

# Implementation of Financial Reporting Badan Layanan Umum Daerah (BLUD) Under PP No. 71 2010 about Government Accounting Standards on dr . H. Moh. Anwar Hospital Sumenep-Indonesia

**Mohammad Herli, Hafidhah, Ashfi Humaira**

Accounting Department Of Economic Faculty University Wiraraja Sumenep

Email: [herlypuz@gmail.com](mailto:herlypuz@gmail.com)

## Abstract

The issuance of Government Regulation (PP) No.71 in 2010 on Governmental Accounting Standard and Regulation of the Minister of Home Affairs (Permendagri) No.64 in 2013 about application of accrual-based government accounting standards in local government, in article 10 paragraph (2) which states that the application of accrual-based government accounting standards in local government slowest start of the fiscal year 2015, every the regional government financial report required to be properly according to applicable regulations. The aim of this study isto examine reporting financial statement and determine the readiness of the RSUD dr. H. Moh. Anwar Sumenep government in presenting the financial statements based on accrual-based government accounting standards. This research is using descriptive analysis method. Data are obtained through field study. The results showed that the RSUD dr. H. Moh. Anwar Sumenep Government has not applied the PP. 2010 No.71 yet but it has based on PP. 2005 No.24 that is used cash towards accrual, be found obstacle in readiness like the less quantity of human resource as implemented at every SKPD and readiness tools is not yet to put a test. It is nnecessary to improve the quality and quantity of human resources educational background appropriate accounting and held socialization, technical assistance so as to produce financial statements that relevant and transparent.

*Keywords:* accounting, accrual basis, the governmental accounting standards, PP No. 71 2010

## 1- INTRODUCTION

With the issuance of PP 23 In 2005, dr. H. Moh. Anwar Sumenep changed into a Regional Public Service Board in 2012. That change impact on financial accountability refers to the principles of accountability, transparency and efficiency. Regional Public Service Board was formed to provide service to the community in the form of supply of goods and / or services sold without prioritizing profit it as Regional Public Service Board is a non-profit governmental organization.

In line with the implementation of PP old No. 24 In 2005, the government published a new government accounting standards that in PP 71 Year 2010 concerning Governmental Accounting Standards and is followed by the Regulation 64 Year 2013 on the Implementation of the Government Accounting Standards Accrual Based On Local Government. The issuance of PP 71 In 2010, the PP 24 of 2005 declared null and void again this is an implementation of the Law on state finance, although for implementation could be done in stages, but in Article 10 paragraph (2) which states that the application of accrual-based SAP in the central government or local government as in dr. H. Moh. Anwar Sumenep later than 4 (four) years after the Fiscal Year 2010.

With the new regulations issued by the government, the dr. H. Moh. Anwar Sumenep should be better prepared to respond to change, besides the hospitals also further develop facilities and infrastructure to update information. Most importantly improve its human resources in order to ensure better financial statements in dr. H. Moh. Anwar Sumenep and to be able to keep up with

the times, relevant, and transparent to the public. Until now dr. H. Moh. Anwar Sumenep still at minimum standard for human resources, missing techniques information updates as well as facilities and infrastructures are inadequate, causing less than the maximum service to the community. So if PP 71 of 2010 which is about the Government Accounting Standards will be implemented in dr. H. Moh. Anwar Sumenep, it will provide greater benefits for local government, the community as a user of financial statements, as well as for the development of the accounting profession.

Departing from some descriptions and previous researchers have done, researchers raised the issue in this case is the object of the research studied dr. H. Moh. Anwar Sumenep which is a nonprofit organization and has BLUD (Regional Public Service Board) in 2012, and are required to prepare financial statements in accordance with the reference BLUD PP 71 of 2010 on SAP (Government Accounting Standards) so that the transparency of financial recording and reporting organizations are consistent and comparable.

## 2- LITERATURE REVIEW

Accounting Hospital which is one of the activities of financial management is one of the first targets that must be corrected in order to provide data and information that will support hospital managers in decision-making as well as observation and control activities of the Hospital. Which is a constraint on the Hospital Self-Finance and unsolved to this day is the hospital doing two recording and reporting system that is based on accounting principles prevalent (*Accrual Basis*) and *Cash Basis* to meet the applicable provisions are expected to run parallel, mutually independent and create a control mechanism (internal control), but it is felt to be a burden attendant Hospital.

According to Bachtiar wise, Muchlis, Iskandar in Government Accounting, the purpose of government accounting and business accounting in general is the same, namely:

### a. Accountability

In government, finance State-run must be accounted as mandated by the constitution. Implementation of this functionality in Indonesia is set in 1945 Ps 23 paragraph (5).

### b. Managerial

Accounting rule allows the government to do the planning in the form of the preparation of the state budget and other development strategies, to undertake the development and implementation of control over these activities in order to achieve compliance with the legislation, efficiency, effectiveness, and economical.

### c. Supervision

Audit in Indonesia consists of a general audit, inspection obedience, and operational or managerial examination.

Law Number 17 Year 2003 on State Finance of Article 32 mandates that the form and content of the report accountability of APBN / APBD prepared and presented in accordance with Government Accounting Standards. The government accounting standards drawn up by the Government Accounting Standards Committee that is independent and set by government regulation after having the first judgment of the BPK. Accrual-Based SAP preparation undertaken by KSAP through the process of drafting standard (*due process*). SAP's standard process of preparation is a professional responsibility KSAP are fully contained in Appendix III.

Preparation of PSAP based on the Conceptual Framework for Governmental Accounting, which is the basic concept formulation and development of the Government Accounting Standards, and is a reference to the Government Accounting Standards Committee, making up the financial

statements, the examiner, and users of financial statements in finding a solution to something of a problem that has not been regulated in Statement Government Accounting Standards. In accordance with the mandate of the State Finance Act, the Government has set up the Government Regulation No. 24 of 2005 concerning the Government Accounting Standards. The Government Accounting Standards using the cash basis for the recognition of revenue transactions, expenditures and financing, and the accrual basis for the recognition of assets, liabilities, and equity funds.

#### a. Environment Government Accounting

Governmental organization's operational environment affect the characteristics of the accounting and financial reporting purposes. The essential features within the government to considering of setting accounting and financial reporting purposes include:

- The main feature of the governance structure and the services provided general form government and separation of powers. NKRI follows of democracy principle, it means that power is in the people's hands. People's delegate power to public officials through the election process. In line with this delegation of power is the separation of powers among the executive / legislative / and judiciary as applicable in the financial environment of government / party executives draw up a budget and submit it to the party the legislature for approval. After the approval / the executive to implement within the limits of appropriation and statutory provisions relating to appropriation. The executive responsible for organizing audit to the legislature and the people.

2) The system of government and the autonomous intergovernmental transfer revenues. Substantially, there are three systems of government in the scope of the government of the Republic of Indonesia, namely the central government, provincial government and district government, the local government. Governments wider scope to give direction to the government, whose scope is narrower. The existence of government revenue generating tax or non-tax result in the convening of a larger profit-sharing system, the allocation of public funds, grants, or subsidies on each government entities.

#### b. Accounting and Reporting Entities

Accounting entity is a unit of the government to manage the budget, property, and liabilities that organizes accounting and present financial statements on the basis of accounting that has collected. The reporting entity is a government unit consisting of one or more accounting entities that according to the provisions of legislation in presenting a statement of accountability, in the form of general purpose financial statements, consisting of:

1. Central government;
2. Local government;
3. Each ministry or state government environmental agencies center;
4. Organizational units within central government / local or other organization, if according to the legislation of organizational unit shall be presenting financial statements. In determining the reporting entity, to consider terms management, control and mastery of a reporting entity to assets, jurisdiction, specific tasks and missions, with a form of accountability and authority that is separate from other reporting entities.

#### c. Role and Purpose of Financial Statements

Financial statements are prepared to provide relevant information about the financial position and all transactions made by a reporting entity during the reporting period. Financial statements are primarily used to determine the economic value of the resources that used to carry out the

operations of government, assess the financial condition, evaluate the effectiveness and efficiency of a reporting entity, and help determine the compliance with laws and regulations. Each reporting entity has an obligation to report on the efforts that have been made and the results achieved in the implementation of activities in a systematic and structured in a reporting period for the benefit of:

#### 1. Accountability

Account management resources as well as policy implementation is entrusted to entities reporting in achieving the goals that set up periodically.

#### 2. Management

Helps users to evaluate the implementation of a reporting entity in the reporting period to facilitate the planning, management and control over all assets, liabilities, and equity of government for the benefit of society.

#### 3. Transparency

Provide financial information that is open and honest to the public based on the consideration that the public has a right to find out openly and comprehensively on government accountability in the management of the resources entrusted to him and his obedience to the laws and regulations.

### d. Elements Financial Statements SAP PP 71 2010

#### 1. Budget Realization Report

Budget Realization Report presents an overview of sources, allocation, and use of financial resources managed by the central government / local, which illustrates the comparison between the budget and its realization in the reporting period. Elements that are directly covered by the Budget Realization Report consists of revenue-LRA, shopping, transfer, and financing. Each of these elements can be explained as follows:

- Revenue-LRA is the acceptance by the State General Treasurer / Regional Treasurer or by any other government entity that adds to Balance Budget Over the period of the fiscal year in the right of the government, and does not need to be paid back by the government.
- Shopping is all expenditure by the State General Treasurer / Regional Treasurer which reduces the budget balance over the period of the fiscal year and will not be earned back by the government payment.
- Transfers are receipts or expenditure of money by a reporting entity from / to other reporting entities, including the equalization fund and revenue sharing.
- Financing (*financing*) is any receipts / expenditure has no effect on net worth entities that need to be repaid and / or be readmitted, both in the fiscal year concerned or the years of the next budget, which the government budgeting is mainly intended to cover the deficit or utilize budget surplus. Acceptance of financing, among others, can be derived from loans and divestment proceeds. Financing expenses, among others, be used for the repayment of the loan principal, granting loans to other entities, and investments by the government.

#### 2. Statement of Changes in Balance Budget Surplus

Statement of Changes in Balance Budget Surplus presenting information increases or decreases Budget Balance over the reporting year compared with the previous year.

### **3. Balance Sheet**

Balance describe the financial position of an entity's reporting of assets, liabilities, and equity at a certain date. Elements covered by the balance sheet consists of assets, liabilities, and equity.

### **4. Operational reports**

Operational report presents an overview of the economic resources that add equity and their use is administered by the central government / local government for the implementation of activities in the reporting period. Elements that are directly covered in the Report of Operations consists of revenue-LO, load, transfer, and extraordinary items.

### **5. Cash flow statement**

Cash Flow Statement presents information with respect to the cash operating, investing, financing, and transitory depicting initial balances, revenues, expenses, and cash ending balance of the central government / regions during certain periods. Elements covered by the Statement of Cash Flows consist of cash receipts and disbursements.

### **6. Statement of Changes in Equity**

Statement of Changes in Equity presents the increase or decrease in equity information reporting year compared with the previous year.

### **7. Notes to the Financial Statements**

Notes to the Financial Statements include a narrative description or details of the numbers listed in the Budget Statement, Statement of Changes in SAL, Statement of Operations, Statement of Changes in Equity, Balance Sheet, and Cash Flow Statement. Notes to the Financial Statements also include information about the accounting policies used by the reporting entity and the other information required and encouraged to be disclosed in the Governmental Accounting Standards and expressions necessary to generate reasonable financial statement presentation. Notes to the Financial Statements express / present / provide such things as the following:

1. General information about the entity disclose Reporting and Accounting Entities;
2. Presenting information about fiscal policy / finance and macroeconomics;
3. Presenting an overview of the achievement of financial targets for the year following the reporting constraints and obstacles encountered in achieving the targets;
4. Present information about the basis of preparation of financial statements and accounting policies selected to be applied on transactions and other important events;
5. Presenting details and explanation of each item presented on the cover sheet of financial statements;
6. Disclose the information that required by the Government Accounting Standards are not presented in the financial statements cover sheet;

## **3- RESEARCH DESIGN**

Type of this research is qualitative descriptive with comparative approach. Descriptive comparative method in this case is done by comparing, describing, interpreting financial data dr. H. Moh. Anwar Sumenep. With this method the researchers will provide an overview of the treatment and to compare the financial statements of BLUD in dr. H. Moh. Anwar Sumenep during three years in accordance with Regulation No. 71 of 2010 concerning the Government Accounting Standards.

The data in this research used primary data. Primary data from this study is the result of interviews with relevant parties in dr. H. Moh. Anwar to hold a debriefing on matters which needed researcher such as organizational structure, new regulations on financial reporting issues and BLUD in dr. H. Moh. Anwar as one of the supporting data in this study as observations directly to the object. Key informants in this study are Drs. Ec. Moh. Siddiq, MM as finance director and dr. Dian Marcia. Spa as head of divisions Evaluation Information.

Researcher used data collection techniques triangulation data. In the data collection techniques, triangulation defined as a collection of technical data that combining of various data collection techniques and data sources that already exist. This means that in this study the researcher collecting data while testing the credibility of the existing data in dr. H. Moh. Anwar Sumenep. In this study, the data obtained in the form of financial statements BLUD, organizational structure, regulatory technical issues guidelines BLUD financial statements and hospital profiles using data collection techniques. Including by observation, interview, and documentation.

Data analysis techniques in qualitative research, carried out at the time of data collection during the research process undertaken. Starting from interviews and observations into finance and accounting. Miles and Huberman in Sugiyono (1984), suggests that activity in qualitative data analysis performed interactively and continues over time. Steps were taken to analyze the data in this study are data reduction, data presentation, Withdrawal Conclusion / Verification

#### **4- ANALYSIS**

With the latest issuance of PP No. 71 Year 2010 was followed by a regulation of the Minister of Health No. 1981 / Menkes / SK / XII / 2010 which explains references the preparation of accounting guidelines BLU relevant hospitals based on PMK No. 76 In 2008 the hospital explained that the Public Service Board had to make two of them, namely GAAP financial statements to audit user's interests or for the benefit of stakeholders and PSAP consolidation made by local government agencies. The policy is a guideline and a basic grounding in the presentation of the financial statements in accordance with a policy worthy of Financial Accounting General Government. But until now the dr. H. Moh. Anwar Sumenep still not applying the regulations regarding the release of financial statements of the hospital so there is still guided by and based on the regulation of government long and have not made financial statements in accordance with GAAP.

PSAP No. 24 of 2005 which is still applied by dr. H. Moh. Anwar Sumenep are governmental regulations that have been repealed and no longer applied since the issuance of PP 71 2010. The following are the components of financial statements dr. H. Moh. Anwar Sumenep for three years from 2012 through 2014 since formed into BLUD (Regional Public Service Board) served with some kind of financial report consists of the Budget Realization Report, Balance Sheet, Cash Flow Statement.

##### **1. Financial Statement Analysis dr. Anwar H. Moh Sumenep**

###### **a. Actual Budget**

Local government budget realization reports dr. H. Moh Anwar Sumenep is a report that provides an overview of sources, allocation, and use of economic resources that are managed by local governments, which illustrates the comparison between actual and budget in the reporting period. In the budget realization reports, financial reports that still referring to SAP No. 24 2005 should no longer valid, as shown by the recognition of income and expenditure in the cash basis, but the rest of more / less financing of the budget by the end of the reporting period is not transferred to the statement of changes Balance Budget Surplus as described in PP 71 in 2010, and the hospital still has not made the report.

###### **b. Balance Sheet**

On the balance sheet closing statement that the local government of Sumenep, especially report of dr. H. Moh Anwar Sumenep that describing the financial position of the regional assets, liabilities, and equity funds on a specific date.

c. Cash flow statement

Cash flow statement is a report that provides information regarding the use of hospital resources, and changes in cash during the period. Just as the Budget and Balance Sheet reports in dr. H. Moh Anwar Sumenep still refer to the PP 24 In 2005, as in the outflow that have not implemented the payment of employees as on the financial statements of the PP 71 in 2010.

d. Note of Financial Statement

CaLK presents a narrative explanation, analysis or a detailed listing of the value of an item that is presented in the realization of the budget, balance sheet and cash flow statement. CaLK also includes information about the accounting policies used by dr. H. Moh Anwar Sumenep and other information required and encouraged to be disclosed in the Governmental Accounting Standards and fair presentation of the financial statements.

## **2. Comparative financial statements of dr.H. Moh Anwar Sumenep with SAP PP71 2010 About the Government Accounting Standards**

New regulation launched in 2010 namely the PP 71 and in accordance with the provisions of PMK No. 76 in 2008 and was followed by Regulation No. 64 of 2013 on the application of accounting standards in the administration of local government which aims to regulate and make two types of the financial statements BLUD in dr. H. Moh Anwar Sumenep appropriate PSAP and IAS. During two years as a BLUD, now dr. H. Moh Anwar Sumenep has officially become a full BLUD accordance with the Decree of the Regent of numbers: 118/459 013/2011 dated December 28, 2011 and dr. H. Moh Anwar Sumenep Hospital as a regional work unit that implement the Financial Management Pattern of Regional Public Service Board (PPK-BLUD).

So according to the information listed above, the financial statements should BLUD was appropriate and referring to the accrual-based PSAP based on Government Regulation No. 71 of 2010 Regarding Government Accounting with the standards and PSAK No. 45 revised 2011 Concerning Non-profit entity that will be able to accommodate the characteristics of the hospital BLUD in making two types of financial statements and can produce more quality information to meet the needs of financial statement users with purpose to present information more complete and transparent.

Results of a study conducted by researchers in dr. H. Moh. Anwar can be expressed in financial statements of dr. H. Moh. Anwar Sumenep that is not comply and implement, in accordance with Government Regulation No. 71 of 2010 on Government Accounting Standards, which usually financial statements consists of seven components of the financial statements (budget realization report, statement of changes in budget surplus, balance sheets, statements of operations, cash flow statement, statement of changes equity and notes to the financial statements), but on the financial statements in dr. H. Moh. Anwar Sumenep only four financial statements, namely, (budget realization reports, balance sheets, cash flow statements and notes to the financial statements) existing components and the account is not in accordance with the financial statements of SAP PP 71 in 2010, with details as follows:

**Table Comparison of Financial Statements**

<b>Government Regulation No. 71 Year 2010</b>	<b>Hospital</b>
Budget Realization Report Revenue and Expenditure	Implemented
Statement of Changes in Balance Budget More / Less	Not Applicable
Balance Sheet	Implemented
Operational reports	Not Applicable
Cash flow statement	Implemented
Statement of Changes in Equity	Not Applicable
Notes to the financial statements	Implemented

**3. BLUD Financial Statements In accordance with PSAK No.45 revised in 2011**

BLUD is a [regional work units](#) (SKPD) or Unit of Work on regional work units within [local governments](#) in [Indonesia](#) were established to provide services to the community in the form of provision of goods / services sold without prioritizing search for [profit](#), and in conducting its activities based on the principles of efficiency and productivity with no separate legal status from the government. It is not same with SKPD in general, the pattern of financial management BLUD provides flexibility in the form of flexibility to implement business practices that is healthy for improving services to the public. In accordance with the provisions of PMK No. 76 In 2008 the hospital BLUD required to make two types of financial statements refer to the PSAP for the sake of consolidation and IAS to audit the interests of users or stakeholders. Here's an example of the format of financial statements in accordance with PSAK No. 45 revisions

A non-profit organization's financial statements in accordance with PSAK 45 includes the statement of financial position at the end of the reporting period, activity reports and statements of cash flows for a reporting period, and notes to the financial statements.

**a. Statements of financial position**

Purpose statement of financial position is to provide information about assets, liabilities, and net assets and information on the relationship between these elements at any given time. The information in the statement of financial position are used together with disclosure, and other financial information in the report can help the contributors, the organization's members, creditors and other parties to assess:

1. The organization's ability to provide services in a sustainable manner; and
2. Liquidity, financial flexibility, ability to meet its obligations, and the external financing needs.

Statement of financial position presents the amount of the net assets of each group based on the presence or absence of restrictions by the contributor, namely: bonded permanently, temporarily bound and not bound.

Financial Position reporting format are shown in Table 4:16

Table of Reports Financial Position Format  
Source: Presentation of Financial Statements (PSAK) No. 45

**GOVERNMENT OF SUMENEP REGENCY**

**Nonprofit Financial Statements Non-Profit (PSAK No.45)**

**Statement of Financial Position**

**20XX**

Asset :	
Cash and cash equivalents	xxx
Receivables	xxx
Inventories and prepaid expenses	xxx
Other receivables	xxx
Current investment	xxx
Investment property	xxx
Fixed assets	xxx
Long-term investment	xxx
Total Assets	xxx
Liabilities and Net Assets:	xxx
Payables	xxx
Revenue received in advance that can be returned	xxx
Other debts	xxx
Debt notes	xxx
The annual obligations	xxx
Long-term debt	xxx
Number of Liabilities	xxx
Net assets:	xxx
Not bound	xxx
Tied temporary (Note B)	xxx
Permanently bound (Note C)	xxx
Total Assets Net	xxx
Amount Liabilities and Net Assets	

## b. Activity Report

The report covers activities of the organization as a whole and presents the changes in the amount of net assets during the period. Changes in net assets in the statement of activities is reflected in the net assets or equity in the statement of financial position.

### Table of Activity reports Format

Source: Presentation of Financial Statements Nonprofit (PSAK No. 45)

**DISTRICT GOVERNMENT SUMENEP**  
**Non-profit Financial Statements PSAK No.45**  
**Activity Report**

	<b>20XX</b>
<b>Changes in Net Assets Unrestricted</b>	xxx
<b>Revenue and earnings:</b>	xxx
Donation	xxx
Service	xxx
Long-term investment income (Note E)	xxx
Other investment income (Note E)	xxx
Net income term investments	xxx
Long unrealized	xxx
Etc	xxx
<b>The amount of revenue and earnings Unrestricted</b>	xxx
<b>Ended Net Asset Restrictions</b>	xxx
<b>(Note D):</b>	xxx
Fulfillment program restrictions	xxx
The fulfillment of restrictions on the acquisition of equipment	xxx
Expiration of time limits	xxx
The amount of assets that have been	xxx
ending restrictions	xxx
<b>Amount Revenues, Earnings and Other donations</b>	xxx
<b>Expenses and Losses:</b>	xxx
Program A	xxx
Program B	xxx
Program C	xxx
Management and general	xxx
Fundraising	xxx
The amount of expense (Note F)	xxx
Losses due to fire	xxx

**DISTRICT GOVERNMENT SUMENEP**  
**Non-profit Financial Statements PSAK No.45**  
**Activity Report**

<b>Amount Expenses and Losses</b>	xxx
<b>The increase in Total Assets Net Unrestricted</b>	xxx
<b>Changes in Net Assets Temporary Tied:</b>	xxx
Donation	xxx
Long-term investment (Note E)	xxx
The net income realized and not yet realized from long-term investments (Note E)	xxx
Losses for the annual liability	xxx
Net assets released from restrictions (Note D)	xxx
<b>Decrease in Net Assets Unrestricted Temporary</b>	xxx
<b>Changes in Net Assets Permanent Tied:</b>	xxx
Donation	
Long-term investment (Note E)	
The net income realized and yet realized from long-term investment (Note E)	
<b>The increase in the Net Asset Permanent Bound</b>	
<b>The increase in Net Assets</b>	
<b>Net assets At the Beginning of the Year</b>	
<b>Net assets At End of Year</b>	

**c. Cash flow statement**

Statements of cash flows are inflows and outflows of cash or cash equivalents generated from operating activities, investing activities and financing activities.

**Table Statement of Cash Flows**

Source: Presentation of Financial Statements Nonprofits PSAK No. 45

**DISTRICT GOVERNMENT SUMENEP**  
**Nonprofit Financial Statements PSAK No.45**  
**Cash flow statement**

Cash Flow Activities from Operations:

Cash from fees	xxx
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**DISTRICT GOVERNMENT SUMENEP**  
**Nonprofit Financial Statements PSAK No.45**  
**Cash flow statement**

Cash from contributor	xxx
Cash from other accounts receivable	xxx
Interest and dividends received	xxx
Acceptance of others	xxx
Interest paid	xxx
Cash paid to employees supplier	(xxx)
Debt Others are paid off	(xxx)
Net of cash received (used) in operating activities	(xxx)
Cash flow from investing activities:	
Compensation from fire insurance	xxx
Purchasing equipment	(xxx)
Proceeds from sale of investments	xxx
Purchase of investments	(xxx)
Net of cash received (used) in investing activities	(xxx)
Cash flow from financing activities:	
Acceptance of contributions boundaries of:	
Investment in <i>endowment</i>	xxx
Investing in futures <i>endowment</i>	xxx
Investment building	xxx
The annual investment agreement	xxx
Other financing activities:	
Interest and dividend boundaries for reinvestment	xxx
The annual payment obligation	(xxx)
Payment of debt notes	(xxx)
Payment of long-term liabilities	(xxx)
Net of cash received (used) in financing activities	(xxx)
Increase (decrease) in net cash and cash equivalents	(xxx)
Cash and cash equivalents at beginning of year	xxx
Cash and cash equivalents at end of year	xxx

**DISTRICT GOVERNMENT SUMENEP**  
**Nonprofit Financial Statements PSAK No.45**  
**Cash flow statement**

Reconciliation of changes in net assets into net cash used in operating activities:

Changes in net assets	xxx
Adjustments to reconcile change in net assets into net cash used in operating activities:	
Depreciation	xxx
Losses due to fire	xxx
Annual actuarial losses on liabilities	xxx
The increase in interest receivable	(xxx)
The drop in inventories and prepaid expenses	xxx
The increase in other receivables	(xxx)
The rise in trade payables	xxx
Decline in revenues in advance that can be returned	(xxx)
Decrease in other debts Other	(xxx)
Donations tied to long-term investment	(xxx)
Interest and dividend tied to long-term investment	(xxx)
The net income realized and unrealized from long-term investments	(xxx)
Net of cash received (used) in operating activities	(xxx)
Additional funds for investing and financing activities of non-cash:	
Equipment received as grants	xxx
Liberation life insurance premiums, cash values submitted	xxx

**d. Notes of Financial Statements**

Notes of the financial statements are an integral part of the financial statements especially in non-profit organization that aims to provide additional information to challenge value estimate stated in the financial statements. With the notes to the financial statements will be easier for users of financial statements in processing the information presented in the financial statements to better understand.

**4. Implications**

The analysis of financial statements dr. H. Moh. Anwar Sumenep with PSAP No. 71 in 2010 can be explained that much of a difference either in the name of the account and recognition in the financial statements of dr. H. Moh. Anwar Sumenep. In recognition of expenditure, dr. H. Moh. Anwar Sumenep still refers to the cash basis which recognizes the expenditure as incurred expenditure and switching ownership. This is not in accordance with the recognition of

expenditure on PP 71 of 2010 which states that the expenses are recognized at the time of incurrence of a liability, the consumption of an asset, or a decline in economic benefits or service potential and not when switching ownership. In Article 15 of Regulation 23 of 2005 on expenditure declared that BLU expenditure consists of the cost element that corresponds to the cost structure. BLU expenditure management held flexibly based on equality between the volume of service activities with the amount of expenditure. BLU expenditures reported as expenditures for goods and services in the state ministries / agencies / SKPD / local governments.

Besides the financial statements of dr. H.Moh. Anwar Sumenep still not applying the financial statements in accordance with the provisions issued by Regulation No. 64 in 2013 and the Regulation of the Finance Minister is referring to the PSAP PP 71 in 2010 and PSAK NO. 45 about the nonprofit entity, it is not in accordance with what has been decided by the Regent Decree No: 118/459/435 013/2011 Date of December 28, 2011 but on the other side dr. H. Moh. Anwar Sumenep as regional work units implements the Financial Management Pattern of Regional Public Service Board (PPK-BLUD), meaning that in dr. H. Moh. Anwar Sumenep as already BLUD full official status. It is also pointed out by Yanuar Adiputra., SE.M.Akas the accounting on dr. H. Moh. Anwar Sumenep:

*“ In prepare the Financial Statements in accordance SAP PP 24 of 2005 concerning the Government Accounting Standards, dr.H. Moh.Anwar Sumenep have done the preparation of financial statements properly and audited by BPK annually. Appropriate preparation in accordance with GAAP-ETAP, is still in the drafting process. In arranging Regulations, Systems and Accounting Policy, dr.H. Moh.Anwar Sumenep in collaboration with a team of representatives BPKP East Java and public accounting firms that is Drs. Thomas, Blasius. Widartoyo & Partners Surabaya”*

##### **5. About Constraints there is the application of PP NO. 71 2010 and PSAK No. 45 revised in 2011**

Dr. H. Moh. Anwar Sumenep have been preparing the financial statements are: the realization of the budget report, cash flow statement, statement of financial position / balance sheet and notes to the financial statements, but in preparation and admission to the hospital still makes financial statements in accordance with Regulation No. 24 in 2005 and the financial statements in accordance with PSAK No. 45 have not implemented at all, this is because:

1. Public Service Board (BLUD) has applied in dr. H. Moh. Anwar Sumenep since the beginning of 2012, it became its own difficulties due to the different financial management Hospital with before becoming BLUD.
2. BLUD financial statements should be guided by the IAS to audit the interests of stakeholders and consolidated to the budget by making reference to the PSAP PP and 71 in 2010, so at the end of the semester and annual hospital must have and make two types financial statements, namely:
  - a. Financial statements in accordance with GAAP for the benefit of stakeholders / users, and
  - b. Financial statements according to the PSAP for consolidated.

Then it becomes complicated for the financial part, because they have made the two types of financial statements at the end of each semester and yearly with different reference. There was also a lack of facilities and infrastructure constraints, underdeveloped information and knowledge of human resources is still low, a major factor in the difficulty in making two types financial statements annually.

- Recognition of revenue and expenses by using two basic methods: cash and accrual basic, but it is still in the process towards full accrual basis.

## 5- CONCLUSION

Based on the research and analysis of existing data, it can be concluded as follows:

1. dr. H. Moh. Anwar Sumenep not yet ready to implement PP 71 Year 2010 with the accrual basis of Government Accounting Standards. Dr. H. Moh. Anwar Sumenep still refer to the old PP 24 2005 cash to the accrual. But dr. H. Moh. Anwar Sumenep already applying the accrual basis for revenue, but for shopping / load still use cash basis.
2. The constraints faced by dr. H. Moh. Anwar Sumenep in implementing the Regulation 71 of 2010, among others, information systems, facilities, infrastructure and human resources are still limited.
3. dr. H. Moh. Anwar sumenep also still apply IAS 45 on its financial statements in accordance of the PMK No. 78 of 2008 on Accounting and Financial Reporting Guidelines BLU.

## Suggestion

1. dr. H. Moh. Anwar Sumenep not yet fully apply the accrual basis, as shopping / load still use cash basis. Cash basis was applied due to the lack of adequate systems and human resources. Therefore, management should immediately make the system of shopping / burden by an accrual basis.
2. Parties dr. H. Moh. Anwar Sumenep should make corrections to the hospital facilities and infrastructure in order to implement P SAP No. 71 in 2010. In addition to infrastructure, the ability of staff also needs to be improved. Particularly the Finance and Accounting Section staff must often participate in trainings on the application of the accrual basis PSAP, those trainings are useful to develop the science and knowledge about how to arrange a right and up to date financial statements and financial reports.
3. In addition to the financial statements of dr. H. Moh. Anwar Sumenep required pursuant to Regulation No. 71 of 2010 and Regulation No. 64 of 2013 on Accounting Guideline BLUD, the hospital also must implement and make the two types of financial statements in accordance with the provisions made by PMK No. 78 In 2008 and corresponding SAP for consolidation in accordance with SAK although PSAK No. 45 revised 2011 for audit purposes, so the hospital's financial statements more easily understand by the users and communities in need.

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