IMPLEMENTATION OF LOCAL GOVERNMENT FINANCIAL REPORTING AND COMMUNITY WELFARE

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ABSTRACT

Objective: Research objectives financial reports as a means of accountability for its financial performance to the public.

Theoretical framework: The primary objective of government-led development initiatives is to promote the well-being of the community. This objective is reflected in the formulation of programs and budgets that incorporate measures of community welfare. Furthermore, the program and budget are reported to the public through the Supreme Audit Agency (BPK) to determine budget accountability and performance. The Kediri City Government must be able to present financial reports that contain financial information that is not only of good quality but is able to spur economic growth that has an impact on people's welfare.

Method: The present study, conducted in the urban setting of Kediri, employs a qualitative descriptive approach. Data collection methods encompass observation, interviews, and documentation. The analysis of data follows the Miles and Huberman model, involving the stages of data reduction, data presentation, and drawing conclusions.

Results: The findings of the research indicate that the incorporation of financial statement reporting within the Kediri city government has adhered to the appropriateness of government accounting standards, sufficiency of disclosure, adherence to laws and regulations, and the efficacy of the internal control system.

Conclusion: The findings of the BPK audit indicate that the financial reporting of entities within the Kediri City Government has received a Unqualified Opinion (WTP). This Kediri City Government Financial Report also shows how the programs implemented by the Kediri City Government seek to improve the people's standard of living.

Keywords: implementation financial report, the supreme audit agency, community welfare.
IMPLEMENTAÇÃO DA INFORMAÇÃO FINANCEIRA DA ADMINISTRAÇÃO LOCAL E DO BEM-ESTAR DA COMUNIDADE

RESUMO

Objetivo: A pesquisa objetiva relatórios financeiros como meio de prestação de contas por seu desempenho financeiro ao público.

Estrutura teórica: O objetivo principal das iniciativas de desenvolvimento lideradas pelo governo é promover o bem-estar da comunidade. Este objetivo reflete-se na formulação de programas e orçamentos que incorporam medidas de bem-estar comunitário. Além disso, o programa e o orçamento são comunicados ao público através da Agência Suprema de Auditoria (BPK) para determinar a responsabilização e o desempenho do orçamento. O governo da cidade de Kediri deve ser capaz de apresentar relatórios financeiros que contenham informações financeiras que não sejam apenas de boa qualidade, mas que sejam capazes de estimular o crescimento econômico que tenha impacto no bem-estar das pessoas.

Método: O presente estudo, realizado no ambiente urbano de Kediri, emprega uma abordagem descritiva qualitativa. Os métodos de coleta de dados abrangem observação, entrevistas e documentação. A análise dos dados segue o modelo de Miles e Huberman, envolvendo as etapas de redução de dados, apresentação de dados e tirando conclusões.

Resultados: Os resultados da pesquisa indicam que a incorporação de relatórios de demonstrativos financeiros no governo da cidade de Kediri aderiu à adequação das normas de contabilidade do governo, suficiência de divulgação, adesão a leis e regulamentos, e a eficácia do sistema de controle interno.

Conclusão: Os resultados da auditoria do BPK indicam que a informação financeira das entidades do governo municipal de Kediri recebeu uma opinião sem reservas (PTP). Este relatório financeiro do governo da cidade de Kediri também mostra como os programas implementados pelo governo da cidade de Kediri buscam melhorar o padrão de vida das pessoas.

Palavras-chave: relatório financeiro de implementação, a agência suprema de auditoria, bem-estar comunitário.

1 INTRODUCTION

The primary objective of economic growth is to enhance the quality of life for individuals. In Indonesia, the pursuit of prosperity is a key objective of the state, as articulated in the fourth paragraph of the 1945 Constitution. This objective encompasses safeguarding the entirety of the Indonesian population and the territorial integrity of the nation, as well as promoting the well-being and educational development of its citizens. The government has run many development projects with the main goal of improving the welfare of the community. But economists are still looking at ways to turn welfare into numbers. In the last 50 years, both the definitions and methods for measuring welfare in economic growth have changed (Basofi dan Santoso, 2017).
Community welfare refers to the state in which the fundamental necessities of a community are fulfilled, achieved by a combination of government-established initiatives and the collective endeavors of community members. The legislation known as Law No. 11 of 2009 on Community Welfare delineates the concept of community welfare as encompassing the fulfillment of people's material, spiritual, and social requirements, so enabling them to lead prosperous lives and develop their capacities to effectively carry out their societal roles. According to the report released by the Supreme Audit Agency (BPK, 2015), the assessment of welfare encompasses eight key dimensions, namely income, family expenditure or consumption, living conditions, housing facilities, health status of family members, accessibility of healthcare services, accessibility of educational opportunities for children, and accessibility of transportation services.

According to Suharto (2012) there are other signs that suggest an enhancement in the overall well-being of individuals, such as (1) an increase in income, (2) better health for the family, and (3) savings by the family as an economic investment. In Indonesia, social welfare, or making sure people's basic wants are fulfilled, is often seen as a goal or a condition of a happy life. In the book Development Economics, Arsyad, (2004), put forward several methods to measure the amount of social welfare, but economic growth is often the main goal of development. Through economic growth, income per person will be able to go up. While an increase in per capita income will make it easier for the community to meet its daily wants (purchasing power), the community's well-being can also be improved.

Yulianto (2005) said that there are many theories to assess people's welfare, one of which is the Community Development Index (IPM) or the Community Welfare Index (Human Development Index). When it relates to HDI, UNDP uses three indicators: education, health, and the ability of people to buy things. This means that the level of people's welfare is high or low based on these three things. If most of these three things are true, the level of welfare in the country is quite high. The Supreme Audit Agency then conveys local government financial reports with an opinion from BPK Unqualified (WTP), Unqualified opinion (WDP), opinion Unreasonable (TW), and Statements of Refusal to Give Opinion or Disclaimer of Opinion (TMP) if the local government budget performance increases the level of welfare in the region (Apriyana, 2020)

The Audit Board of the Republic of Indonesia (BPK) gave opinion the City Government of Kediri a "Unqualified Opinion," which the government was able to
maintain. The WTP Opinion on LKPD for the 2021 fiscal year is the City Government of Kediri's eighth WTP Opinion success. The Governor of East Java, Khofifah Indar Parawansa, gave the award to the Mayor of Kediri at an event where the Government of the Republic of Indonesia gave awards for the success of the WTP to the Provincial Government of East Java and the Regency/City Governments in East Java. (www.kediri.go.id, 2022)

The WTP opinion indicates that accountability in government is good. The Kediri City Government has been able to keep this WTP running well because all OPDs have worked well together. Especially because of the Covid-19 outbreak, so refocusing was carried out. Regional Government financial reports are a means of accountability for their financial performance to the public (Oanh et al., 2023). Regional governments need to be able to give financial records with good quality financial information that can also help the economy grow, which will improve people's lives (Ababneh et al., 2023).

According to Warnoto (2022), the qualitative characteristics of Regional Government Financial Reports are normative requirements needed to meet the desired quality (Rahadjeng et al., 2023). The Supreme Audit Agency provides an annual assessment to the LKPD in the form of an opinion. When the BPK gives an unqualified opinion, it means that the LKPD is given and disclosed in a fair and good way. There are four views given: Unqualified Opinion (WTP), Qualified Opinion (WDP), Unfair Opinion (TW), and Statement of Refusing to Give Opinion or Not Giving Opinion (TMP).

Government Accounting Standards (SAP) encompass a set of regulations that mandate compliance for all government entities in the preparation of Central Government Financial Reports (LKPP) and Regional Government Financial Reports (LKPD). These reports are made to make sure that state finances are managed in a way that is transparency, participation and accountable to achieve good governance. According to the Guidelines for to adhere to quality standards, it is imperative that government financial reports align with Government Accounting Standards and possess the qualities of usefulness, reliability, comparability, and ease of comprehension. According to Article 1, Section 12 of Law No. 23 of 2014, a comprehensive set of 12 methods has been outlined to facilitate the effective execution of regional autonomy. One such approach involves enhancing the quality of public services and promoting the well-being of the populace. In the city of Kediri, there are efforts to improve public services and community safety. One
way this is done is through a program called PRODAMAS Plus, which operates from 2015 to 2023.

Through this program, efforts to improve public services by providing program facilities are meant to encourage community involvement (at the Rukun Tetangga level) in all stages of activity, from making plans to deciding the types of infrastructure development activities and planning for managing community empowerment programs (PRODAMAS). so that the community can be self-sufficient in building infrastructure, Enhance the economic and social well-being of the community, and attain its capacity to accomplish such objectives.

2 THEORITICAL FRAMEWORK

This study is grounded in stewardship theory, which posits that individuals in positions of authority within a government setting are primarily driven by collective objectives rather than personal goals. This theory suggests that their actions are directed towards achieving the overarching goals of the organization, with the expectation that this will lead to increased organizational satisfaction and success. Hernandez (2008) defines stewardship as an attitude and behavior that places emphasis on the long-term interests of an organization, prioritizing them over personal aims that primarily serve an individual's own interests. Stewardship is not fostered through legal mandates, but rather through the establishment of an organizational structure that enables leaders to nurture trust among individuals and institutions. The application of stewardship theory in public sector accounting studies, including government and non-profit organizations, has been explored by scholars such as Vargas (2004) and David (2006). Throughout the historical trajectory of accounting, it has been regularly observed that public sector entities have consistently exhibited a preparedness to meet the obligations associated with the roles of stewards and principals. The theory of stewardship suggests that individuals inside businesses endeavour to establish a balanced and harmonious state between their obligations towards both internal and external stakeholders, while also maintaining a broader commitment to the ethical norms prevailing in society.

Moreover, the attributes of financial statement information encompass relevance, reliability, comparability, and comprehensibility. According to Scott (2003), The relevance of financial statements is a qualitative characteristic of accounting information that functions as a beneficial tool for assisting users in making predictions for future
assessments of rewards. According to Beaver (1968), the importance of financial statements is in the ability of accounting information to provide explanations, allowing individuals who utilize this information to anticipate their decision-making procedures. According to paragraph 35 of SAP, the pertinent financial statements are required to meet four specific requirements, incorporating metrics such as feedback value, prediction value, timelines, and completeness. This study is grounded in the concepts of feedback value and predictive value, wherein the relevance of Regional Government Financial Statement Information (ILKPD) is determined by its adherence to these two criteria. This aligns with the inherent attributes of accounting information. According to PSAP No. 1, the ILKPD consists of seven information components. The components encompassed under this framework consist of the Budget Realization Report (LRA), the Report on Changes in the Excess Budget Balance, the Balance Sheet Report (LN), the Cash Flow Statement, the Change in Equity Report, and the Notes on Financial Statements. The main aim of this study is to examine the influence of ILKPD (Independent Learning and Knowledge Production Development) on PAPBD (Public Administration Performance and Budgeting Development), specifically focusing on LRA (Local Revenue Autonomy) and LN (Local Revenue Neutrality). The annual fiscal blueprint of the local government, referred to as PAPBD, is formulated in compliance with the legislation UU No. 23/2014. The formulation of this plan is a product of deliberations and consensus reached between the regional government and DPRD and is duly codified by regional legislation. The PAPBD functions as a mechanism for the authorization, planning, supervision, allocation, and distribution.

The authorization function illustrates the role of the regional budget as the underlying framework for carrying out income and spending operations. The planning function clarifies that the budget functions as a guiding principle for management in formulating and coordinating their endeavours. The supervisory role demonstrates that the regional budget functions as a standard for assessing the degree to which government administrative actions comply with pre-established regulations. The allocation function serves to illustrate that the regional budget is designed with the objective of reducing unemployment and minimizing resource inefficiencies in order to improve the overall performance of the regional economy. Lastly, the distribution function highlights the importance of regional budget policies in ensuring fairness and adherence to established principles. In each instance of implementing a reporting system, it is incumbent upon the
government to provide a comprehensive account of the endeavours undertaken and the outcomes attained in a methodical and organized fashion over a designated reporting period. This practice serves the purpose of ensuring accountability, facilitating effective management, promoting transparency, and fostering intergenerational equity.

The Importance of the Integrated Local Government Financial Management System (ILGFM) in the Formulation and Administration of Local Government Budgets (APBD) According to Hernandez (2008), stewardship involves adopting a mindset and engaging in actions that value the long-term interests of the organization over personal goals. Stewards are enabled by the organizational structure to foster trust among individuals and institutions. The theory of stewardship posits that organizational actors strive to achieve a harmonious equilibrium between their responsibilities towards both internal and external stakeholders, while also sustaining a broader sense of dedication. Halim (2001) asserts that the purpose of the PAPBD is to provide a framework for local government operations. This framework involves presenting projected revenue and spending figures, which are intended to finance the government's efforts in enhancing services and meeting the requirements of the community. The aim is to achieve improvements that surpass those of the preceding year. The inclusion of ILKPD criteria that possess feedback value and predictive value is crucial in the formulation of a proficient and productive APBD. This is essential for the objectives of strategic planning, effective control, and the development of fiscal policies that are centralized in order to enhance the regional economy. To assess the impact of ILKPD's involvement on decision-making in PAPBD, it is imperative to utilize financial ratios obtained from ILKPD constituents, namely LRA and LN. The financial ratios under consideration include Performance Fund (PF), Return on Equity (ROE), and Return on Assets (ROA).

Plummer et al (2007) define PF as the assessment of the disparity between overall income and spending, relative to the entire fund revenue derived from local sources. If there is a significant disparity across various aspects within the local government, it can be inferred that the local government exhibits a high Public Finance (PF) ratio. A high PF ratio signifies that the local government possesses a substantial quantity of revenue derived from funds, hence resulting in a significant surplus. The surplus funds are required to be sent to the state treasury, and the government is restricted to proposing a budget that aligns with the previous year's actual revenue. This statement highlights the lack of relevance between the previous year's local government's revenue surplus and the
subsequent year's Regional Budget (PAPBD), hence emphasizing the need to show this disconnect. Similarly, the ROE (Return on Equity) and ROA (Return on Assets) ratios employ a surplus or deficit value to assess the financial performance of the government (Cohen, 2006). The Return on Equity (ROE) is a financial ratio that quantifies the relationship between the government's total budget surplus or deficit and the total equity held by the government. On the other hand, the Return on Assets (ROA) is a financial ratio that measures the relationship between the government's total budget surplus or deficit and the total assets owned by the government.

Numerous studies have been previously undertaken to examine the impact of government financial statement information on the financial performance of organizations. In his study on the determinants of regional financial management performance, Samson (2001) focused specifically on the Barito Kuala district. The findings of the study suggest that the regional administration of Barito Kuala has demonstrated effectiveness in managing its finances at the local level, as evidenced by the utilization of regional financial performance ratios as indicators. In the study conducted by Simatupang (2007), an assessment was made on the district/city APBD (Regional Budget) in the province of South Sumatra. The evaluation was based on the utilization of indicators derived from the ratio of figures found in the regional financial reports. In her study on the performance analysis of the Integrated Local Government Performance Development Index (ILKPD) in the South Sumatra province, Diana (2008) employed indicators related to regional budget development. The findings of his study suggest that the South Sumatra government holds the highest position in evaluating the implementation of regional government budget reports and has successfully achieved the elasticity value in PAD. Moreover, Pramono (2014) conducted a study that examined the utilization of financial measures as a means to evaluate the financial performance of local governments within the municipal administration of Surakarta.

The study's results revealed that the allocation of funds from the Surakarta city government's APBD exhibited both efficiency and effectiveness, as evaluated by the financial performance ratio of the Surakarta city government. In research undertaken by Assidiqi (2014), an assessment was made on the financial performance of the Klaten district budget during the period from 2008 to 2012. The study's findings suggest that the Klaten district government has exhibited effectiveness in the development of the Annual Regional Budget (APBD). This is evidenced by the congruence between the Klaten
district government's APBD and the allocation of regional expenditure funds, with a significant portion allocated towards operational expenses and a smaller percentage allocated towards capital expenditures. In their study, Andini and Yusrawati (2015) This study examined the effects of adopting the regional financial accounting system on the overall quality of the Integrated Local Government Financial Report (ILKPD) in the Empat Lawang district, situated in North Sumatra. The study's findings indicate that the introduction of the regional financial accounting system significantly affects the quality of ILKPD.

3 METHODS

This study was done with the intent to find the truth, which must be based on a scientific approach of thinking, as shown by the scientific method, which is based on observation and reasoning. The scientific process is based on the idea that if a statement is to be accepted as true, it must be proven or tested empirically or based on facts (Dharmas, 2008). This study located in The City of Kediri used a qualitative descriptive method, with data collection techniques The research methodology employed in this study involved the utilization of several data collection methods, including observation, interviews, and documentation. The collected data was then subjected to analysis utilizing the Miles and Huberman model analysis techniques. This analytical approach encompassed three key stages, including data reduction, presentation of data, and drawing conclusions.

4 RESULT AND DISCUSSION

Policy implementation in the broadest sense is a form of operationalizing or organizing activities that have been determined by law and become a collective agreement among various stakeholders, actors, organizations (public or private) procedures, and techniques synergistically implemented. movement to work together to implement policies in the desired direction. The results of BPK's audit of Kediri city government's financial statements indicate that the implementation of regional financial management policies has been proceeding successfully.

Based on Audit Results Report number 47/LHP/XVIII.SBY/04/2022, dated April 25, 2022, BPK has looked at the Financial Report of the Regional Government of Kediri City for Fiscal Year 2021 and given an unqualified opinion (WTP). The assumption made
by the Board of Public Accountants (BPK) is that the financial accounts of the Kediri municipal government have been presented in a manner that is both fair and compliant with the established Government Accounting Standards. This includes the financial position of the Kediri city government as of December 31, 2021, as well as budget realization, changes in excess budget balance, operations, cash flows, and changes in equity for the year ended on.

The BPK's evaluation of the Kediri city government's financial records included the academic terms for the mentioned financial documents are the Budget Realization Report, the balance sheet, the Cash flow statement, and the Notes to Financial Statements. The Community Empowerment Program, which is a significant initiative undertaken by the Kediri city government, is included in this report on budget implementation. The greatest budget for the Community Empowerment Program of the Kediri City Government in 2021, which is Rp 97,044,897,874, is PRODAMAS Plus. The Community Empowerment Program is a component of the development process in which the community initiates activities to improve their own circumstance and that of their environment. The Community Empowerment Program Plus (PRODAMAS Plus) will be implemented in 2021 as a continuation of PRODAMAS to encourage community participation and active engagement in village-level development activities in the Rukun Tetangga region. In PRODAMAS Plus 2022, the program budget allocates Rp 100 million per household per year to address infrastructure, socio-culture, economy, education, health, and youth. 

The Technical Guidelines for the Implementation of PRODAMAS Plus for the 2022 Fiscal Year are founded upon the legal framework provided by PERWALI No. 32 Year 2021. The implementation of PRODAMAS Plus for the 2022 Fiscal Year has several changes compared to the previous year's PRODAMAS Plus. In addition from the size of the budget (up to Rp. 100 million per RT), its management also needs the active participation of the community, not just from the top down or from community groups, but from everyone. This will help PRODAMAS Plus have a bigger effect. The idea behind PRODAMAS is to give the community more power, so the Government wants the community to get involved. Apart from that, the Kelurahan must also think about so that the impact is much better. After residents talked about it in the subdistrict, it was put together, talked about, and decided for the good of the community as a whole. In the past, the planning stage for PRODAMAS Plus began with a community consultation. For the
2022 Fiscal Year, the planning stage for PRODAMAS Plus starts with a village meeting (MUSKEL) and then an RT discuss, which is collected and verified in the village. Then it is verified at the district level, then at the city level, finally at the RKA level. When it came to infrastructure, the RT/RW plan was the most important area for PRODAMAS to work on. In PRODAMAS Plus, development will be on the size of a village in 2022. 25%–30% of the budget cap was set aside to solve problems or help people with great ability grow (Kampung Keren). Through Kampung Keren, there are economic activities. These activities are run by the residents, so they have a good effect on the community and can be felt directly.

By maximum budget of IDR 100 million per RT, PRODAMAS Plus 2021 has given benefits to 1,478 RTs in the City of Kediri. In 2021, the City Government of Kediri started the theme "Construction of infiltration wells in each RT" as the focus of problems to be handled through PRODAMAS Plus. This policy was made because of a study done by the technical service or Research and Development Institute of the City Government of Kediri. The study found that the underground water in Kediri City continues to get worse and can't be left alone. The government is afraid that over time, the amount of water underground in Kediri City will go down, which could upset the balance of nature. The City Government of Kediri through PRODAMAS plus also requires each RT to propose several activities, such as: payment of JKN contributions for all residents who have not been covered by BPJS Kesehatan, PKK and Dasawisma activities of IDR 1 million, and Provision of Supplementary Food (PMT) for Posyandu Toddlers and the Elderly IDR 1-2 million.

The benefits of distributing PRODAMAS Plus funds have been felt by the community. In terms of infrastructure, the community thinks that the quality of facilities and infrastructure has gone up, from the state of the roads to the quality of public buildings. On the economic side, PRODAMAS Plus has helped RW Cooperatives become stronger by giving them up to Rp. 100 million in business capital. It has also helped create Joint Business Groups (KUBE), which are expected to grow for the better. Aside from that, the community also gains from the fact that there are Creative and Independent Villages (Kampung Keren). The neighbourhood also gets health insurance from the City Government of Kediri through PRODAMAS Plus. This is part of Universal Health Coverage, which means that everyone who lives in Kediri City has health insurance. In the area of education, the community can use PRODAMAS Plus to learn
more about things like Al-Quran Education Park (TPA), English Massive, and Massive Quran. When it comes to Kediri City's kids, they can now be creative through art, sports, or digital training.

In addition to the efficacy of community empowerment programs, endeavors to enhance societal well-being may also be observed through the examination of various indicators such as the Gross Regional Domestic Product (GRDP) per capita at current prices, poverty rates, and the Human Development Index (HDI). GRDP at current prices, also called nominal GRDP, is calculated based on the prices that were in effect during the measurement period. The goal is to see how the regional economy has changed and how it is structured (Octora, 2022). The GRDP at Current Prices (ADHB) for the City of Kediri for 2020–2021 can be seen in table 1.

Table 1. Gross Regional Domestic Product at Current Prices (PDRB ADHB) 2020 – 2021 the highest in several Cities/Districts of East Java (Billion IDR)

<table>
<thead>
<tr>
<th>No</th>
<th>Cities/Districts</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Surabaya</td>
<td>554,509.5</td>
<td>590,228.0</td>
</tr>
<tr>
<td>2</td>
<td>Sidoarjo</td>
<td>197,240.7</td>
<td>210,643.9</td>
</tr>
<tr>
<td>3</td>
<td>Pasuruan</td>
<td>145,592.0</td>
<td>157,150.7</td>
</tr>
<tr>
<td>4</td>
<td>Gresik</td>
<td>138,893.6</td>
<td>144,435.3</td>
</tr>
<tr>
<td>5</td>
<td>Kota Kediri</td>
<td>132,406.1</td>
<td>141,467.1</td>
</tr>
</tbody>
</table>

Source: CBS East Java (2022) processed

The big and growing ADHB PDRB of the City of Kediri shows the fact that the City of Kediri's economic resources work. The power of economic resources owned is greater the higher the ADHB GRDP value, and vice versa. Also, the way GRDP is split up at current prices shows what part of the area economy is most important. In 2021, the Manufacturing Industry Business Fields will still make up 81.88 percent of the City of Kediri’s economic structure, followed by Wholesale-Retail Trade, Car and Motorcycle Repair at 9.11 percent, Information and Communication at 2.07 percent, Construction at 1.62 percent, and Accommodation and Food and Drink at 1.48 percent. The five business areas make up 96.16 percent of the Kediri City economy.

In terms of poverty indicators, the Central Bureau of Statistics for the City of Kediri (2022) states that the percentage of the poverty rate in the City of Kediri in 2022 decrease by 0.52% from the initial 7.75% in 2021 to 7.23% in 2022. In 2021, there are 22,550 poor people in the city of Kediri. This number will go down by 1,400 people in 2022, being the total number of poor people in the city 21,1500. The poverty rate has gone down because of a number of things, such as social protection programs for the poor,
business assistance programs for small and medium-sized businesses (IKM), creating new entrepreneurs (WUB), WUB for industry, and giving cigarette factory workers and workers business training. On the other hand, Kediri City's managed inflation rate has also helped bring down the number of poor people.

Yektiningsih (2018) The individual stated that the community welfare indicator, known as the Human Development Index (HDI), evaluates the degree of human development through the examination of essential dimensions of quality of life within a comprehensive three-dimensional framework. These encompass the attainment of a prolonged and robust lifespan, the acquisition of knowledge, and the achievement of a fulfilling existence. These three dimensions have the potential to enable discussions on a broad array of topics. The health component is quantified by utilizing life expectancy at birth. In conjunction, metrics like as literacy rate indicators and the average duration of educational attainment are employed to gauge the extent of individuals' knowledge acquisition. To measure what it means to live a decent life, the average amount spent per person as a measure of income is used as an indicator of the community's buying power for a number of basic needs. This shows how much progress has been made toward a decent life.

The Human Development Index (IPM) In Kediri City, increased from 78.60 in 2021 to 79.59 in 2022. The HDI for Kediri City is higher than the HDI for East Java, which is 72.14 in 2021 and 72.75 in 2022. HDI shows that residents can get income, health, education, and other development results. As one of the HDI’s supporting elements, education indicators can be seen in how the community responds to education. This is demonstrated through the utilization of the gross enrolment rate (APK), which quantifies the proportion of individuals who are currently enrolled in educational institutions at a specific level of education, relative to the total number of individuals within the corresponding age cohort. The German language, commonly referred to as GER, is a West Germanic language that is Kota Kediri achieved a student performance rate of 102.51 percent for elementary school students and 96.60 percent for junior high school students. In Kediri, there are still less than 20 kids for every one teacher. Most of the time, there are about 16 kids for every teacher. APK is used to figure out how well educational development programs are doing at giving people more chances to get an education. In Kediri City, the GER for elementary school was 102.51% and for junior high school was 96.60%. These numbers are close to or more than 100%, which means
that some people go to school when they are too young or too old. This can also show that the area has a place for more school-aged people than the target.

The Net Enrolment Rate (APM), the metric of interest pertains to the ratio between the population of individuals within a specific age cohort who are currently enrolled in educational institutions and the total count of individuals within the same age cohort, is another sign that the quality of human resources is getting better. This APM will measure how well the education system is able to take care of the people who are school-aged. So, the APM show how much people of school age have been able to use educational facilities based on their level of education. If APM equals 100, it means that all children who are old enough to go to school can get there on time. NER in the city of Kediri is 98.13% for elementary school, 85.29% for junior high school, and 80.60% for high school. Which means it is still below the ideal value of 100%, but it is already above the average value of East Java APM, which is 97.99% (SD), 84% (SLTP), and 62% (SLTA).

Evaluating the government's performance in increasing the welfare of the population, one of which is by using life expectancy at birth (AHH). Life Expectancy is a tool to evaluate the government's performance in improving the welfare of the population in general and improving health status in particular. When an area has a short life expectancy, there must be health development programs and other social programs, like ones for environmental health, getting enough calories and nutrition, and getting rid of poverty in table 2.

<table>
<thead>
<tr>
<th>No</th>
<th>AHH Province/District/City</th>
<th>Year 2021</th>
<th>Year 2022</th>
<th>Up/Down</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kota Surabaya</td>
<td>74.18</td>
<td>74.47</td>
<td>+0.29</td>
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<tr>
<td>2</td>
<td>Kabupaten Tulungagung</td>
<td>74.16</td>
<td>74.54</td>
<td>+0.38</td>
</tr>
<tr>
<td>3</td>
<td>Kabupaten Sidoardjo</td>
<td>74.06</td>
<td>74.36</td>
<td>+0.30</td>
</tr>
<tr>
<td>4</td>
<td>Kota Kediri</td>
<td>74.04</td>
<td>74.34</td>
<td>+0.30</td>
</tr>
<tr>
<td></td>
<td>Jawa Timur</td>
<td>71.38</td>
<td>71.74</td>
<td>+0.36</td>
</tr>
</tbody>
</table>

Source: BPS Jawa Timur processed (2022)

Life Expectancy for Kediri City is included in the 4 (four) big category in East Java Province after Surabaya City, Tulungagung Regency and Sidoardjo Regency with an increase in AHH of 0.30, which is 74.04 in 2021 to 74.34 in 2022. AHH the city of Kediri also greater than the AHH of East Java Province.

The relatively high life expectancy rate in the city of Kediri is caused by a healthy environment, the availability of enough and easy-to-get food, the level of public
education, government policies that work to improve welfare, a better community economy, and so on. This rise in life expectancy can also be caused by better living conditions for the people of Kediri City, as well as by more schooling and more money per person. The success of making people live longer is also tied to how well the Kediri city government develops its health workers and health services. The success of increasing life expectancy is also connected from the development of health workers and health facilities owned by the Kediri city government in table 3.

Table 3. Health Workers and Health Facilities The City of Keiri Government in 2021

<table>
<thead>
<tr>
<th>Health Indicator</th>
<th>District</th>
<th>Kota Kediri</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mojoroto</td>
<td>Kota</td>
</tr>
<tr>
<td>Health Worker :</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Docter</td>
<td>80</td>
<td>76</td>
</tr>
<tr>
<td>b. Nurse</td>
<td>189</td>
<td>236</td>
</tr>
<tr>
<td>c. Midwife</td>
<td>59</td>
<td>64</td>
</tr>
<tr>
<td>d. Pharmacist</td>
<td>100</td>
<td>121</td>
</tr>
<tr>
<td>e. Nutritionists</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Hospital</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Maternity Hospital</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Polyclinics</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Public Health Center</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Auxiliary Health Center</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Residents with health complaints</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Number of Disease Cases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Malaria</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>b. Pulmonary TB</td>
<td>279</td>
<td>92</td>
</tr>
<tr>
<td>c. Pneumonia</td>
<td>369</td>
<td>84</td>
</tr>
<tr>
<td>d. Leprosy</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>e. Tetanus</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>f. Measles</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>g. Diarrhea</td>
<td>2.687</td>
<td>2.113</td>
</tr>
<tr>
<td>h. Dengue fever (DBD)</td>
<td>47</td>
<td>30</td>
</tr>
<tr>
<td>i. AIDS*</td>
<td>121</td>
<td>125</td>
</tr>
<tr>
<td>j. IMS*</td>
<td>5</td>
<td>19</td>
</tr>
</tbody>
</table>

*) AIDS case data (New Cases and Cumulative Cases) in the publication of the year concerned may different from the publication of the previous year due to the addition of unreported cases
Source: BPS Kota Kediri, 2022

Setianingsih, Baiquini and Kurniawan (2019) said that the coverage of health services for children and toddlers is another health indicator that is used to measure how well the SDGs are being met. In 2020 and 2021, the City of Kediri has a higher rate than East Java (88.4%) can see in Figure 1.
The Universal Child Immunization (UCI) measure the shows villages and subdistricts where all children have been fully immunized. In Kediri City, 95.7% of children have been fully immunized, which is higher than the average of 77.4% in East Java Province. For Covid-19 cases in 2021 in Kediri City, the Case Fatality Rate (CFR), the total count of documented fatalities resulting from COVID-19 in the year 2021 divided by the total number of confirmed cases reported in the same year, shows a percentage above CFR East Java by 10%, which is above CFR East Java (7.57%) and far below Blitar Regency + 16% and Trenggalek Regency + 14%.

All activity reports covering community welfare are summarized in the Regional Government Financial Report, where from the BPK Audit Report number 47/LHP/XVIII.SBY/04/2022 dated April 25, 2022, has given a Unqualified Opinion (WTP). This indicates that the development of community welfare based on indicators of education, health and people's purchasing power is moving towards a more prosperous society.

5 CONCLUSION

The reporting of financial accounts for the Kediri municipal government is contingent upon various elements, encompassing adherence to government accounting standards, sufficiency of disclosures, adherence to rules and regulations, and the efficacy
of the internal control system. According to the findings of BPK audits, it is believed that the financial reporting of entities under the Kediri City Government has accurately presented the financial position, operational outcomes, and cash flows of specific companies in a manner that aligns with the established accounting standards in Indonesia. As a result, a Unqualified Opinion was issued. WTP or a view with no evidence. This fair Kediri City Government Financial Report also shows how programs run by the Kediri city government work together to improve people’s lives.
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