

REGENT OF GRESIK
EAST JAVA PROVINCE
REGULATION OF THE REGENT OF GRESIK
NUMBER 24 OF 2014

ON
ACCURAL-BASED ACCOUNTING STANDARDS
REGIONAL GOVERNMENT

BY THE BLESSINGS OF ALMIGHTY GOD

THE REGENT OF GRESIK,

Considering: that in order to implement the provisions of Article 4 paragraph (5) of the Regulation of the Minister of Home Affairs Number 64 of 2013 on the Implementation of Accrual-Based Government Accounting Standards in Regional Governments, it is necessary to issue a Regional Regulation on accrual-based accounting policies, accrual-based accounting systems, and standard government account charts with the Regents Regulation on Accrual-Based Accounting Standards of the Gresik Regional Government;

Considering: 1. Law Number 17 of 2003 on State Finances (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 4286);

2. Law Number 1 of 2004 on State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to the State Gazette of the Republic of Indonesia Number 4355);

3. Law Number 15 of 2004 on the Examination of the Management and Accountability of State Finances (State Gazette of the Republic of Indonesia of 2004 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 4400);

4. Law Number 32 of 2004 on Regional Government (State Gazette of the Republic of Indonesia of 2004 Number 125, Supplement to the State Gazette of the Republic of Indonesia Number 4437) as

amended several times, the last time by Law Number 12 of 2008 on the Second Amendment to Law Number 32 of 2004 on Regional Government (State Gazette of the Republic of Indonesia of 2008 Number 59, Supplement to the State Gazette of the Republic of Indonesia Number 4844);

5. Law Number 12 of 2011 on the Formation of Legislation (State Gazette of the Republic of Indonesia of 2011 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 5234);

6. Government Regulation Number 58 of 2005 on Regional Financial Management (State Gazette of the Republic of Indonesia of 2005 Number 140, Supplement to the State Gazette of the Republic of Indonesia Number 4578);

7. Government Regulation Number 79 of 2005 on Guidelines for Guidance and Supervision of Regional Government Administration (State Gazette of the Republic of Indonesia of 2005 Number 165, Supplement to the State Gazette of the Republic of Indonesia Number 4592);

8. Government Regulation Number 71 of 2010 on Government Accounting Standards (State Gazette of the Republic of Indonesia of 2010 Number 123, Supplement to the State Gazette of the Republic of Indonesia Number 5165);

9. Regulation of the Minister of Home Affairs Number 13 of 2006 on Guidelines for Regional Financial Management as amended twice by Regulation of the Minister of Home Affairs Number 21 of 2011;

10. Regulation of the Minister of Home Affairs Number 64 of 2013 on the Implementation of Accrual-Based Government Accounting Standards in Regional Governments;

11. Regulation of the Minister of Home Affairs Number 1 of 2014 on the Formation of Regional Legal Products;

12. Regional Regulation of the Regency of Gresik Number 10 of 2006 on the Main Principles of Regional Financial Management (Regional Gazette of the Regency of Gresik of 2006 Number 10) as amended by Regional Regulation of the Regency of Gresik Number 8 of 2013 on the Main Principles of Regional Financial Management (Regional Gazette of the Regency of Gresik of 2013 Number 8) on Amendment to Regional Regulation of the Regency of Gresik Number 10 of 2006 on the Main Principles of Regional Financial Management;

13. Regional Regulation of the Regency of Gresik Number 2 of 2008 on the Regional Apparatus Organization of the Regency of Gresik (Regional Gazette of the Regency of Gresik of 2008 Number

2) as amended several times, the last time by Regional Regulation of the Regency of Gresik Number 2 of 2013 on the Second Amendment to Regional Regulation of the Regency of Gresik Number 2 of 2008 on the Regional Apparatus Organization of the Regency of Gresik (Regional Gazette of the Regency of Gresik of 2013 Number 2);

DECIDES:

To Enact: THE REGENTS REGULATION ON ACCRUAL-BASED ACCOUNTING STANDARDS FOR REGIONAL GOVERNMENT.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regents Regulation:

1. Region means the Regency of Gresik.
2. Regional Government means the Gresik Regency Government.
3. Accounting means the process of identifying, recording, measuring, classifying, summarizing financial transactions and events, presenting reports, and interpreting the results.
4. Government Accounting Standards, hereinafter abbreviated as GAS, are the accounting principles applied in compiling and presenting government financial statements.
5. Accrual-Based GAS is GAS that recognizes revenue, expenses, assets, liabilities, and equity in accrual-based financial reporting, and recognizes revenue, expenditure, and financing in budget implementation reporting based on the basis stipulated in the Regional Budget.
6. Statement of Government Accounting Standards, hereinafter abbreviated as SGAS, is GAS given a title, number, and effective date.
7. Accounting Policy means the principles, bases, conventions, rules, and specific practices chosen by a reporting entity in preparing and presenting financial statements.

8. Accrual-Based Accounting Policy of the Regional Government means the principles, bases, conventions, rules, and specific practices chosen by the Regional Government as guidelines in preparing and presenting the Regional Governments financial statements to meet the needs of financial statement users in order to improve the comparability of financial statements to the budget, between periods and between entities.
9. Accrual-Based Accounting System of the Regional Government is a systematic series of procedures, organizers, equipment, and other elements to realize the accounting function from transaction analysis to financial reporting within the Regional Government organization.
10. Regional Revenue and Expenditure Budget, hereinafter abbreviated as RRE, is the annual regional government financial plan discussed and jointly agreed upon by the regional government and the Regional Peoples Representative Council, and stipulated by regional regulation.
11. Accrual basis is an accounting basis that recognizes the effect of transactions and other events at the time the transactions and events occur, regardless of when cash or cash equivalents are received or paid.
12. Cash basis is an accounting basis that recognizes the effect of transactions and other events when cash or cash equivalents are received or paid.
13. Cash to accrual basis is an accounting basis that recognizes revenue, expenditure, and financing on a cash basis and recognizes assets, liabilities, and fund equity on an accrual basis.
14. Recognition is the process of determining the fulfillment of the criteria for recording an event or incident in accounting records so that it will become a part that completes the elements of assets, liabilities, equity, revenue-BRA, expenditure, financing, revenue-OR, and expenses, as will be included in the financial statements of the reporting entity concerned.
15. Measurement is the process of determining the monetary value to recognize and include each item in the financial statements.
16. Disclosure is a financial statement that presents complete information needed by users.
17. Budget Realization Report, hereinafter abbreviated as BRR, is a report that presents information on the realization of revenue-BRR, expenditure, transfers, surplus/deficit-BRR, financing, and excess/shortfall of budget financing, each of which is compared with its budget in one period.
18. Report on Changes in Budget Surplus Balance, hereinafter abbreviated as RCSBB, is a report that presents information on the increase and decrease of the reporting years SBB consisting of the

initial SBB, SILPA/SIKPA, corrections, and final SBB.

19. Balance Sheet is a report that presents information on the financial position of a reporting entity regarding assets, liabilities, and fund equity on a certain date.

20. Operational Report, hereinafter abbreviated as OR, is a report that presents information on all operational financial activities of the reporting entity reflected in revenue-OR, expenses, and operational surplus/deficit of a reporting entity, the presentation of which is juxtaposed with the previous period.

21. Cash Flow Statement, hereinafter abbreviated as CFS, is a report that presents information on the sources, uses, changes in cash and cash equivalents during one accounting period, and the balance of cash and cash equivalents on the reporting date.

22. Statement of Changes in Equity, hereinafter abbreviated as SCE, is a report that presents information on changes in equity consisting of initial equity, surplus/deficit-OR, corrections, and final equity.

23. Notes to the Financial Statements, hereinafter abbreviated as NFFS, is a report that presents information on explanations or detailed lists or analyses of the value of an item presented in BRR, RCSBB, OR, SCE, Balance Sheet, and CFS in order to provide adequate disclosure.

24. Regional Apparatus Working Unit, hereinafter abbreviated as RAWU, is a regional apparatus in the regional government as a budget user/asset user.

25. Regional Finance Manager, hereinafter abbreviated as RFM, is the Head of the Regional Finance Management Working Unit who has the task of managing the RRE and acts as the regional treasurer.

26. Accounting Entity is a government unit that uses budgets/assets that is obliged to maintain accounting and prepare financial statements to be consolidated in the reporting entity.

27. Reporting Entity is a government unit consisting of one or more accounting entities or reporting entities that, according to the provisions of legislation, are obliged to submit accountability reports in the form of financial statements.

28. Revenue-BRR is all Regional General Cash Account receipts that increase the Budget Surplus Balance in the relevant fiscal year that are the right of the regional government and do not need to be repaid by the regional government.

29. Revenue-OR is the right of the regional government that is recognized as an increase in equity

in the relevant fiscal year and does not need to be repaid.

30. Expenditure is all disbursements from the Regional General Cash Account that reduce the Budget Surplus Balance in the relevant fiscal year for which repayment will not be received by the regional government.

31. Expense is a decrease in the economic benefits or potential services in the reporting period that reduces equity, which can be in the form of expenditure or asset consumption or the emergence of obligations.

32. Regional Financing is all receipts that need to be repaid and/or expenditures that will be received back, both in the relevant fiscal year and in subsequent fiscal years.

33. Asset is an economic resource controlled and/or owned by the regional government as a result of past events and from which future economic and/or social benefits are expected to be obtained, both by the regional government and the community, and can be measured in monetary units, including non-financial resources needed for the provision of services to the general public and resources maintained for historical and cultural reasons.

34. Liability is a debt arising from past events, the settlement of which results in an outflow of the regional governments economic resources.

35. Equity is the net worth of the regional government, which is the difference between the assets and liabilities of the regional government.

36. Correction is an accounting corrective action so that the accounts/items presented in the entitys financial statements are in accordance with what they should be.

37. Adjustment is an adjusting transaction at the end of the period to recognize items such as inventory, receivables, payables, and others related to differences in recording time and which have not been recorded in ongoing transactions or in the current period.

38. Standard Account Chart, hereinafter abbreviated as SAC, is a list of codifications and classifications related to financial transactions compiled systematically as a guide in the implementation of the budget and financial reporting of the regional government.

CHAPTER II

PURPOSE

Article 2

This Regents Regulation is a guideline for accounting entities and reporting entities in the Regional Government in compiling and presenting financial statements based on accrual-based GAS.

CHAPTER III

SCOPE

Article 3

The scope of this Regents Regulation includes:

- a. Accrual-Based Accounting Policy of the Regional Government;
- b. Accrual-Based Accounting System of the Regional Government; and
- c. Standard Account Chart (SAC) of the Regional Government.

CHAPTER IV

ACCRUAL-BASED ACCOUNTING POLICY OF THE REGIONAL GOVERNMENT

Article 4

(1) The Accrual-Based Accounting Policy of the Regional Government as referred to in Article 3 letter a consists of:

- a. Financial reporting accounting policy; and
- b. Account accounting policy.

(2) The financial reporting accounting policy as referred to in section (1) letter a contains explanations of the elements of the financial statements that serve as a guide in presenting financial

reports.

(3) The account accounting policy as referred to in section (1) letter b regulates the definition, recognition, measurement, assessment and/or disclosure of transactions or events in accordance with the SGAS on:

- a. the selection of accounting methods for accounting policies in GAS; and
- b. more detailed arrangements for accounting policies in GAS.

(4) The Accrual-Based Accounting Policy of the Regional Government as referred to in section (1) applies to accounting entities and reporting entities in the Regional Government.

(5) Guidelines for preparing the Accrual-Based Accounting Policy of the Regional Government as referred to in section (1) are contained in Appendix I as an inseparable part of this Regents Regulation.

CHAPTER V

ACCRUAL-BASED ACCOUNTING SYSTEM OF THE REGIONAL GOVERNMENT

Article 5

(1) The Accrual-Based Accounting System of the Regional Government as referred to in Article 3 letter b contains the choice of accounting procedures and techniques in identifying transactions, recording in journals, posting to ledgers, preparing trial balances, and presenting financial statements.

(2) The presentation of financial statements as referred to in section (1) for accounting entities consists of:

- a. Budget realization report;

- b. Balance sheet;
- c. Operational report;
- d. Statement of changes in equity; and
- e. Notes to the financial statements.

(3) The presentation of financial statements as referred to in section (1) for reporting entities consists of:

- a. Budget realization report;
- b. Report on changes in budget surplus balance;
- c. Balance sheet;
- d. Operational report;
- e. Cash flow statement;
- f. Statement of changes in equity; and
- g. Notes to the financial statements.

Article 6

(1) The Accrual-Based Accounting System of the Regional Government as referred to in Article 5 section (1) consists of:

- a. RFM accounting system; and
- b. RAWU accounting system.

(2) The RFM accounting system as referred to in section (1) letter a includes recording techniques, recognition and disclosure of revenue-OR, expenses, revenue-BRR, expenditure, transfers, financing, assets, liabilities, equity, adjustments and corrections, preparation of RFM financial statements and preparation of consolidated financial statements of the Regional Government.

(3) The RAWU accounting system as referred to in section (1) letter b includes recording

techniques, recognition and disclosure of revenue-OR, expenses, revenue-BRR, expenditure, assets, liabilities, equity, adjustments and corrections, and preparation of RAWU financial statements.

(4) Guidelines for preparing the Accrual-Based Accounting System of the Regional Government as referred to in section (1) are contained in Appendix II as an inseparable part of this Regents Regulation.

CHAPTER VI

STANDARD ACCOUNT CHART OF THE REGIONAL GOVERNMENT

Article 7

(1) The SAC as referred to in Article 3 letter c is a guideline for the Regional Government in codifying accounts that describe the complete financial statement structure.

(2) The SAC as referred to in section (1) is used in recording transactions in journals, classifying in ledgers, summarizing in trial balances, and presenting in financial statements.

(3) The SAC as referred to in section (1) is detailed as follows:

- a. Level 1 indicates the account code;
- b. Level 2 indicates the group code;
- c. Level 3 indicates the type code;
- d. Level 4 indicates the object code; and
- e. Level 5 indicates the detailed object code.

(4) The account code as referred to in section (3) letter a consists of:

- a. Account 1 indicates assets;

- b. Account 2 indicates liabilities;
- c. Account 3 indicates equity;
- d. Account 4 indicates revenue-BRR;
- e. Account 5 indicates expenditure;
- f. Account 6 indicates transfers;
- g. Account 7 indicates financing;
- h. Account 8 indicates revenue-OR; and
- i. Account 9 indicates expenses;

(5) The SAC as referred to in section (3) is contained in Appendix III as an inseparable part of this Regents Regulation.

CHAPTER VII

OTHER PROVISIONS

Article 8

(1) The recording of budget implementation transactions is adjusted to the budget document.

(2) In the event that the codification of the budget document account is not yet in accordance with the SAC as referred to in Article 7 section (5), conversion is carried out in the presentation of the BRR.

(3) The format of the BRR presentation conversion as referred to in section (2) is contained in Appendix IV as an inseparable part of this Regents Regulation.

Article 9

The Regional Government re-presents the BRR, Balance Sheet, and CFS of the previous year in the first year of implementing accrual-based GAS.

CHAPTER VIII

TRANSITIONAL PROVISIONS

Article 10

The implementation of accrual-based GAS is implemented starting from the 2015 Fiscal Year.

CHAPTER IX

CLOSING PROVISIONS

Article 11

This Regents Regulation comes into force on the date of its promulgation.

In order for everyone to know, it is ordered that this Regents Regulation be promulgated by placing it in the Regional Gazette of the Regency of Gresik.

Enacted in Gresik

On August 25, 2014

REGENT OF GRESIK,

(Signature)

Dr. Ir. H. SAMBARI HALIM RADIANTO, ST., M.Si

Promulgated in Gresik

on August 25, 2014

SECRETARY OF REGENCY OF GRESIK,

(Signature)

Ir. MOCH. NADJIB, MM

Senior Main Supervisor

NIP. 19551017 198303 1 005

REGIONAL GAZETTE OF THE REGENCY OF GRESIK YEAR 2014 NUMBER 739