unqualified Opinion from the *BPK* can further improve asset management, starting from planning to reporting regional assets. Based on the results of the *BPK* audit, the problem indicators in the population that the author conducted the least problems were found in the Fixed Assets of the Financial Report of the Garut Regency Regional Government. Despite achieving a *WTP* Opinion, based on the 34 indicators of the problem, the Regional Secretary as the Manager of Regional Assets has improved coordination, supervision, and control in the implementation of *BMD*, which consists of: Administrative security, physical security, legal security, updating *BMD* loan documents. In addition, based on the problems found, the Regional Secretary as the manager of *BMD* is expected to be more assertive in imposing sanctions according to the provisions to the regional equipment and asset management subsection (*PPAD*) that is less careful in updating asset data. In addition to these problems, it was also found that the *Peraturan Menteri Dalam Negeri Nomor 108 Tahun 2016* concerning the classification and codification of regional assets has not been implemented. In this regulation, Regional Assets (*BMD*) are systematically classified into accounts, groups, types, objects, object details, object sub-details and object sub-details.

The Audit Board's Efforts to Encourage Regional Governments to Follow Up on Audit Recommendations and Regional Governments

In this regard, the *BPK* Representative Office of West Java Province consistently strives to encourage regional governments to follow up on audit recommendations in accordance with the recommendations provided and in a timely manner. This effort is made by the *BPK* Representative Office of West Java Province to hold meetings with regional governments or entities to which recommendations are addressed. These meetings are intended to monitor each entity for which recommendations are made. Meetings are held at least twice a year, up to four times a semester, depending on the *BPK* Representative Office holding the meeting. These meetings are held in the form of follow-up discussion meetings, convening each entity or regional government to convey any issues or progress related to the recommendations that have been followed up.

This is in line with what was expressed by Mr. Oktono Batubara as the Technical Controller of the West Java II Sub-Auditorate who was interviewed on January 28, 2021 in his office, stating that

“The BPK can only encourage this at every meeting, during audit activities, and we continue to encourage it. One way we've provided them with the opportunity to hold two annual discussion meetings is through the BPK's method of assisting them when they encounter problems. Sometimes meetings are held three or four times a year, depending on the representative holding the meeting. But typically,

two meetings are held annually.”

Meetings are indeed quite an effective way to encourage each regional government to follow up on the recommendations of the audit results, because by holding meetings, the Indonesian Audit Board (*BPK RI*) understands and knows for sure what the main obstacles and problems are that make them slow in following up on the recommendations of the audit results.

E. CONCLUSION

Based on the results of the comparative analysis of fixed assets in regional government financial reports for 3 entities in West Java Province conducted by the author, the following conclusions can be drawn:

- a) The Financial Report Audit cycle is carried out using a risk-based audit approach which includes planning, implementation and reporting of audit results.
- b) The findings of fixed asset problems in Bandung City, Garut Regency, and Tasikmalaya Regency that often occur are that recording of inventory cards for goods is still not accurate and informative in each balance sheet account in the Regional Government Financial Report.
- c) The efforts made by the *BPK* Representative Office of West Java Province are to encourage local governments through meetings held at least 2 (two) times every semester and by releasing a follow-up monitoring information system called SIPTL or Follow-up Monitoring Information System. As well as efforts from local governments are through the Regional Inspectorate, Regional Heads monitor the implementation of follow-up recommendations from audit results by holding monthly meetings with regional officials who are given recommendations, holding joint discussions on recommendations that are difficult to understand, submitting reviews to the *BPK RI* for recommendations that cannot be followed up, making agreements with the *BPK RI* regarding officials who have died, retired or transferred, and encouraging each head of regional officials to commit and care about the implementation of follow-up recommendations from audit results.

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