Al-Kharaj: Journal of Islamic Economic and Business
P-ISSN: 2686-262X; E-ISSN: 2685-9300

The Influence of Audit Findings, Intergovernmental Transfers, and Leverage on Government Financial

Prisca Laura[1], Rita Martini*[2], Okky Savira[3]

[1,2,3]Politeknik Negeri Sriwijaya
Email Correspondence: martinirita65@gmail.com

Keywords:
Financial Performance, Audit Findings, intergovernmental transfers, Leverage

Abstract

This study was conducted to examine the influence of audit findings, intergovernmental transfers, and leverage on the financial performance of regency/municipal governments in South Sumatra Province, which is classified as very low based on the percentage of financial independence. The research employed a quantitative approach using secondary data obtained from the official website www.bpk.go.id. The population included 17 regencies/municipalities in South Sumatra Province, with a sample consisting of 349 observation units. The sample was selected using a saturated sampling technique. Hypothesis testing was carried out using multiple linear regression analysis and Eviews 12 software. The results of this study demonstrate that, partially, audit findings and leverage have no effect and are not significant on the financial performance of local governments in South Sumatra Province. Conversely, intergovernmental transfers significantly affect the financial performance of regency and municipal governments in South Sumatra Province. Simultaneous testing shows that the variables of audit findings, intergovernmental transfers, and leverage together have a significant effect on the financial performance of regency and municipal governments in South Sumatra Province.

INTRODUCTION

The local government as the party that manages and carries out government duties, builds and serves the community is entrusted to carry out aspects of openness and responsibility in managing finances in order to realize a clean government, based on Government Regulation of the Republic of Indonesia Number 24 of 2005. Regional financial performance reflects the ability to manage local resources to support government and development without relying entirely on the central government. However, in South Sumatra Province, the difference in development between districts and cities is still a major problem, related to the difference in financial performance where the majority still depends on central transfer funds, as reflected in the R&D survey which shows that 45.2% of the public consider infrastructure development to be an urgent problem (Kompas.com. 2024). The inequality of development between districts and cities in Sumatra Province is inseparable from the difference in financial performance between regions, which generally depends on central government transfer funds. Financial performance analysis can be measured through the calculation of ratios, one of which is the independence ratio (Mahmudi, 2016).

The percentage of financial independence in most districts/cities in South Sumatra is still very low, with the majority of regions still heavily dependent on transfer funds from the central government and this dependence can limit budget flexibility and affect the overall quality of financial management (Awani and Hariani 2021). The government through its financial statements shows its financial condition and is an assessment for performance based on Law No. 15/2004.

The duties and responsibilities of the BPK are to carry out audits in the form of audits that will be guidelines for stakeholders regarding the quality of financial statements. Good audit results can increase public trust, while poor results can damage reputations and hinder regional development. Previous research has shown that there is a possibility that audit findings can be a variable that strengthens regional financial performance (Pradana et al., 2022) and (Pranita., 2024).

The financial performance of the Regency and Government is known by the indicators of the financial independence ratio and the balance fund can increase the fiscal capacity of the region, but it can also lead to dependence on transfers from the center, based on Law Number 33 of 2004. Funds from the central government will show that the Regency and Local Government are stronger if they depend on the central government so that their regional needs are met. (Hilen, Agustina, and Yaumil 2022). In a situation where the balance fund obtained by the region is small, the region's fiscal ability to finance development needs and public services is limited, This causes the region to have to look for alternative sources of financing, one of which is by increasing leverage, namely short-term and long-term sources of funds to determine the small size of a region in funding their regional assets (Siregar 2020).

In summary, the financial performance of the local government still faces various challenges. Several previous studies have shown that audit findings that indicate irregularities or non-conformities with government accounting standards can cast doubt on the financial performance of local governments (Latifah and Amalia 2022). Audits that are carried out strictly and with quality are believed to be able to increase public trust and strengthen regional financial governance (Saputri and Kurnia 2020). On the other hand, there is variance in the results of the research analysis of the influence of balance funds and leverage on regional financial conditions. Some studies state that the high balance fund actually makes it difficult for local governments to develop and still depend on the central government, so that the principle of regional autonomy is difficult to achieve (Siregar 2020).

Meanwhile, high leverage is also seen as an indicator of poor financial performance because it shows dependence on external funds (Hilen et al., 2022), but (Alfi and Sari 2023) states that high leverage can reflect regional independence if debt is managed properly to improve public services and people's prosperity. From these descriptions and explanations, the researcher formulated the problem in order to find out how the audit findings, balance funds, and leverage affect financial performance simultaneously and partially.

Problem formulation

Based on the description of the problem, the problem can be formulated as follows:

1. How do audit findings affect regional financial performance?
2. How does the balance fund affect regional financial performance?
3. How does *leverage* affect regional financial performance?
4. How do audit findings, balance funds, and *leverage* affect regional financial performance?

Research Objectives

1. To find out the influence of audit findings on regional financial performance
2. To find out the influence of the local government's balance fund on regional financial performance.

3. To find out the influence of *leverage* on regional financial performance.
4. To find out the influence of audit findings, balance funds, and *leverage* on regional financial performance.

METHODS

Researchers use research quantitative, which is a technique to study populations or samples, collect data with research instruments, quantitative data analysis/statistics to analyze hypotheses through the program *Econometric Views (EViews) 12*. The research data is in the form of secondary data from BPK in the form of the LKPD Audit Report covering the 2019-2023 fiscal year period in South Sumatra Province covering 13 districts and 4 cities. The research variables are determined by the researcher to be studied and conclusions are drawn (Jul 2023).

Variables and Operational Definitions of Variables

In this study, there are 3 independent variables, namely audit findings, balance funds, and *leverage*. The dependent variables, namely the financial performance of the district and city governments, and the definition of operational variables are written in Table 1.

Table 1. Operational Definition

Variable	Operational Definition	Measuring Instruments
Audit Findings	The audit findings are the results of an audit that explains all data related to audit issues which are divided into SPI and non-compliance with the law.(Latifah & Amalia 2022)	Number of Audit Findings
Balance Fund	The balance fund is one of the sources of regional revenue, in addition to PAD and other income(Law Number 33 of 2004)	$\frac{Total\ Dana\ Perimbangan}{\text{Total Pendapatan}}$ x 100%
Leverage	*Leverage* Namely the comparison of debt to assets, or how local governments use long-term debt to pay for their assets (Hilen, Agustina, & Yaumil 2022)	$THE = \frac{\text{Total Hutang}}{\text{Total Ekuitas}}$
Financial Performance	Financial performance is the result of a program that uses a budget, which can be measured in terms of quantity and quality (Mahmudi, 2016),	Independence Ratio: $\frac{\text{PAD}}{\text{Pendapatan Transfer+Pinjaman}}$ x 100%

Source: Data processed (2025)

RESULTS AND DISCUSSION

Statistics Descriptive

Table 2. Descriptive Statistical Testing Results

	Y_KKPD	X1_TAUD	X2_DPIB	X3_LEVE
Mean	0.110118	19.18824	0.712588	0.030000
Median	0.090000	19.00000	0.710000	0.020000

Maximum	0.620000	31.00000	0.920000	0.230000
Minimum	0.030000	6.000000	0.430000	0.000000
Std. Dev.	0.107188	7.210267	0.088185	0.035153
Skewness	3.510812	0.019084	-0.592920	2.802064
Kurtosis	15.10347	1.808736	4.669426	14.28027
Jarque-Bera	693.4487	5.031174	14.85091	561.8880
Probability	0.000000	0.080815	0.000596	0.000000
Sum	9.360000	1631.000	60.57000	2.550000
Sum Sq. Dev.	0.965099	4366.988	0.653231	0.103800
Observations	85	85	85	85

Source: data processed with Eviews 12 (2025)

According to the test descriptive statistics show the results of descriptive statistics, thus obtaining the mean, max and mean values and standard deviation values.

Model Selection Test

1. Chow Test

Table 3. Chow Test Results

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	52.432749	(16,65)	0.0000
Cross-section Chi-square	223.750429	16	0.0000

Source: data processed with Eviews 12 (2025)

From the results of the test, a Statistical value was obtained which was 22.750429 with a *probability value of Chi-Square* 0.0000. Therefore, from the results of *the Chow* test, the *probability value of Chi-Square* is 0.0000 < 0.05, so the selected model is FEM.

2. Hausman Test

Table 4. Hausman Test Results

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	12.245574	3	0.0066

Source: data processed with Eviews 12 (2025)

From the results of the test, it can be seen that the Statistic value is 12.245574 with a *probability value* of 0.0066. Therefore, from the results of *the Hausman* test, the probability *value* reached 0.0066 < 0.05, so the selected model was FEM

3. Uji Lagrange Multiplier

The *Lagrange Multiplier* test is a test used to find out whether REM is better than CEM (Widarjono, 2007). So the LM test was not carried out, because based on the two tests that had

been carried out, the selected model was *FEM.*

Classic Assumption Test

Classical assumption testing to assess the reliability of research regression models, where the model must match classical assumptions so that the estimation results do not contain bias. In the study, the *fixed effect* or the OLS method as the best model, then not all classical assumption tests should be performed only multicollinearity tests and heteroscedasticity tests are required, while normality tests and autocorrelation tests do not need to be done (Basuki & Prawoto ,2017)

1. Multicollinearity Test

Table 5. Multicolonial Test Results

	X1_TAUD	X2_DPIB	X3_LEVE
X1_TAUD	1.000000	0.072619	-0.159694
X2_DPIB	0.072619	1.000000	0.199313
X3_LEVE	-0.159694	0.199313	1.000000

Source: data processed with Eviews 12 (2025)

According to the correlation matrix in table 5, it can be seen that the correlation between variables is still relatively weak because all the correlation values are far below the limit of 0.90 or the value of the coefficient < 0.90, so the conclusion is that there is no multicollinearity.

2. Heteroskedesticity Test

Table 6. Heteroskedesticity Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.090570	0.056776	1.595227	0.1155
X1_TAUD	-0.000255	0.000646	-0.394546	0.6945
X2_DPIB	-0.033478	0.083789	-0.399546	0.6908
X3_LEVE	-0.025182	0.136535	-0.184436	0.8542

Source: data processed with Eviews 12 (2025)

Analysis of the Regresi Linier Berganda

Multiple linear regression analysis is a statistical test to determine the direction and degree of influence of independent variables on dependent variables, both simultaneously and partially. Table 7 shows the results of the logistic regression analysis test with FEM as the selected model.

Table 7. Multiple Linear Regression Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.212917	0.040561	5.249307	0.0000
X1_TAUD	-0.000801	0.000462	-1.733872	0.0877
X2_DPIB	-0.126539	0.059859	-2.113939	0.0384
X3_LEVE	0.091199	0.097541	0.934977	0.3533

Source: data processed with Eviews 12 (2025)

KKPD= 0.212917- 0.000801Disease- 0.126539DPib +0.091199Leve+e

From the regression equation, a constant value of 0.212917 was obtained indicating financial performance when other variables were constant. The audit findings (X1) and the balance fund (X2) had a negative effect on financial performance, decreasing by 0.000801 and 0.126539 per unit increase, respectively. On the other hand, leverage (X3) had a positive effect, increasing financial performance by 0.091199 per unit increase.

Uji Hypothesis

Coefficient of Determination Test (R^2)

Table 8. Determination Coefficient (R^2) Test Results

R-squared	0.958012
Adjusted R-squared	0.945739
S.E. of regression	0.024968

Source: data processed with Eviews 12 (2025)

The R-squared value of 0.958012 shows that the regression model is able to explain 95% of the variation of dependent variables through independent variables. The adjusted R-squared of 0.945739 confirms the strength of the model after adjustment, of which 94% of the dependent variation is explained by the model, while the remaining 6% is influenced by external factors. The standard error of regression of 0.024968 reflects the average predicted deviation.

Partial Significance Test (t)

The partial significance test or t-test is a test that is carried out to see the influence of independent variables, namely audit findings, balance funds, and *leverage* on dependent variables, namely partial financial performance. The partial test in logistic regression can be seen by comparing the tcal values obtained from the regression analysis with the ttable values. The results of the partial significance test are presented in Table 9:

Table 9. Partial Significance Test Results (t)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.212917	0.040561	5.249307	0.0000
X1_TAUD	-0.000801	0.000462	-1.733872	0.0877
X2_DPIB	-0.126539	0.059859	-2.113939	0.0384
X3_LEVE	0.091199	0.097541	0.934977	0.3533

Source: data processed with Eviews 12 (2025)

Based on Table 9, the results of the statistical test t and the significance value of the independent variables (audit findings, balance funds and *leverage*) which are indicators of acceptance or rejection of the hypothesis. So to determine the ttable can be seen in the statistical table for the significance level of 0.05 by using the following formula:

ttable = [Pr; (df=n-k)]

Information:

Probability : Significance value 0.05

deg-freedom : n (number of samples) - k (number of study variables)

Then the value t of the table is obtained as follows:

ttabel = [0.05; (17-4)]

ttabel = (0.05, 13)

table = 1.77093

From the calculation of the formula of the results of the table, it can be concluded that:

1. The audit finding variable (X1) has a tcal value of -1.733872 < a ttable of 1.77093 and with a significance level of probability value of 0.0877 > 0.05. So H1 is rejected and H0 is accepted.
2. The variable of the investment fund (X2) has a tcal value of -2.113939 > a ttable of 1.77093 and with a significance level of probability value of 0.0384 < 0.05. So H1 is accepted and H0 is rejected.
3. The *leverage variable* (X3) has a tcal value of 0.934977 < a ttable of 1.77093 and with a

significance level of probability value of 0.3533 > 0.05. So H1 is rejected and H0 is accepted.

Simultaneous Significance Test (f)

The simultaneous significance test (f) is a statistical method used to test whether all independent variables in the regression model together have a significant effect on the dependent variables. In this case, knowing simultaneously the variables of audit findings, balance funds, and *leverage* has a significant effect on financial performance or not. This test uses a significant level of 0.05. The results of the statistical test f are presented in Table 10:

Table 10. Simultaneous Significance Test Results (f)

Cross-section fixed (dummy variables)

Root MSE	0.021834	R-squared	0.958012
Mean dependent var	0.110118	Adjusted R-squared	0.945739
S.D. dependent var	0.107188	S.E. of regression	0.024968
Akaike info criterion	-4.340093	Sum squared resid	0.040522
Schwarz criterion	-3.765351	Log likelihood	204.4539
Hannan-Quinn criter.	-4.108916	F-statistic	78.05672
Durbin-Watson stat	1.123969	Prob(F-statistic)	0.000000

Source: data processed with Eviews 12 (2025)

Known value f_{count} amounting to 78.05672. So to determine f_{table} can be seen in the statistical table at a significance level of 0.05, then f_{table} It can be calculated using the following formula:

f_{tabel} = (Probability; deg_freedom1; deg_freedom2)

Information:

Probability : Significance value 0.05

deg_freedom1 : k (sum of variables-1) = 3

deg_freedom2 : n (number of samples)- k (number of research variables) = 13

So, the value $f_{of\ the\ table}$ is obtained as follows:

Table f value = (0.05; 3; 13)

f_{table} = 3.41

This shows that the value of f_{count} of 78.05672 is greater than the value of f_{table} of 3.41000 (78.05672 > 3.41000) and the significance value of 0.000000 is less than 0.05 (0.000000 < 0.05), then H0 is rejected and H1 is accepted. So it can be concluded that the variables of audit findings (X1), balance funds (X2), and *leverage* (X3) has a simultaneous effect and significance on the financial performance of the Regional Government Financial Statements (LKPD).

DISCUSSION

The Effect of the Balance Fund on Government Financial Performance

From the results of the t-test hypothesis test (partial), the t-value calculated for the Audit Findings variable (H1) shows that the audit findings have no effect and are not significant on the government's financial performance. This means that the Audit Findings variable has no effect on the Government's Financial Performance partially or the first hypothesis (H1) in this study is rejected. The findings of the BPK audit can be found after an audit of the local government's financial statements and related to the opinion to be given by the BPK. A Reasonable Opinion Without Exception (WTP) is given when the government has presented information that is free from material misrepresentations in its financial statements, which is believed to be based on the audit evidence collected. Even if there are audit findings, they are considered immaterial and do not have a significant effect on decision-making (Dasmar, Basri, and Indrawati 2020). This shows whether or not the value of the findings does not affect financial performance. Local governments

that have more value findings are not necessarily inefficient in managing their finances. This is because financial performance management is seen as how a region is able to follow up on these findings (Pradana, Sunardi, and Fahmi 2022).

Based on BPK Regulation Number 2 of 2017 concerning Monitoring the Implementation of Follow-up to Audit Recommendations of the Audit Body, which states that BPK systematically monitors the implementation of follow-up through the Follow-up Monitoring Information System, which is a system that documents, administers, and processes data on monitoring the implementation of the follow-up of recommendations on BPK audit results. It can be explained that follow-up to audit findings is often administrative, such as document corrections or formal reporting, without substantial improvements in the regional financial management system. Thus, the audit findings reflect more on the aspect of administrative compliance than on the quality of the government's overall financial performance. In contrast to the results of research conducted by (Rashid, Suci, and Putri 2022) which states that the Audit Findings variable affects the Government's Financial Performance.

The Effect of the Balance Fund on Government Financial Performance

The results of the study prove that the balance fund has a significant negative influence on the financial performance of local governments or every time there is a decrease in the balance fund variable, the regional financial performance actually increases. Balance Funds that have a negative effect on financial performance can also be explained by the theory *stewardship*. The balance fund received by the local government must be used efficiently and effectively in accordance with the public mandate, but in theory it reminds that *Steward* good should manage those funds for long-term goals, not just meet routine unproductive operational needs (Pranita Andes et al ,2024).

These results are also supported by research data which states that the highest value of the calculation of the balance fund ratio by Pali Regency in 2020 which reached 0.92 with a very low level of financial performance only reached 0.05 and vice versa the lowest balance fund ratio by Palembang City in 2022 reached 0.43 with a financial performance level of 0.62. This shows that the higher the balance fund, the financial performance of the local government will decrease and vice versa, the lower the balance fund owned by the Regency/City, the higher the financial performance it has.

The results of this study are in line with the research conducted by (Widajanto, Dewi, and Anggraeni 2022) which states that high dependence on the balance fund can reduce the motivation of local governments to manage finances optimally, so that when the balance fund decreases, local governments are encouraged to improve their financial performance through more efficient management of their own resources. In contrast to the results of research conducted by (Pradana et al. 2022) which states that the Balance Fund variable has no effect on the Financial Performance of the Regional Government.

The Effect of *Leverage* on Government Financial Performance

Based on the t-test (partial), the t-value calculated for variable Leverage (H3) shows that the Leverage variable has no effect on the government's financial performance. This means that the Leverage variable has no effect on the Financial Performance of the Regency Government/South Sumatra Provincial Government partially or the third hypothesis (H3) in this study is rejected. The results in this study are in line with the research conducted by (Putri and Priyadi 2021) that states that the change *leverage*, both increases and decreases, do not affect the financial performance of local governments. This is because a larger debt value does not always reflect better or worse financial performance, considering that local governments have other significant sources of revenue, such as regional original revenue (PAD) and balance funds from the central government (Pranita Andes et al ,2024). These results show that a low debt ratio does not necessarily guarantee good financial performance, and a high debt ratio does not necessarily increase profitability or regional financial performance. This is due to the characteristics of local governments that have diverse sources of income and different financial management

mechanisms. In contrast to the results of research conducted by (Adinata and Efendi 2022) which states that the variable *leverage* affect the Financial Performance of the Regional Government.

The Effect of Audit Findings, Balance Sheets, and *Leverage* on Government Financial Performance

Based on the results of the hypothesis test, the Effect of Audit Findings, Balance Funds, and Leverage on Government Financial Performance has an f-calculation value of 78.05672. When compared to the F-table of 2.717343, the F-count is larger than the F-table (78.05672 > 2.717343). Therefore, it can be concluded that the variables of Audit Findings, Balance Fund, and Leverage simultaneously have a positive and significant relationship with Audit Opinion in districts/cities throughout Sumatra. This means that the fourth hypothesis (H4) in this study is accepted. This means that 94% of the dependent variables, namely the Financial Performance of Regencies/Cities in South Sumatra Province, are influenced by independent variables consisting of audit findings, regional areas, and leverage, while the remaining 6% are explained and influenced by other variables outside of this study.

The results of this study are similar to studies (Adinata & Efendi, 2022) and (Manafe et al., 2023) which stated that Leverage and Balance Funds have an effect on financial performance. Research (Latifah & Amalia, 2022) showing that Audit Findings have an effect on financial performance, and research (Manafe et al., 2023) showing that Audit Findings and Balance Funds have an effect on financial performance. In this study, the results of the combination of Audit Findings, Balance Fund, and Leverage contributed significantly in explaining the financial performance of the Regency or City government in South Sumatra Province simultaneously.

CONCLUSION

This study aims to prove the empirical and simultaneous influence of each variable. In part, the audit findings did not significantly affect the financial performance of the South Sumatra Provincial Government. Despite findings that indicate violations, administrative follow-up without substantial improvement makes audit findings less reflective of actual financial performance conditions. Variable leverage also does not have a significant effect partially, because an increase in high leverage can actually indicate an over-reliance on external financing, so it does not have a positive impact on financial performance. In contrast, balance funds affect financial performance negatively and significantly. High dependency on central funds leads to low fiscal independence and PAD, so that regional budget management becomes less optimal and financial performance decreases. However, simultaneously, the three variables of audit findings, balance funds, and leverage significantly affect the financial performance of local governments. This shows that the integrated management of the three factors is very important to improve the accuracy and effectiveness of regional financial management and support sustainable development

REFERENCE

Adinata, Meidy Patricia, and David Efendi. 2022. "Balancing the Financial Performance of the Regional Government of East Java." *Journal of Accounting Science and Research* 1–14.

Anon. 2004. *Law (UU) Number 33 of 2004 concerning the Financial Balance between the Central Government and Regional Governments*.

Dasmar, Taufik, Yesi Mutia Basri, and Novita Indrawati. 2020. "The Influence of Regional Wealth, Regional Expenditure, Intergovernmental Revenue, Audit Findings (BPK) on Local Government Performance (Empirical Study of Regency/City Regional Governments in Riau)." *Al-Iqtishad* Journal 16(2):39. doi: 10.24014/jiq.v16i2.10788.

Hilen, Julianti, Fitri Agustina, and Khoiriyah Yaumil. 2022. "The Effect of Regional Original Income, Balance Fund, Local Government Size, Leverage on Financial Performance." *Journal of Information System, Applied Management, Accounting and Research* 2(2):141. doi: 10.52362/jisamar.v5i2.373.

Latifah, Isna Aeni, and Dewi Amalia. 2022. "The Influence of Local Government Characteristics and Audit Reports on Financial Performance." *National Multidisciplinary Sciences* 1(5):735–43. doi: 10.32528/nms.v1i5.227.

Mahmudi. 2016. *Analysis of Regional Government Financial Statements*. Yogyakarta: UPP STIM YKPN.

Pradana, Arta, Sunardi Sunardi, and Muhammad Fahmi. 2022. "The Influence of Local Government Characteristics and Internal Control Systems on the Financial Performance of Local Governments (Empirical Study on Southern Sumatra Province)." *Journal of Accounting and Finance* 10(2):119. doi: 10.29103/jak.v10i2.6802.

Pranita Andes, Nelly Masnila, Muhammad Husni Mubarok. 2024. "Analysis of Factors Affecting Financial Performance." *Journal of Economics, Business and Accounting (COSTING)* 7(3):4639–47. doi: 10.31539/costing.v7i3.9051.

Prawoto, N., and A. T. Basuki. 2017. *Regression Analysis in Economic & Business Research: Equipped with SPSS & EVIEWS Application*. Depok: PT Rajagrafindo Persada.

daughter, Stithaprajna Tjahjono, and Maswar Patuh Priyadi. 2021. "The Effect of Leverage, Balance Funds, and Capital Expenditure on the Financial Performance of Local Governments." *Journal of Accounting Science and Research* 10(9):1–16.

Rasyid, Yolanda, Rama Gita Suci, and Annie Mustika Putri. 2022. "The Influence of Audit Opinions and Audit Findings of Bpk on the Performance of Regency/City Regional Governments in Riau Province." *PROMOTION (Journal of Economic Education)* 10(2):80–93. doi: 10.24127/pro.v10i2.6589.

Sugiyono. 2023. *Quantitative, Qualitative, and R&D Research Methods*. edited by Sutopo. Bandung: Alfabeta.

Widajanto, Moehammad Budi, Pinky Pininta Dewi, and Rr. Farrah Dipta Ayu Anggraeni. 2022. "The Influence of Regional Original Revenues, Balancing Funds and Capital Expenditures on the Financial Performance of Regency/City Regional Governments of East Java Province." *Indonesia Accounting Research Journal* 10(2):40–47. doi: 10.35335/iarj.v10i2.7.