International Journal of Accounting & Finance in Asia Pasific (IJAFAP)
Vol. 7 No. 3, pp. 428-445, October, 2024
E-ISSN: 2655-6502 P-ISSN: 2684-9763
https://www.ejournal.aibpmjournals.com/index.php/IJAFAP

The Influence of Accounting Understanding, Utilization of IT, Education Level, Internal Control, and Work Experience on the Quality of Financial Reports of Village Credit Institutions (LPDs)

Putu Kepramareni[1], Ni Nyoman Santi Dewi[2*], Ida Ayu Nyoman Yuliastuti[3], Yolanda Patrician Simanjuntak[4]
Universitas Mahasaraswati Denpasar[1,2,3,4]
Kamboja Street No. 11, Dangin Puri Kangin, North Denpasar, Denpasar, 80233, Indonesia
Corresponding Author: santidewi4774@gmail.com[2]
ORCID ID: https://orcid.org/0009-0006-6028-7244[2]

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE
Kepramareni, P., Dewi, N. N. S., Yuliastuti, I. A. N., & Simanjuntak, Y. P. (2024). The influence of accounting understanding, utilization of information technology, education level, internal control, and work experience on the quality of financial reports of village credit institutions (LPDs). *International Journal of Accounting & Finance in Asia Pasific,* *7*(3), 428-445.

DOI:
https://doi.org/10.32535/ijafap.v7i3.3604

Received: 16 August 2024
Accepted: 17 September 2024
Published: 20 October 2024

ABSTRACT

The quality of financial reports is crucial for comparing performance across periods in institutions like the Village Credit Institution (LPD). However, many financial reports have emerged as uninformative and of low quality. This study aims to examine how factors such as job experience, education level, internal control, and accounting knowledge impact the quality of LPD financial reports in Denpasar City. The study population comprised 552 LPD employees involved in preparing financial reports, and through purposive sampling, 102 respondents were selected, including leaders, supervisory bodies, and accounting staff with at least two years of experience. Data were collected via questionnaires and documentation and analyzed using multiple linear regression. The results indicate that while accounting knowledge and internal control do not affect the quality of LPD financial reports, the use of information technology, education level, and work experience positively influence the improvement of financial report quality. These findings highlight the importance of investing in employee education, training, and technology to enhance financial reporting standards at LPDs.

Keywords: Accounting; Internal Control; Level of Education; Quality of Financial Reports; Technology; Work Experience

INTRODUCTION

The population of a nation will be better able to react to economic policies implemented by the government if financial institutions are there. The creation of a village financial institution, sometimes referred to as the Village Credit Institution (LPD), is one of the assistance programs offered by the federal government to the village administration concerning village development. According to the explanation of the Bali governor's regulation number 44 of 2017, the LPD as one of the financial institutions owned by the Pekraman village has a role in rural economic development, creates business opportunities and job opportunities for village communities, and plays a role in supporting government programs in terms of poverty alleviation in Bali. The LPD must prepare financial reports in order to be held accountable in the same way as a profit-making institution while performing its tasks. Financial reports must be of high quality because poor reports can have a negative impact on decisions taken by interested parties (Dewi & Ernawatiningsih, 2019).

The quality of financial reports refers to data that is created and designed to be reliable and relevant for its users, ensuring it does not mislead them (Nahak, 2023). The quality of financial reports is crucial for an organization as it allows for performance comparisons between the current and previous periods. The better a company's financial performance report, the better its overall performance (Gunadi et al., 2020). However, numerous issues have arisen regarding the quality of financial reports, with reports often being unclear or of low quality. This issue is prevalent in both private companies and local governments, necessitating further study. Poor-quality financial reports can lead to incorrect decision-making, failure to explain financial details, and the inability to account for a company's cash flow, as well as inaccuracies in financial data (Dewi & Ernawatiningsih, 2019). Improving the quality of financial reporting is essential to prevent these issues, ensuring that financial reports adhere to accounting standards and clearly show cash inflows and outflows (Letisya & Nuratama, 2022).

One notable case occurred at LPD Serangan, which has been closed since October 2020. The LPD rescue team and audit results revealed that the Head of the Village used LPD funds amounting to IDR 5.8 billion, including a loan of IDR 4 billion taken from LPD assets originally valued at IDR 4.8 billion. To address these issues, steps must be taken to improve financial reporting performance. Another relevant case occurred in the LPD of BugBug Village and the LPD of Rendang Village, where discrepancies in the interest received were found. After an investigation by the audit and legal teams, it was discovered that while the agreed interest rate was 1 percent, only 0.6 percent was deposited into the BugBug LPD account, with 0.4 percent entering the personal account of the reported individual (Dewi & Yuniasih, 2021). Another incident at the Gulingan Village LPD in Mengwi District involved customers being unable to withdraw IDR 25,000,000 because LPD officers claimed they had no funds available. This issue was linked to liquidity provisions that did not comply with Bali Governor Regulation No. 44 of 2017, Article 21, as well as problematic credit that affected the cash flow, ultimately impacting the quality of financial reports and the financial health of the LPD (Miasa, 2024).

The problems occurring within LPDs are highly concerning and could lead to a public trust crisis. One step to address these issues is to improve the quality of financial reporting. High-quality financial reporting will ensure that financial reports are prepared according to existing accounting standards, providing clear visibility of cash inflows and outflows. To achieve LPD objectives, it is essential to develop quality financial reports by focusing on various factors that support this process, including the level of accounting understanding, the use of technology, the level of education, internal control, and work experience (Suari et al., 2019).

Accounting understanding refers to an individual's ability to comprehend the process and practice of recording transactions, from initial entry to the creation of financial reports, ensuring the results can be accounted for (Andriani, 2023). A high level of accounting understanding produces reliable financial reports that stakeholders can trust, which also aids in decision-making concerning LPD performance (Suari & Astrani, 2023). A person is said to have an accounting understanding if they can execute the accounting process and generate financial reports according to principles and standards (Aniftahudin et al., 2016). Research by Bhegawati & Novarini (2021), Dwiyanti & Wati (2023), and Letisya & Nuratama (2022) shows that accounting understanding has a positive effect on the quality of financial reports. In contrast, research by Pratiwi et al. (2021) indicates that accounting understanding has no effect on the quality of financial reports.

Another variable that influences the quality of financial reports is information technology. Technology provides systems, including hardware and software, that facilitate employee tasks. Information, in this context, is the result of processing and organizing data, providing valuable insights to users (Mene et al., 2018). The use of information technology speeds up the management of financial transaction data, and the preparation of financial reports, and minimizes errors in recording from books, journals, and ledgers to produce a comprehensive financial report (Pradnyawati et al., 2024). Research by Dewi & Yuniasih (2021) and Sara (2022) shows that the use of information technology positively affects the quality of financial reports, while Lestari et al. (2022) found that the use of technology negatively affects financial report quality.

Education level also plays a role in the quality of financial reports. Education refers to both formal levels, such as elementary, junior high, high school, and undergraduate education, as well as non-formal education like workshops or courses (Milenia et al., 2023). An employee's level of education reflects their knowledge and ability to efficiently complete tasks (Sarianingsih et al., 2021). Limited education may hinder an individual’s ability to adopt new values or information, whereas higher education enables quicker information absorption and broader knowledge (Budiarti et al., 2021). Research by Dewi and Yuniasih (2021) suggests that education level has a positive effect on the quality of financial reports, but research by Yulianingsih et al. (2021) indicates that education level has no effect.

An internal control system is also essential for improving financial report quality. Internal control is an ongoing process led by leaders and employees to regulate activities and achieve organizational goals (Mene et al., 2018). Studies by Putri (2023) and Sugiyarti (2022) show that internal control positively affects financial report quality, while research by Kaifah and Tryana (2020) indicates that internal control has no effect.

Professional work experience in accounting provides greater ease and accuracy in the process of preparing financial reports (Kepramareni et al., 2020). With more work experience, employees can better master and understand the tasks that need to be completed. Research by Dewi and Yuniasih (2021) shows that work experience has a positive impact on the quality of LPD financial reports. In contrast, research by Yulianingsih et al. (2021) shows that work experience does not influence the quality of financial reports.

As a profit-oriented institution, LPD must also prepare financial reports. These reports must be of high quality to avoid negatively impacting decisions made by interested parties. Financial reports serve as a form of accountability for the management of LPD's financial resources. Numerous issues surrounding the quality of financial reports, such as reports that are uninformative and of low quality, can trigger fraud, including the misuse of funds within LPDs. These issues are highly concerning and could lead to a crisis of public trust in LPDs. To address these problems, one of the key steps is to improve the quality of financial reporting. High-quality financial reporting will present financial information in accordance with existing accounting standards, making cash inflows and outflows clearly visible. Therefore, research on the quality of financial reports is essential.

To achieve LPD's goals of producing quality financial reports, several factors must be considered that support the preparation process. These factors include accounting knowledge, the use of technology, education level, internal control, and work experience. The absence of research that examines all these factors—accounting understanding, technology utilization, education level, internal control, and work experience—on the quality of financial reports at LPDs in Denpasar City motivates researchers to conduct this study.

This research aims to expand knowledge, provide evidence, and offer insights into the influence of accounting understanding, the use of information technology, education level, internal control, and work experience on the quality of LPD financial reports. Additionally, the findings can serve as a guide for LPD managers on how these factors can improve the quality of financial reports, ultimately creating accurate financial information for public interest and contributing to LPD development.

LITERATURE REVIEW

Stewardship Theory

Stewardship theory describes managers who are motivated to prioritize the interests of their organization over their own personal interests. It assumes a strong connection between the achievement of organizational goals and the satisfaction of the principal. Stewards aim to protect and maximize the benefits of the organization by enhancing company performance, thereby optimizing the overall utility function. In the context of this study, LPD management is motivated to prioritize the organization's goals over their personal objectives. Stewardship theory is particularly relevant here as it explains the behavior of LPD managers, who are more focused on achieving shared targets and goals rather than their own. This theory is based on psychological and sociological principles designed to ensure that leadership and management work toward realizing organizational objectives (Sanjaya et al., 2017). In this study, LPD managers are able to produce high-quality financial reports that can be transparently accounted for by both the community and LPD customers.

The Influence of Accounting Understanding on the Quality of Financial Reports

Quality financial reports can be achieved when employees understand accounting in accordance with applicable rules and practices (Pebriantari & Andayani, 2021). Previous studies support the findings of Dwiyanti & Wati (2023) and Letisya & Nuratama (2022), which indicate a positive influence of accounting understanding on the quality of financial reports. These results align with stewardship theory, which describes LPD administrators as being more motivated to achieve common objectives rather than focusing on personal goals. The greater the understanding of accounting, the better the quality of financial reports, which are prepared according to established principles and standards (Letisya & Nuratama, 2022). Based on the explanation above, the following hypothesis can be formulated:

H1: Accounting understanding has a positive effect on the quality of financial reports.

The Influence of Information Technology Utilization on the Quality of Financial Reports

Information technology refers to the study, design, development, implementation, support, or management of computer-based systems, including both software and hardware applications (Aniftahudin et al., 2016). Optimizing the use of information technology significantly enhances the quality of financial reports (Zubaidi et al., 2019). When applied correctly, information technology generates high-quality data (Siallagan, 2020). Supporting evidence comes from previous studies, such as those conducted by Dewi & Yuniasih (2021) and Risna (2023), which found that the use of information technology positively affects the quality of financial reports. This demonstrates that integrating technology into accounting practices can improve the satisfaction of financial report users due to the enhanced quality, speed, and accuracy of the data within these reports (Dewi & Yuniasih, 2021). In light of this, the hypothesis formulated for this study is:

H2: The effect of the use of information technology has a positive effect on the quality of financial reports.

The Influence of Education Level on the Quality of Financial Reports

The level of education refers to the formal and non-formal learning experiences a person has undergone. Formal education includes elementary, junior high, high school, and higher education, while non-formal education encompasses tutorials or courses (Meliani, 2021). The level of education reflects the breadth of an employee's knowledge and understanding in efficiently performing tasks (Sarianingsih et al., 2021). Studies by Dewi & Yuniasih (2021) and Meliani (2021) support the assertion that education positively influences the quality of financial reports. This means individuals with higher education possess greater intellectual capacity and knowledge, leading to better decision-making when preparing financial reports (Dewi & Yuniasih, 2021). Based on this, the hypothesis for this study is:

H3: Education level has a positive effect on the quality of financial reports.

The Influence of Internal Control on the Quality of Financial Reports

The internal control system is a vital mechanism that ensures the effective governance of actions and activities within an organization, continuously conducted by both leaders and employees. It plays a critical role in achieving organizational objectives by implementing efficient and effective measures, ensuring financial reporting reliability, safeguarding state assets, and complying with regulations (Mene et al., 2018). Research by Letisya & Nuratama (2022) and Putri (2023) confirms that a well-implemented internal control system positively affects the quality of financial reports. Effective internal controls help mitigate undesirable management behaviors aimed at personal gain and reduce deviations in management actions (Permana & Kepramareni, 2022). This aligns with stewardship theory, which suggests that LPD administrators are motivated to achieve organizational goals rather than personal ones.

Implementing a robust internal control system improves the quality of financial reports (Letisya & Nuratama, 2022). Based on the above, the hypothesis of this study is:

H4: Internal control has a positive effect on the quality of financial reports.

The Influence of Work Experience on the Quality of Financial Reports

Work experience refers to the duration or period during which an individual has engaged in work in order to comprehend the duties associated with a particular job and successfully execute them. Employees with prior work experience tend to integrate more easily into their work environment and reduce errors that may occur, as they have already mastered the job (Atika et al., 2019). The results of previous studies that support this are studies conducted by Dewi & Yuniasih (2021) and Putri (2023) which state that work experience has a positive effect on the quality of financial reports. This means that the work experience of previous LPD employees certainly helps LPD in making quality financial reports. From the description above, it can be concluded that the formulation of the hypothesis of this study is:

H5: Work experience has a positive effect on the quality of financial reports.

RESEARCH METHOD

The location of this research was conducted at the LPD in Denpasar City. The reason for choosing this research location was because several phenomena or cases were found in LPDs throughout Denpasar City. The measurement of the dependent variable and independent variable in this study was by providing statements, each of which was measured using a five-point Likert scale, namely, (1) Really Disagree (RD); (2) Disagree (D); (3) Quite Agree (QA); (4) Agreed (A); (5) Really Agree (RA). Indicators of the quality of financial reports include Relevant, Reliable, Comparable, and understandable (Putri, 2023). Indicators of accounting understanding include Assets, Liabilities, Equity/Capital, Income, and Expenses. Indicators of the use of information technology include computer use and network use. Indicators of education level include educational background, educational strata, and education, which is carried out periodically.

Indicators of internal control include the control environment, risk assessment, control activities, information and communication, and supervision (Mene et al., 2018). These aspects are crucial elements in evaluating the effectiveness of internal controls within an organization. Indicators of work experience include time period, field of work, and benefits of work experience in finance (Atika et al., 2019). The population included in this study comprised all local government employees in Denpasar City, amounting to 34 LPDs with a total of 552 employees. The methodology employed in this study was purposive sampling, resulting in the inclusion of 102 auditors as research participants. The data collection method utilized in the study was a questionnaire. The technique employed for data analysis was multiple linear regression analysis.

RESULTS

Based on the characteristics of the research respondents, the most dominant auditors in this study were female, as many as 58 people (56.9%), and had a bachelor's degree of education in as many as 55 people (53.9%). Prior to conducting multiple linear regression analysis on the collected data, research instrument testing was conducted. This included validity testing and reliability testing.

Table 1. Validity and Reliability Test Results

Variable	Cronbach's Alpha	Statement	Pearson Correlation
Quality of Financial Reports (KLK)	0.907	KLK.1	0.835
		KLK.2	0.905
		KLK.3	0.919
		KLK.4	0.879
Accounting Understanding (PA)	0.839	PA.1	0.826
		PA.2	0.731
		PA.3	0.830
		PA.4	0.775
		PA.5	0.757
	0.910	PTI.1	0.877

Utilization of Information Technology (PTI)		PTI.2	0.925
		PTI.3	0.867
		PTI.4	0.881
Level of Education (TP)	0.766	TP.1	0.879
		TP.2	0.900
		TP.3	0.507
Internal Control (PI)	0.770	PI.1	0.731
		PI.2	0.810
		PI.3	0.746
		PI.4	0.682
		PI.5	0.680
Work Experience (PK)	0.938	PK.1	0.946
		PK.2	0.942
		PK.3	0.942

Table 1 presents the findings of the validity test that was conducted. It is evident that all of the indicators, which are in the form of variable statements, have a Pearson correlation value greater than 0.30, indicating their validity and compliance with data validation standards. The conclusion that all instruments are reliable is based on the reliability test results, which show that each of the following variables: due professional care, auditor experience, time budget pressure, audit fee, auditor motivation, and audit quality has a Cronbach's alpha value greater than 0.70.

Table 2. Normality Test Results

Parameter	Value
N	102
Mean	0.0000000
Std. Deviation	1.21969206
Test Statistic	0.079
Asymp. Sig (2-tailed)	0.128

Source: Data processed, 2024

Table 2 indicates a significance level of 0.128 > 0.05, which allows for additional analysis to be performed on the residual data in the regression model, indicating that it is normally distributed.

Table 3. Multicollinearity Test Results

Independent Variable	Tolerance	VIF	Information
Accounting Understanding	0.654	1.528	Multicollinearity Free
Utilization of Information Technology	0.736	1.359	Multicollinearity Free
Level of Education	0.742	1.348	Multicollinearity Free
Internal Control	0.617	1.620	Multicollinearity Free
Work Experience	0.902	1.108	Multicollinearity Free

Source: Data processed, 2024

Table 3 shows that all independent variable tolerance values are greater than 0.10 and the VIF value is less than 10, indicating that there are no signs of multicollinearity in the developed regression model.

Table 4. Heteroscedasticity Test Results

Variable	Significance	Description
Accounting Understanding	0.403	Free of Heteroscedasticity
Utilization of Information Technology	0.865	Free of Heteroscedasticity
Level of Education	0.826	Free of Heteroscedasticity

International Journal of Accounting & Finance in Asia Pasific (IJAFAP)
Vol. 7 No. 3, pp. 428-445, October, 2024
E-ISSN: 2655-6502 P-ISSN: 2684-9763
https://www.ejournal.aibpmjournals.com/index.php/IJAFAP

Internal Control	0.139	Free of Heteroscedasticity
Work Experience	0.252	Free of Heteroscedasticity

Source: Data processed, 2024

Based on Table 4, it is known that the significance value of understanding accounting is 0.403, understanding information technology is 0.865, education level is 0.826, internal control is 0.139, and work experience is 0.252. Since each tested variable has a significance value greater than 0.05, it can be concluded that the independent variables have no effect on the absolute residual and that the resulting model is free of heteroscedasticity symptoms and appropriate for use.

Table 5. Recapitulation of Multiple Linear Regression Analysis Results

Dependent Variable	Independent Variable	Regression Coefficient	Standard Error	t count	Significance
Quality of Financial Report	(Constant)	0.785	1.986	0.395	0.694
	AU	0.115	0.082	1.402	0.164
	UIT	0.177	0.082	2.165	0.033
	LE	0.310	0.099	3.139	0.002
	IC	0.192	0.098	1.953	0.054
	WE	0.212	0.093	2.288	0.024
R		0.662			
R Square		0.438			
Adjusted R Square					
F count		11.517			
Significance F					

Source: Data processed, 2024

The adjusted R square (R2) value, based on Table 5, is 41.7%, or 0.417. This indicates that knowledge of accounting, information technology, education level, internal control, and work experience can account for 41.7% of the audit quality, with other factors outside the research model accounting for the remaining 60%. The model fits the data and is suitable for further testing. The calculated F value is 15.474 with a significance of 0.000 <0.05, which indicates that knowledge of accounting, information technology, education level, internal control, and work experience all simultaneously affect the quality of financial reports.

Numerous important conclusions can be drawn from the hypothesis testing (t-test) results. The first finding disproves hypothesis 1: the accounting understanding (AU) variable has a t-value of 1.402 at a significance level of 0.164, greater than 0.05. This suggests that accounting understanding has no effect on the caliber of financial reports. Secondly, the information technology (UIT) variable's t-value of 2.165 at a significance level of 0.033—less than 0.05—indicates that the use of IT improves the caliber of financial reports, supporting the acceptance of H2. Third, the acceptance of H3 is indicated by the level of education (LE) variable, which exhibits a t-value of 3.139 at a significance level of 0.002. This indicates a positive impact on the quality of financial reports. Fourth, there is no discernible impact on the quality of financial reports, leading to the rejection of H4, with the internal control (IC) variable producing a t-value of 1.953 at a significance level of 0.054, which is higher than 0.05. Ultimately, H5 is approved since the work experience (WE) variable exhibits a positive influence on the caliber of financial reports, as evidenced by its t-value of 2.288 at a significance level of 0.024.

DISCUSSION

The Influence of Accounting Understanding on the Quality of Financial Reports
H1 is rejected because the test results show that accounting understanding has no significant effect on the quality of financial reports. Accounting comprehension refers to an individual's ability to grasp the fundamental principles and practices of accounting, starting from documenting financial transactions to organizing, summarizing, presenting, and analyzing financial information for decision-making purposes (Taufiqurrohman et al., 2021). Despite the importance of these processes, the findings suggest that simply having knowledge of accounting does not necessarily translate into producing high-quality financial reports. This is because employees who are responsible for preparing or reviewing financial reports are often assumed to possess adequate accounting skills and are expected to adhere to established standards and procedures that guide the reporting process. Therefore, their level of accounting knowledge does not have a direct impact on the quality of the reports they generate.

In practice, the preparation of financial reports is governed by standard operating procedures (SOPs) and regulatory frameworks such as Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS). These guidelines ensure consistency and accuracy in financial reporting, regardless of the individual's depth of accounting knowledge. Employees tasked with these responsibilities are usually trained to follow these frameworks, which mitigate the potential influence of variations in accounting comprehension. This could explain why accounting knowledge does not significantly affect the quality of financial reports, as the structure and rules of financial reporting limit the room for error or deviation, even for those with limited accounting expertise.

The results align with previous studies conducted by Risna (2023) and Yulianingsih et al. (2021), which also found that accounting knowledge has no significant influence on financial report quality. These studies suggest that other factors, such as the use of advanced financial software, external audits, and adherence to strict reporting standards, play a more critical role in ensuring the quality of financial reports. Additionally, these findings highlight that improving the quality of financial reports might require more than just enhancing employees' accounting knowledge. Emphasis should instead be placed on strengthening internal controls, ensuring compliance with accounting standards, and leveraging technological tools to minimize human error and enhance the accuracy and reliability of financial reporting.

The Influence of Information Technology Utilization on the Quality of Financial Reports
H2 is approved based on the test results indicating that the utilization of information technology positively impacts the quality of financial reports. Information technology, as defined by Aniftahudin et al. (2016), encompasses the study, design, development, implementation, support, and management of computer-based information systems, including both software and hardware applications. In today's fast-paced and increasingly digital environment, leveraging information technology has become essential for organizations, particularly in the financial sector. The integration of technology not only streamlines financial processes but also enhances the accuracy and reliability of the data being reported.

The application of information technology in financial reporting helps minimize human errors, which can often arise during data entry and processing. By automating various aspects of financial report preparation, organizations can significantly reduce the likelihood of mistakes that may compromise the quality of these reports. Moreover, the use of advanced software tools allows for better data analysis, more sophisticated reporting capabilities, and improved visualization of financial information. Consequently, the overall quality of financial reports is likely to improve, as the reports are produced with greater precision and consistency.

This notion is supported by research conducted by Siallagan (2020), which emphasizes that effective utilization of technology leads to the generation of high-quality information. Furthermore, studies by Dewi & Yuniasih (2021) and Paramitha & Dharmadiaksa (2019) reinforce this finding, showing that the use of information technology has a positive effect on the quality of financial reports. Their work highlights the importance of investing in technological resources and training for personnel, ensuring that the staff is proficient in the tools that can enhance their reporting capabilities.

The Influence of Education Level on the Quality of Financial Reports
H3 is accepted because the test results demonstrate that education level has a positive and significant impact on the quality of financial reports. Education level refers to the formal and informal educational achievements attained by an individual. Formal education includes levels such as elementary school, high school, and higher education degrees, while informal education encompasses tutorials, professional courses, and other non-academic training (Milenia et al., 2023). The level of education plays a crucial role in equipping employees with the knowledge and skills necessary to perform their tasks more effectively, including the preparation of financial reports. Employees with higher educational backgrounds are likely to have a broader understanding of accounting principles, financial regulations, and reporting standards, which enhances their ability to prepare high-quality financial reports (Sarianingsih et al., 2021).

The influence of education on the quality of financial reports can be attributed to several factors. Firstly, higher education provides a structured environment for individuals to develop critical thinking, problem-solving, and technical skills, all of which are essential in the accurate preparation and analysis of financial information. Formal education often includes a comprehensive curriculum that covers accounting standards, financial analysis, and reporting techniques, which are directly applicable to the preparation of financial reports. As employees with higher levels of education are more likely to be familiar with these practices, they can apply this knowledge in their work, leading to more accurate, transparent, and reliable financial reports.

In addition to formal education, non-formal education such as specialized training, certifications, and professional courses further enhances an individual's capability to handle complex financial tasks. These forms of education provide practical knowledge that complements formal learning, focusing on current industry standards and best practices. Employees who undergo such training are better equipped to handle the dynamic nature of financial reporting requirements, adapt to changes in financial regulations, and leverage new technologies in accounting. This continuous learning process helps in maintaining the accuracy and relevance of financial reports in a constantly evolving business environment.

Research conducted by Dewi and Yuniasih (2021) supports this finding, indicating that education level significantly influences the quality of financial reports. The study found that employees with higher educational backgrounds consistently produced better quality financial reports due to their enhanced understanding of accounting principles, critical regulations, and technological tools used in financial management. This suggests that as employees attain higher levels of education, they become more proficient in navigating the complexities of financial reporting, thereby improving the overall quality of financial reports.

Furthermore, education not only enhances technical accounting skills but also fosters a mindset of diligence, ethical responsibility, and attention to detail—traits that are crucial

International Journal of Accounting & Finance in Asia Pasific (IJAFAP)
Vol. 7 No. 3, pp. 428-445, October, 2024
E-ISSN: 2655-6502 P-ISSN: 2684-9763
https://www.ejournal.aibpmjournals.com/index.php/IJAFAP

for ensuring the integrity of financial reports. Employees with higher education levels are often more aware of the ethical implications of financial reporting, including transparency, accuracy, and adherence to legal requirements. This awareness contributes to the production of financial reports that meet the highest standards of quality, thereby increasing the reliability of these reports for decision-making purposes.

The Influence of Internal Control on the Quality of Financial Reports

H4 is rejected because the test results indicate that internal control does not have a significant impact on the quality of financial reports. Internal control is typically designed to ensure that an organization operates efficiently and effectively, providing reliable financial reporting, protecting assets, and ensuring compliance with relevant laws and regulations (Mene et al., 2018). Internal control systems involve a set of policies, procedures, and practices aimed at safeguarding an organization's resources, preventing and detecting errors, and promoting accountability. However, the study's findings suggest that the existence of an internal control system, while important for operational and compliance purposes, is not a decisive factor in determining the quality of financial reports.

One possible explanation for this result is that financial report quality is influenced by a broader range of factors beyond the scope of internal control mechanisms. The quality of financial reports depends on adherence to legal and regulatory requirements, the proper application of accounting standards, and transparent disclosures. For instance, employees responsible for preparing financial statements must follow established government accounting standards, ensuring that the reports are accurate and provide a fair representation of the organization's financial position. Internal control systems, though helpful in guiding processes and reducing errors, cannot fully ensure that the employees preparing financial statements are applying these standards correctly or disclosing all relevant information.

This finding challenges the assumption that robust internal controls will inherently lead to high-quality financial reporting. It suggests that internal control systems may be effective at reducing fraud, protecting assets, and ensuring compliance, but they do not necessarily guarantee that the financial reports produced will meet the highest standards of quality. For instance, even with a strong internal control system in place, if the personnel preparing the reports lack sufficient accounting knowledge or if the organization does not prioritize transparency and full disclosure, the financial reports may still fail to meet quality standards. Therefore, other elements, such as regulatory adherence, the skill level of employees, and the organization's commitment to ethical financial reporting, play a more crucial role in ensuring the high caliber of financial reports.

In addition, financial report quality may depend on factors such as the organization's culture and leadership, which influence how seriously employees take their financial reporting responsibilities. If leaders prioritize financial transparency and accuracy, this may foster an environment where employees are more diligent in preparing financial reports, regardless of the formal internal controls in place. Conversely, if leaders focus primarily on operational efficiency and less on financial reporting accuracy, internal controls might not be enough to ensure high-quality financial reports.

The study's findings align with previous research by Danayanti et al. (2020) and Kaifah & Tryana (2020), which also found no significant relationship between internal control systems and the quality of financial reports. Both studies suggest that internal controls, while essential for organizational governance, do not directly influence the quality of financial reporting. These studies imply that financial report quality is a multifaceted issue, with key drivers beyond the existence of internal controls, such as the competency of the financial team, the level of adherence to accounting principles, and external factors like audit quality and regulatory oversight.

Moreover, the effectiveness of internal controls can vary depending on how well they are implemented and followed within an organization. An internal control system that is inadequately enforced or that employees do not fully adhere to may not effectively support financial reporting quality. In this case, even if internal controls are in place, they may not be functioning as intended, further explaining the lack of correlation between internal controls and financial report quality.

The Influence of Work Experience on the Quality of Financial Reports

H5 is supported because the test results demonstrate that work experience has a significant positive effect on the quality of financial reports. Work experience refers to the duration and depth of an individual's exposure to specific job functions and responsibilities within their field. It plays a crucial role in shaping employees' skills, knowledge, and decision-making abilities over time. In the context of financial reporting, employees with more work experience are more likely to possess a thorough understanding of accounting principles, financial regulations, and reporting procedures. This accumulated knowledge allows them to navigate complex financial issues, avoid errors, and produce reports that are both accurate and compliant with relevant standards (Pramesti et al., 2021).

As employees gain more experience, they become adept at handling challenges that arise during the financial reporting process. They acquire the ability to apply their judgment to unusual or ambiguous situations that may not be explicitly covered by standard operating procedures. With more experience, employees are also likely to have faced a variety of problems and can draw upon past solutions to resolve issues efficiently. This ability to troubleshoot and make informed decisions directly impacts the quality of financial reports, as experienced employees are better equipped to ensure that the reports are accurate, comprehensive, and free from errors. They are also more likely to adhere to organizational guidelines and regulatory requirements, resulting in financial reports that meet the expectations of stakeholders.

Work experience also plays a critical role in enhancing employees' familiarity with the specific duties and responsibilities outlined in the organizational structure and standard operating procedures (Atika et al., 2019). Experienced employees are often more capable of understanding the nuances of the financial reporting process, including the technical requirements of the software systems they use and the complexities of financial data analysis. This proficiency allows them to efficiently perform their tasks and meet deadlines, which is essential for producing timely and accurate financial reports.

Moreover, experienced employees are often more aware of the common pitfalls in financial reporting and know how to avoid them. They tend to have a deeper understanding of how different financial transactions are recorded, how various accounts are reconciled, and how financial data is presented in a way that is meaningful and transparent. This level of expertise allows them to produce financial reports that are not only accurate but also insightful, providing valuable information for decision-making.

Work experience is also linked to an employee's ability to collaborate effectively with other departments and stakeholders involved in the financial reporting process. Experienced employees understand the importance of gathering complete and accurate data from various sources within the organization, and they are more likely to have established strong working relationships with other departments, which can facilitate smoother data collection and communication. This collaborative aspect of financial reporting further contributes to the overall quality of the reports, as the information is more likely to be accurate, timely, and well-organized.

Additionally, work experience provides employees with the confidence to take initiative in improving the financial reporting process. Experienced employees are often proactive in identifying areas where the process can be streamlined or improved, and they may suggest changes that lead to greater efficiency and accuracy in financial reporting. This proactive attitude is a hallmark of seasoned employees who have a clear understanding of the organization's goals and how their role in financial reporting contributes to achieving those goals.

The findings are consistent with research conducted by Dewi & Yuniasih (2021) and Putri (2023), who also found that work experience has a positive effect on the quality of financial reports. These studies highlight the fact that employees with more work experience are better equipped to produce high-quality financial reports because they have developed a comprehensive understanding of the financial reporting process through years of practice and exposure to different scenarios.

CONCLUSION

The purpose of this study was to evaluate and gather empirical data on the effects of work experience, education level, internal control, and knowledge of accounting on the caliber of LPD financial reports in Denpasar City. Based on a sample of 102 respondents, the analysis employed multiple linear regression, which revealed significant insights into the factors influencing financial report quality. The findings indicate that the utilization of information technology, educational attainment, and professional experience all positively affect the quality of financial reports produced by LPDs in Denpasar City. In contrast, neither internal control nor accounting knowledge was found to have a significant impact on financial report quality.

These results underscore the importance of leveraging modern technology and ensuring employees possess adequate educational qualifications and work experience. By integrating advanced information technology into their financial reporting processes, LPDs can enhance accuracy, efficiency, and transparency, ultimately leading to better decision-making and increased trust among stakeholders. Furthermore, emphasizing continuous education and professional development will equip employees with the necessary skills to produce high-quality financial reports that meet contemporary accounting standards.

However, the study's adjusted R-squared value of 0.417 suggests that 41.7% of the variance in financial report quality can be explained by the selected variables, indicating the presence of other influencing factors not accounted for in this research. Therefore, it is advisable for future studies to explore additional variables such as organizational culture, management practices, and external auditing processes, which may further elucidate the determinants of financial report quality.

In conclusion, the findings of this study serve as a critical reference for LPDs in Denpasar City aiming to improve their financial reporting standards. By focusing on enhancing technology use, prioritizing educational attainment, and valuing work experience, LPDs can significantly elevate the quality of their financial reports, fostering greater accountability and transparency. These improvements can ultimately lead to increased public trust and confidence in the financial management practices of LPDs, contributing to their sustainability and growth within the community.

ACKNOWLEDGMENT
N/A

DECLARATION OF CONFLICTING INTERESTS
The authors declared no potential conflicts of interest.

REFERENCES

Andriani, L. H. (2023). *Pengaruh Etika Kepemimpinan, Fungsi Badan Pengawas, Pemanfaatan Teknologi Informasi, Pengalaman Kerja, Pemahaman Akuntansi Terhadap Kualitas Laporan Keuangan Pada LPD di Kecamatan Banjarangkan Kabupaten Klungkung 2021 [The Influence of Leadership Ethics, Supervisory Board Functions, Utilization of Information Technology, Work Experience, Accounting Understanding on the Quality of Financial Reports at LPD in Banjarangkan District, Klungkung Regency 2021]* [*Undergraduate thesis, University of Mahasaraswati Denpasar*]. Eprints UNMAS. https://eprints.unmas.ac.id/id/eprint/3644/

Aniftahudin, A., Kamaliah, K., & Hanif, R. A. (2016). Pengaruh pemahaman akuntansi, sistem akuntansi keuangan pemerintah daerah dan teknologi informasi terhadap kualitas laporan keuangan pemerintah daerah (studi pada SKPD Kabupaten Indragiri Hilir) [The influence of understanding accounting, local government financial accounting systems and information technology on the quality of local government financial reports (study on SKPD of Indragiri Hilir Regency)]. *JOM Fekon, 3*(1), 935-949.

Atika, D., Junaidi, L. D., & Irmadhani, A. (2019). Pengaruh pemahaman akuntansi, pengalaman kerja serta peran internal audit terhadap kualitas laporan keuangan pemerintahan Kota Medan [The influence of accounting understanding, work experience and the role of internal audit on the quality of financial reports of the Medan City government]. *Warta Dharmawangsa, 13*(4). https://doi.org/10.46576/wdw.v0i62.510

Bhegawati, D. A. S., & Novarini, N. N. A. (2021). Pengaruh etika kepemimpinan, fungsi badan pengawas, tingkat pemahaman akuntansi terhadap kualitas pelaporan keuangan LPD di Kota Denpasar [The influence of leadership ethics, supervisory body function, level of accounting understanding on the quality of LPD financial reporting in Denpasar City]. *Jurnal Bisnis Terapan, 5*(1), 23-34. https://doi.org/10.24123/jbt.v5i1.4062

Budiarti, D., Anjaya, R. A. T., & Girsang, R. N. (2021). Pengaruh tingkat pendidikan, kualitas pelatihan, pengalaman kerja dan pemahaman akuntansi aparatur desa terhadap pemahaman laporan keuangan desa (studi kasus pada Kecamatan Rimbo Ilir Kabupaten Tebo) [The influence of education level, training quality, work experience and understanding of village apparatus accounting on understanding of village financial reports (case study in Rimbo Ilir District, Tebo Regency)]. *Jurnal Ilmiah Akuntansi dan Bisnis, 1*(1). https://doi.org/10.36355/jiab.v1i1.486

Danayanti, N. L. I., Mahaputra, N. K. A., & Sunarwijaya, I. K. (2020). Effect of internal control structure application towards the efficiency of credit distribution on Save Loans Cooperative (KSP) in Sukawati District. *International Journal of Accounting & Finance in Asia Pasific, 3*(2), 1-12. https://doi.org/10.32535/ijafap.v3i2.830

Dewi, N. L. M., & Yuniasih, N. W. (2021). Pengaruh pemanfaatan teknologi informasi, tingkat pendidikan, dan pengalaman kerja terhadap kualitas laporan keuangan pada lembaga perkreditan desa (LPD) se-Kecamatan Mengwi [The influence of the use of information technology, education level, and work experience on the quality of financial reports at village credit institutions (LPD) throughout Mengwi District]. *Hita Akuntansi dan Keuangan, 2*(3), 1-14.

Dewi, N. P. S., & Ernawatiningsih, N. P. L. (2019). Analisis determinan kualitas laporan keuangan Lembaga Perkreditan Desa (LPD) di Kota Denpasar. *Jesya (Jurnal Ekonomi Dan Ekonomi Syariah),* *2*(1), 148-157. https://doi.org/10.36778/jesya.v2i1.31

Dwiyanti, K. S., & Wati, N. W. A. E. (2023). Pengaruh profesionalisme, fungsi badan pengawas, dan tingkat pemahaman akuntansi terhadap kualitas laporan keuangan Lembaga Perkreditan Desa di Kabupaten Gianyar [The influence of professionalism, the function of the supervisory body, and the level of accounting understanding on the quality of financial reports of Village Credit Institutions in Gianyar Regency]. *Hita Akuntansi dan Keuangan, 4*(1), 9-21.

Gunadi, I. G. N. B., Putra, I. G. C., & Yuliastuti, I. A. N. (2020). The effects of profitabilitas and activity ratio toward firms value with stock price as intervening variables. *International Journal of Accounting & Finance in Asia Pasific, 3*(1), 56-65. https://doi.org/10.32535/ijafap.v3i1.736

Kaifah, U., & Tryana, A. L. (2020). Faktor-faktor yang mempengaruhi kualitas laporan keuangan Pemerintah Daerah Kabupaten Sumbawa [Factors that influence the quality of financial reports of the Sumbawa Regency Regional Government]. *Journal of Accounting, Finance, and Auditing,* *2*(02), 26-37. https://doi.org/10.37673/jafa.v2i02.686

Kepramareni, P., Yuliastuti, I. A. N., & Putra, I. W. S. D. (2020). The effectiveness of accounting information systems at Hotel Resorts in Ubud. *Advances in Global Economics and Business Journal, 1*(2), 35-44.

Lestari, N. K. D., Kusumawati, N. P. A., & Nuratama, I. P. (2022). Peran kompetensi sumber daya manusia dalam memoderasi hubungan pemanfaatan teknologi informasi dan sistem pengendalian internal terhadap kualitas laporan keuangan LPD Se-Kecamatan Penebel [The role of human resource competence in moderating the relationship between the use of information technology and internal control systems on the quality of LPD financial reports in Penebel District]. *Hita Akuntansi Dan Keuangan, 3*(1), 268-284.

Letisya, N. K. Y., & Nuratama, I. P. (2022). Pengaruh pemahaman akuntansi, sistem pengendalian internal, dan teknologi informasi pada kualitas laporan keuangan LPD Se-Kota Denpasar [The influence of understanding accounting, internal control systems, and information technology on the quality of financial reports of LPDs throughout Denpasar City]. *Hita Akuntansi Dan Keuangan*, 3(1), 308-324.

Meliani, P. (2021). *Pengaruh tingkat pendidikan, pemhaman akuntansi, dan pemanfaatan teknologi informasi terhadap kualitas laporan keuangan (studi kasus pada koperasi Se-Kabupaten Buleleng) [The influence of education level, accounting understanding, and utilization of information technology on the quality of financial reports (case study on cooperatives throughout Buleleng Regency)]* [Undergraduate thesis, University of Pendidikan Ganesha]. Undiksha Repository. https://repo.undiksha.ac.id/7500/

Mene, R. E., Karamoy, H., & Warongan, J. D. (2018). Pengaruh pemanfaatan teknologi informasi dan penerapan sistem pengendalian intern pemerintah terhadap kualitas laporan keuangan Pemerintah Daerah Kabupaten Halmahera Utara [The influence of the use of information technology and the implementation of the government's internal control system on the quality of the financial reports of the North Halmahera Regency Government]. *Going Concern: Jurnal Riset Akuntansi, 13*(03). https://doi.org/10.32400/gc.13.03.20045.2018

Miasa, M. (2024, September 11). *Mantan Ketua LPD Gulingan Dituntut Delapan Tahun Penjara [Former LPD Chairman Sued for Eight Years in Prison]*. Bali Post. https://www.balipost.com/news/2024/09/11/417687/Mantan-Ketua-LPD-Gulingan-Dituntut...html

Milenia, A. A. S., Arizona, I. P. E., & Dicriyani, N. L. G. M. (2023). Pengaruh ketelitian, pelatihan, pengalaman, tingkat pendidikan dan skill terhadap efektivitas sistem informasi akuntansi pada LPD di Kecamatan Abiansemal [The influence of accuracy, training, experience, education level and skills on the effectiveness of accounting information systems at LPD in Abiansemal District]. *Kumpulan Hasil Riset Mahasiswa Akuntansi (KHARISMA)*, *5*(2), 246-259.

Nahak, M. S. E. (2023). *Pengaruh kompetensi sumber daya manusia, pemanfaatan teknologi informasi, sistem pengendalian intern, pemahaman akuntansi, dan etika kepemimpinan terhadap kualitas pelaporan keuangan Lembaga Perkreditan Desa (LPD) di Kecamatan Denpasar Selatan [The influence of human resource competence, utilization of information technology, internal control systems, accounting understanding, and leadership ethics on the quality of financial reporting of Village Credit Institutions (LPD) in South Denpasar District]* [Undergraduate thesis, University of Mahasaraswati Denpasar]. Eprints UNMAS. https://eprints.unmas.ac.id/id/eprint/3860/

Paramitha, A. A. S. I. P., & Dharmadiaksa, I. B. (2019). Pengaruh kompetensi karyawan dan teknologi informasi pada kualitas laporan keuangan LPD dengan pendidikan sebagai pemoderasi [The influence of employee competence and information technology on the quality of LPD financial reports with education as a moderator]. E-*Jurnal Akuntansi Universitas Udayana*, 26(1), 682-708. https://doi.org/10.24843/EJA.2019.v26.i01.p25

Pebriantari, N. K., & Andayani, R. D. (2021). Pengaruh tingkat pemahaman akuntansi, fungsi badan pengawas dan pemanfaatan teknologi informasi terhadap kualitas laporan keuangan (studi empiris pada LPD SeKecamatan Gianyar) [The influence of the level of understanding of accounting, the function of the supervisory body and the use of information technology on the quality of financial reports (empirical study on LPDs in Gianyar District)]. *Hita Akuntansi Dan Keuangan, 2*(2), 432-447.

Permana, I. G. N. M. P., & Kepramareni, P. (2022). Pengaruh penggunaan teknologi informasi, keahlian pemakai, pengendalian internal dan metode pengembangan sistem terhadap kualitas informasi akuntansi di LPD Kecamatan Tabanan [The influence of the use of information technology, user expertise, internal control and system development methods on the quality of accounting information at LPD Tabanan District]. *Kumpulan Hasil Riset Mahasiswa Akuntansi (KHARISMA), 4*(1), 276-286.

Pradnyawati, S. O., Kepramareni, P., Kusumawati, N. P. I., & Dewi, L. G. P. P. (2024). Internal aspects in their impact on the quality of financial reports of Gianyar Village Credit Institutions (LPD). *International Journal of Applied Business and International Management, 9*(1), 89-103. https://doi.org/10.32535/ijabim.v9i1.2957

Pramesti, N. P. T., Suryandari, N. N. A., & Putra, G. B. B. (2021). Pengaruh etika kepemimpinan, fungsi badan pengawas, pendidikan, pengalaman kerja dan tingkat pemahaman akuntansi terhadap kualitas laporan keuangan pada Lembaga Perkreditan Desa (LPD) di Kecamatan MengwiKabupaten Badung [The influence of leadership ethics, supervisory body function, education, work experience and level of accounting understanding on the quality of financial reports at Village Credit Institutions (LPD) in Mengwi District, Badung Regency]. *KARMA (Karya Riset Mahasiswa Akuntansi)*, *1*(5), 1772-1780.

Pratiwi, N. M. S., Novitasari, N. L. G., & Widhiastuti, N. L. P. (2021). Pengaruh tingkat pemahaman akuntansi, fungsi badan pengawas, profesionalisme, dan etika kepemimpininan terhadap kualitas laporan keuangan LPD [The influence of the level of understanding of accounting, the function of the supervisory body, professionalism, and leadership ethics on the quality of LPD financial reports]. *KARMA (Karya Riset Mahasiswa Akuntansi), 1*(1), 223-231.

Putri, N. P. A. Y. (2023). *Pengaruh pengendalian internal, fungsi badan pengawas, pemahaman akuntansi, etika kepemimpinan dan pengalaman kerja terhadap kualitas laporan keuangan pada LPD di Kecamatan Abiansemal [The influence of internal control, supervisory body function, accounting understanding,* *leadership ethics and work experience on the quality of financial reports at LPD in Abiansemal District]* [Undergraduate thesis, University of Mahasaraswati Denpasar]. Eprints UNMAS. https://eprints.unmas.ac.id/id/eprint/3664/

Risna, N. K. (2023). *Pengaruh sistem pengendalian internal, pemahaman akuntansi, sistem informasi akuntansi, peran badan pengawas, dan pemanfaatan teknologi informasi terhadap kualitas laporan keuangan Lembaga Perkreditan Desa di Kecamatan Klungkung [The influence of internal control systems, accounting understanding, accounting information systems, the role of supervisory bodies, and the use of information technology on the quality of financial reports of Village Credit Institutions in Klungkung District]* [Undergraduate thesis, University of Mahasaraswati Denpasar]. Eprints UNMAS. https://eprints.unmas.ac.id/id/eprint/2440/

Sanjaya, A., Rasuli, M., & Haryani, E. (2017). Pengaruh penerapan standar akuntansi pemerintahan, sistem pengendalian intern, sistem akuntansikeuangan daerah, dan sumber daya manusia terhadap kualitas laporan keuangan pemerintah daerah dengan komitmen organisasi sebagai pemoderasi (studi pada SKPD Kabupaten Kampar) [The influence of the implementation of government accounting standards, internal control systems, regional financial accounting systems, and human resources on the quality of regional government financial reports with organizational commitment as a moderator (study on SKPD Kampar Regency)]. *Jurnal Online Mahasiswa (JOM) Bidang Ilmu Ekonomi, 4*(1), 366-380.

Sara, I. M. (2022). Kompetensi SDM, pemanfaatan teknologi informasi dan kualitas laporan keuangan LPD [HR competency, utilization of information technology and quality of LPD financial reports]. *JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Undiksha*, *13*(02), 737-746.

Sarianingsih, N. K., Novitasari, N. L. G., & Widhiastuti, N. L. P. (2021). Pengaruh independensi, motivasi, tingkat pendidikan dan keahlian profesional badan pengawas terhadap sistem pengendalian intern pada Lembaga Perkreditan Desa (LPD) Se-Kecamatan Mengwi [The influence of independence, motivation, education level and professional expertise of the supervisory body on the internal control system in Village Credit Institutions (LPD) throughout Mengwi District]. *Kumpulan Hasil Riset Mahasiswa Akuntansi (KHARISMA), 3*(1).

Siallagan, H. (2020). Pengaruh pendidikan dan pelatihan, pemanfaatan teknologi dan kompetensi bidang akuntansi terhadap kualitas laporan keuangan [The influence of education and training, use of technology and accounting competency on the quality of financial reports]. *Akuntabilitas, 14*(2), 211-224. https://dx.doi.org/10.29259/ja.v14i2.11923

Suari, N., & Astrani, M. M. (2023). *Pengaruh Good Corporate Governance, pemahaman akuntansi, fungsi badan pengawas, pemanfaatan teknologi informasi dan faktor eksternal terhadap kualitas laporan keuangan pada Lembaga Perkreditan Desa (LPD) di Kecamatan Abiansemal [The influence of Good Corporate Governance, accounting understanding, supervisory body function, utilization of information technology and external factors on the quality of financial reports at Village Credit Institutions (LPD) in Abiansemal District]* [Undergraduate thesis, University of Mahasaraswati Denpasar]. Eprints UNMAS. https://eprints.unmas.ac.id/id/eprint/3806/

Suari, N. M., Putra, I. G. C., & Sunarwijaya, I. K. (2019, December). Kualitas pelaporan keuangan Lembaga Perkreditan Desa di Kabupaten Gianyar, Bali [The quality of financial reporting of Village Credit Institutions in Gianyar Regency, Bali]. In *Seminar Nasional Inovasi Dalam Penelitian Sains, Teknologi Dan Humaniora-InoBali* (pp. 656-667).

Sugiyarti, L. (2022). Relevansi good corporate governance, struktur kepemilikan, terhadap kinerja keuangan [The relevance of good corporate governance, ownership structure, to financial performance]. *Jurnal Portofolio: Jurnal*

Manajemen dan Bisnis, *1*(1), 33-43.

Taufiqurrohman, T., Mudawanah, S., & Muthanudin, M. (2021). Pengaruh pemahaman akuntansi dan sistem informasi akuntansi terhadap kualitas laporan keuangan pada Pemerintahan Kabupaten Lebak [The influence of understanding accounting and accounting information systems on the quality of financial reports in the Lebak Regency Government]. *Jurnal Studia Akuntansi dan Bisnis (The Indonesian Journal of Management & Accounting), 9*(2). https://doi.org/10.55171/jsab.v9i2.579

Yulianingsih, N. P. A., Suryandari, N. N. A., & Putra, G. B. B. (2021). Pengaruh etika kepemimpinan, fungsi badan pengawas, pendidikan, pengalaman kerja dan tingkat pemahaman akuntansi terhadap kualitas laporan keuangan pada Lembaga Perkreditan Desa (LPD) di Kecamatan Tembuku Kabupaten Bangli [The influence of leadership ethics, supervisory body function, education, work experience and level of accounting understanding on the quality of financial reports at Village Credit Institutions (LPD) in Tembuku District, Bangli Regency]. *KARMA (Karya Riset Mahasiswa Akuntansi), 1*(5), 1758-1765.

Zubaidi, N., Cahyono, D., & Maharani, A. (2019). Pengaruh kompetensi sumber daya manusia dan pemanfaatan teknologi informasi terhadap kualitas laporan keuangan [The influence of human resource competence and utilization of information technology on the quality of financial reports]. *International Journal of Social Science and Business, 3*(2), 68-76. https://doi.org/10.23887/ijssb.v3i2.17579

ABOUT THE AUTHOR(S)

1st Author

Putu Kepramareni is a faculty member at the Faculty of Economics and Business at Universitas Mahasaraswati Denpasar. She completed her Doctoral program in Accounting at the Faculty of Economics and Business, Brawijaya University, in 2013. Currently, she is a lecturer in the Master of Accounting Study Program at the Faculty of Economics and Business at Universitas Mahasaraswati Denpasar. Her ORCID ID is http://orcid.org/0000-0002-0983-5974. The author can be contacted at the email address pkepramareni@unmas.ac.id

2nd Author

Ni Nyoman Santi Dewi is a student in the Master of Accounting Study Program at the Faculty of Economics and Business at Universitas Mahasaraswati Denpasar. She completed her Bachelor of Accounting program at the Faculty of Economics and Business, Universitas Mahasaraswati Denpasar (2015–2019), and is currently continuing her education in the Master of Accounting Study Program. Her ORCID ID is https://orcid.org/0009-0006-6028-7244. The author can be contacted at the email address santidewi4774@gmail.com

3rd Author

Ida Ayu Nyoman Yuliastuti is a lecturer in the Accounting Study Program at the Faculty of Economics and Business at Universitas Mahasaraswati Denpasar. She completed her Master of Economics program at the Faculty of Economics and Business, Udayana University, in 2013. Her ORCID ID is https://orcid.org/0000-0002-2878-2505. The author can be contacted at the email address ia.yuliastuti@unmas.ac.id