
The Influence of Accountability and Transparency on the Quality of GMIT's Financial Reports in Kupang City

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ABSTRACT

Church religious organizations need to pay attention to their financial reports as accountability so that users of these financial reports can understand the extent of the organization's financial condition. The church also needs to implement good financial management to produce accurate information. Accountability and transparency in the church as a non-profit organization is urgently needed, through accountability presented in quality financial reports, resource providers can ensure that the resources provided are used properly in church ministry to church congregations. How to collect data in this study is to use a questionnaire (questionnaire). Data analysis method in this study the method used is Ordinary Least Square Regression. The data was collected and processed using Descriptive Statistical Testing and Hypothesis Testing. The results of this study are the significance value of Accountability (X1) is the prob value. T-count of $0.008 < 0.5$ states that H1 is accepted which shows that the more accountable the accountability for financial reports made by the church, the quality of the GMIT church's financial reports in the Kupang city class is increasing. The results of this study are the significance value of Transparency (X2) is the prob value. T-count of $0.010 < 0.5$ states H2 is accepted indicating that the more transparent a church is in managing financial reports, the quality of the GMIT church's financial reports in Kupang City will increase.

Keywords: Accountability, Transparency, GMIT, Financial Reports

INTRODUCTION

Public sector organizations are often seen as inefficient and far behind the progress and developments that often occur in the private sector, so that their position is considered lower and far behind compared to the private sector. This could be because public sector organizations belong to the general public or communities in certain areas, so that the progress and development of the organization depends on the awareness and attention of the community towards organizational management including its accounting practices. This condition also occurs in worship organizations such as churches (Halim & Muhamad, 2014).

The church is a non-profit organization or an organization that is not established for the purpose of making a profit which is also related to financial management (Shamsutdinova, Tishkina, Galeeva, & Khasanova, 2020). Religious organizations like this church get

resources to carry out their operational activities from donations from members (congregations) and from other donations and certainly do not expect anything in return (Sulkowski & Ignatowski, 2020). The church needs to pay attention to its financial reports as an accountability so that users of these financial reports can understand the extent of the organization's financial condition.

In general, the purpose of financial reports is to provide information about financial position, performance and cash flows that is useful to most users of financial statements to make economic decisions and to show management stewardship of the users of the resources entrusted to them. they. Therefore, the Church also needs to implement good financial management to produce accurate information. Accurate information can be obtained by applying the accounting process in church financial management, from this accurate information can help the supervisory, planning

and decision-making functions in managing church finances. Like companies in general, accountability in non-profit organizations is also very necessary. Accountability within the church can be implemented through recording financial reports and evaluating performance. According to Mardiasmo (2004), accountability is defined as the relationship between those who control and regulate entities and those who have formal power over those who control them.

Accountability and transparency are the goals of every report user in reading financial report information. In addition, the quality of a financial report is also determined from the aspects of accountability and transparency. Financial reports in religious organizations (churches) can be interpreted as the obligation of the trustee, namely the church management, to provide accountability to the party giving the trust, namely the congregation and donors who have the right to hold them accountable for the use of these funds. Therefore, it is very important to implement accountability and transparency in financial management within the organization.

The churches that will be examined in this study are the GMIT Churches that are members of the GMIT Synod in Kupang City which are managed according to the Presbyteral Synod system with congregational, Classist, and synodial systems. The fellowship of these churches is spread to various regions in Indonesia. Members of the GMIT Church congregation who are part of the GMIT Synod certainly expect good financial management performance. However, there are several problems that often occur in the financial management of the church itself and these problems are often not paid attention to by those responsible (Alexander, 2018). In managing its finances, the GMIT church has not implemented an accounting system that applies to its financial reporting according to ISAK standard no. 35 (Ga, 2021). This is because all churches in the GMIT area apply the treasury rules stipulated in the GMIT Basic Regulations in Chapter XII article 5, namely the management and utilization of the GMIT treasury is carried out in an integrated, open, economical and accountable manner in

accordance with the GMIT basic regulations and monitored regularly and regularly by the GMIT synod. Based on previous research conducted by Selan and Ga (2018), the financial reports of the GMIT Synod are not accountable and transparent and are made in accordance with the preparation regulations set separately by the synod. However, the recommendations of the XXXIII Synod Session in Lobalain- Rote Ndao Regency in 2015 and the XXXIV Synod Session at Paulus Naikoten church recommended that the Synod Assembly establish an accounting system that refers to PSAK 45, in 2016 starting with the creation of SOPs, socialization and training. Its use came into force in 2018. Meanwhile, PSAK 45 has been updated to ISAK 35 and its use will be implemented in 2020.

With reference to the accounting standards that apply to these public sector organizations, the church as a non-profit organization has implemented accountability and transparency in proper financial management according to the accounting standards that apply to the teachings of Christ in Paul's letter to the church in Rome, article 13, paragraph 1, namely "Every people must submit to the government above them, because there is no government, which is not from God; and the existing governments, ordained by God" (LAI, 1974). Based on the description of the problem above, researchers are interested in knowing how Congregational perceptions through analysis of accountability and transparency of financial reporting of the Christian Evangelical Church in Timor in Kupang City. Accountability and transparency in the church as a non-profit organization is urgently needed, through accountability presented in quality financial reports, resource providers can ensure that the resources provided are used properly in church ministry to church congregations.

METHOD

The population in this study were users of the Kupang City GMIT financial statements, in this case, the Kupang City GMIT congregation. The sampling technique in this study was

random sampling technique, and 137 respondents were used from this technique. Source of data used in this research is primary data. Primary data in this study were obtained by researchers directly by distributing questionnaires to respondents, namely the GMIT congregation in Kupang City.

Research variable

- a. Quality of Financial Statements
 Quality financial reports show that church leaders are responsible in accordance with the authority delegated to them in being responsible for a matter, both in terms of tangible goods and intangible aspects. Some important qualities of information contained in financial reports according to SAP are understandable (*understandability*), relevance, reliability, and comparability.
- b. Accountability
 Accountability is the responsibility for managing resources and implementing policies entrusted to the reporting entity in achieving the objectives set periodically.
- c. Transparency

Transparency is the principle of creating mutual trust between non-profit organizations and the public by providing information and ensuring the ease of obtaining information is an important requirement for the community to participate in the management of places of worship.

The data collection method is a way of collecting the data needed to answer the research problem formulation. How to collect data in this study is to use a questionnaire (questionnaire). Questionnaire or a questionnaire is a data collection technique by providing or distributing a list of questions to respondents, with the hope of responding to the list of questions. The list of questions for each variable Quality of Financial Statements, Accountability and Transparency consists of 9 question items.

Data analysis method is a method used to process research results in order to obtain a conclusion. In this study the method used is Ordinary Least Square Regression. The data was collected and processed using Descriptive Statistical Testing and Hypothesis Testing.

RESULT and DICUSSION

Descriptive Statistics

Table 1.
 Summary of Questionnaire Distribution

Information	Questionnaire
The number of questionnaires distributed	150
Number of Questionnaires returned	137
The number of questionnaires that can be processed	137
Rate of Return (Response Rate)	92%

Source: Results of Primary Data Processing, 2022

Respondent Profile

- a. Characteristics of Respondents Based on Gender

Table 2.
 Characteristics of Respondents by Gender

Category	Amount	Percentage (%)
Man	65	47%
Woman	72	53%



Total	137	100%
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Source: Results of Data Processing, 2022

Based on table 2, it can be concluded that the total number of respondents who were 137 the majority of respondents who answered the questions in this study were women with 53% of people.

Table 3.
 Characteristics of Respondents by Education Level

Category	Amount	Percentage (%)
SENIOR HIGH SCHOOL	45	33%
D3	37	27%
S1	55	40%
Total	137	100%

Source: Results of Data Processing, 2022

Based on Table 3, it can be concluded that the majority of respondents who answered the questions in this study were at the Bachelor's level of education with the number of respondents 40% of the total number of respondents as many as 137 people.

Descriptive Statistics Test

Table 4.
 Descriptive Statistics

	Means	std. Deviation
Y (Quality of Financial Statements)	36.8741	5.3258
X1 (Accountability)	38.6148	4.3946
X2 (Transparency)	32.2741	4.7196

Source: Results of Data Processing, 2022

Based on Table 4 it shows that the variable Y (Quality of Financial Statements) has a mean value of 36.8741 and a standard value of 5.3258. Furthermore, variable X1 (Accountability) has a mean value of 38.6148 and a standard deviation of 4.3946 and variable X2 (Transparency) has a mean value of 32.2741 and a standard deviation

of 4.7196. From the mean value of each variable which is greater than the standard deviation, it can be concluded that the variables used in this study are good because the data are spread evenly.

Hypothesis testing

Table 5.
 Multiple Regression Test Results

	coefficient	T-Count	Prob Sig T- Calculate
Y (Quality of Financial Statements)	0.708	0.262	0.794
X1 (Accountability)	0.562	5,549	0.008
X2 (Transparency)	0.399	4,225	0.010

Source: Results of Data Processing, 2022

Accountability Has a Significant Influence on the Quality of Kupang City GMIT Financial Statements (H1)

From the results of multiple regression estimation in Table 5, it is known that the prob. sig T-count of Accountability variable is $0.008 < 0.05$ (5% significance level). So it can be concluded that the first hypothesis (H1) is accepted, that accountability has a significant effect on the Quality of GMIT Financial Reports in Kupang City. With a coefficient value of 0.562, it means that if accountability increases by 1%, the report quality will increase by 5.62%.

Transparency Has a Significant Influence on the Quality of Kupang City GMIT Financial Statements (H2)

From the results of multiple regression estimation in Table 5, it is known that the prob. sig T-statistic of the Transparency variable is $0.010 < 0.05$ (5% significance level). So it can be concluded that the first hypothesis (H1) is accepted, that accountability has a significant effect on the Quality of GMIT Financial Reports in Kupang City. With a coefficient value of 0.399, it means that if transparency increases by 1%, the report quality will increase by 3.99%.

DISCUSSION

1. The results of this study are the significance value of Accountability (X1) is the prob value. T-count of $0.008 < 0.5$ states that H1 is accepted which shows that the more accountable the accountability for financial reports made by the church, the quality of the GMIT church's financial reports in the Kupang city class is increasing. Thus the results of this study state that religious organizations, including churches, in being accountable for managing the congregation's finances in an accountable manner will improve the quality of the financial reports of the church and increase the trust of the principal, in this case the congregation and God, that they have been managed responsibly.
2. The results of this study are the significance value of Transparency (X2) is the prob

value. T-count of $0.010 < 0.5$ states H2 is accepted indicating that the more transparent a church is in managing financial reports, the quality of the GMIT church's financial reports in Kupang City will increase. The results of this study want to state that the transparency or openness that is built by the church in providing information and reporting church finances makes parties who have an interest in this financial information, in this case the congregation, in supervising the management of church finances, become more trusting and improve the quality of financial reports made by the church. GMIT in Kupang City

CONCLUSION

Accountability (X1) has a significant effect on the quality of the GMIT church's financial reports in the Kupang city class (Y). the more accountable the accountability of financial reports made by the church, the quality of the GMIT church's financial reports in the classic city of Kupang is increasing.

Transparency (X2) has a significant effect on the quality of the GMIT church's financial reports in the Kupang city class (Y). the more transparent a church is in managing financial reports, the quality of the GMIT church's financial reports in the classic city of Kupang will increase

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