THE EFFECT OF FIXED ASSETS VALUE, REGIONAL ORIGINAL INCOME AND CAPITAL EXPENDITURES ON MAINTENANCE EXPENDITURES IN THE DISTRICT/CITY OF SOUTH SUMATRA PROVINCE

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ABSTRACT

The government gives freedom to each region to regulate its own government affairs, including the distribution of development funds with the aim of maintaining the continuity of government and improving the quality of public services. The allocation of capital expenditures related to adequate maintenance expenditures is very important to maintain the state of government assets so that they can function properly. Every year, various government work units have budgeted the allocation. However, the allocated budget is sometimes too large, resulting in excess funds and cannot be maximized for other priority expenditures. The purpose of this study is to determine the effect of Fixed Assets partially on Maintenance Expenditure. The research method is basically a scientific way to obtain data with certain purposes and uses.” The type of research used in this research is quantitative method. Quantitative research methods can be defined as research methods based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, statistical quantitative data analysis, with the aim of testing hypotheses that have been determined. In accordance with the provisions of the Decree of the Minister of Finance of the Republic of Indonesia Number 01/KM.12/2001 concerning Guidelines for Capitalization of State Owned Assets in the Government Accounting System as regulated again through Minister of Finance Regulation Number 181/PMK.06/2016 concerning Administration of State Owned Goods, the condition of fixed assets is grouped into good, lightly damaged and heavily damaged. Conclusion: Partially Fixed Asset Value (X1) has no effect and is not significant on Maintenance Expenditure (Y) in the Regency/City of South Sumatra Province. Regional Original Income (X2) has no effect and is not significant on Maintenance Expenditures in the Regency/City of South Sumatra Province.

Keywords: Assets Value; Regional Original Income; Capital Expenditures; Maintenance Expenditures
INTRODUCTION

Indonesia began implementing the regional autonomy policy on January 1, 2001 since the enactment of Law Number 22 of 1999 concerning Regional Government as amended by Law Number 32 of 2004 and amended again until the latest revision of Law Number 23 of 2014 concerning Regional Government. With the implementation of regional autonomy, the Government gives freedom to each region to regulate its own government affairs, including the distribution of development funds with the aim of maintaining the continuity of government and improving the quality of public services. Regional governments each year allocate capital expenditures to replace old assets and purchase new assets, so that regional government assets increase in value from year to year (Rustiyaningsih, 2012). The allocation of capital expenditures related to adequate maintenance expenditures is very important to maintain the state of government assets so that they can function properly. Every year, various government work units have budgeted the allocation. However, the allocated budget is sometimes too large, resulting in excess funds and cannot be maximized for other priority expenditures. The allocation process is based on the budget realization report in the previous year. The local government is considered to have carried out budget efficiency if the budget efficiency ratio is less than 100, and vice versa (Mahmudi, 2010). The following table 1. shows the Analysis of Spending Variance.

<table>
<thead>
<tr>
<th>Percentage Shopping</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 100%</td>
<td>Efficient</td>
</tr>
<tr>
<td>More than 100%</td>
<td>Inefficient</td>
</tr>
</tbody>
</table>

Source: (Mahmudi, 2010)

The following graph 1. shows the level of realization of maintenance expenditures in the Regency/City of South Sumatra Province.
The Effect Of Fixed Assets Value, Regional Original Income And Capital Expenditures On Maintenance Expenditures In The District/City Of South Sumatra Province

Based on graph 1, it shows that there is an inefficiency or waste of the Maintenance Expenditure budget at Musi Banyuasin in 2016 and 2020 with the realization percentage rates of 138% and 114%, respectively. Meanwhile, the Regency/City of South Sumatra Province has used its budget efficiently. This means that there are differences in budget management, especially for Maintenance Expenditures. In addition, the Regency/City of South Sumatra Province shows the realization of a fluctuating trend. Many regencies/cities of South Sumatra Province allocate high and then fluctuate, as is the case in Musi Banyuasin Regency which shot up from 2016 to 2017 amounting to Rp7,779,422,203 with a realization value of Rp8,124,153,230 and Rp15,903,575, respectively. Then in Musi Rawas which increased significantly from 2017 to 2018 by Rp. 13,289,628,030 with a realization value of Rp. 5,610,200,155 and Rp. 18,899,828,185, respectively.

Based on Government Regulation no. 71 of 2010 PSAP No. 7 concerning Fixed Assets, Fixed Assets are tangible assets that have a useful life of more than 12 (twelve) months to be used, or intended to be used, in government activities or utilized by the general public. In one aspect, the increase and decrease in fixed assets does not adjust to the maintenance budget so that fixed assets can continue to be suitable for use in the context of public service and government administration, whereas the maintenance
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budget should be one of the priorities in maintaining the maintenance of fixed assets. Based on the Budget Realization Report in the Regency/City of South Sumatra Province for 2016 – 2020, especially in Palembang City in 2016 - 2017 that the Fixed Asset Value shows the realization of a fluctuating trend and experienced a very drastic increase of Rp. 6,021,998,425,073.58, from Rp5,775,059,817,107.22 in 2016 to Rp11,797,058,242,180.80.

Sources of financing for local government expenditures can come from Regional Original Revenues and Balancing Funds. Regional Original Revenue is regional income obtained or collected based on regional regulations in accordance with applicable laws and regulations. The local government is considered to have been effective/good in allocating sources of income if the budget efficiency ratio is more than 100%. Conversely, if it is less than 100%, it indicates that it is less effective / not good (Mahmudi, 2010). This can be seen in table 1.2 which shows the Analysis of Income Variance.

<table>
<thead>
<tr>
<th>Percentage of Income</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 100%</td>
<td>Not Good</td>
</tr>
<tr>
<td>More than 100%</td>
<td>Good</td>
</tr>
</tbody>
</table>

Source: (Mahmudi, 2010)

The source of income used for all expenditures is of course very expected to be maximized. Regional Original Income obtained in the Regency / City of South Sumatra Province is an important aspect, because the realization of Regional Original Income which has an income variance of less than 100% means that it is less effective / less good in obtaining income from its own region. The analysis of income variance can be seen in graph 1.2 regarding the realization of Regional Original Revenue.
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Grafik 2.
Regional Original Income in Regency/City of South Sumatra Province

Based on graph 2., it shows that it is less effective or less good in obtaining the lowest realization of Regional Original Revenue in Ogan Ilir Regency in 2017 and 2018 with the percentage level of realization of 31% and 30%, respectively. Meanwhile, those who show that it has been effective and good in obtaining the highest realization of Regional Original Revenue in OKI Regency in 2019 amounted to 151%. This means that there are differences in the management of Regional Original Revenue. Research (Ramadani, 2019) and (Widiasa, Edy Sujana, Darmawan, & SE, 2014), the results of the study show that Regional Original Income has an effect and is significant on Maintenance Expenditure. These results indicate that an increase in Regional Original Revenue can lead to an increase in Maintenance Expenditure. This is not in line with research by (Budi, 2019), that Regional Original Income has no effect on Maintenance Expenditure.

In addition to regional revenues, there are also regional expenditures that can affect maintenance expenditures, one of which is capital expenditures. Based on Government Regulation Number 12 of 2019, capital expenditure is a budget expenditure to acquire fixed assets and other assets that provide benefits for more than 1 (one) accounting period.
Based on graph 3. above, it can be seen that the trend of capital expenditures starting from 2017-2018 decreased significantly in Pagaralam City in 2017 and 2018 with realizations of Rp. 195,241,879,541.38 and 92,576,062,279, respectively. The decrease in the realized value of capital expenditures from 2017 to 2018 was Rp102,665,817,262.38 or 52.58%. This is because not all expenses in the current year are used for additional fixed assets. The results of the research by Widiasa, Edy Sujana, Darmawan, & SE, (2014) and (Rustiyaningsih, 2012), the results of the study indicate that capital expenditures have an effect and are significant on maintenance expenditures. This is different from the results of research from Harini & Budi, (2019) and Lumbanraja, (2019) which show that Capital Expenditures have no effect on Maintenance Expenditures.

This research is a replication of previous research by (Nugroho, 2019) and the development of research from Widasa, Gede et al by adding the Regional Original Income variable because Regional Original Income shows the research results have a positive and significant effect on Maintenance Expenditures. The difference between this research and previous research is the object of research. The independent variables used in this study are Fixed Assets, Regional Original Income and Capital Expenditures. The object of the research is the regency/city of the province of South Sumatra. So with this research, it is hoped that local governments can allocate sources of regional income to maintenance expenditures in order to maintain the local government’s fixed assets so that they remain in good condition.
The Effect Of Fixed Assets Value, Regional Original Income And Capital Expenditures On Maintenance Expenditures In The District/City Of South Sumatra Province

From the description described above, researchers are motivated to conduct research on Maintenance Expenditures in the Regency/City of South Sumatra Province, with the following reasons: First, the phenomenon related to the inefficiency of budget use in maintenance expenditures in the Regency/City of South Sumatra Province and the fluctuating budget realization from year to year. Second, there are inconsistent results of the independent variables that affect Maintenance Expenditure from previous studies. Third, replication of the research by (Nugroho, 2019). Based on the description above, the researcher is interested in conducting a study entitled "The Effect of Fixed Asset Value, Regional Original Income, and Capital Expenditure on Maintenance Expenditures in the Regency/City of South Sumatra Province.".

The purpose of this study: 1) To determine the effect of Fixed Assets partially affect Maintenance Expenditure 2) To determine the effect of Regional Original Income partially affect Maintenance Expenditure 3) To determine the effect of Capital Expenditure partially affect Maintenance Expenditure 4) To determine the effect Fixed Assets, Regional Original Income, and Capital Expenditures have a simultaneous effect on Maintenance Expenditures. The benefits of the results of this study are expected to be input for the Regency / City Government of South Sumatra Province so that there is no waste in the use of the budget for maintenance expenditures. And so that the Government can allocate the Regional Original Revenue budget for the maintenance of Fixed Assets, Capital Expenditures and maintain the Fixed Assets in good condition.

METHOD
According to (Sugiyono, 2018), "The research method is basically a scientific way to obtain data with certain goals and uses." The type of research used in this research is quantitative method. According to (Sugiyono, 2018) suggests that:

Quantitative research methods can be interpreted as research methods based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, statistical quantitative data analysis, with the aim of testing predetermined hypotheses.

RESULT AND DISCUSSION
Research result
Descriptive statistics
According to (Ghozali, 2018), "Descriptive statistics provide a description or description of data seen from the average value (mean), standard deviation, variance, maximum, minimum, sum, range, kurtosis and skewess (distribution gap)." Table 4.1 shows the results of descriptive statistics from the data of the dependent and independent variables. The dependent variable is Maintenance Expenditure. The
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The independent variables consist of Fixed Asset Value, Capital Expenditures, and Regional Original Income in 15 Regencies/Cities of South Sumatra Province.

Tabel 3. Hasil Statistik Deskriptif

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nilai Aset Tetap</td>
<td>75</td>
<td>21,70</td>
<td>30,25</td>
<td>28,5247</td>
<td>1,19842</td>
</tr>
<tr>
<td>PAD</td>
<td>75</td>
<td>23,83</td>
<td>27,72</td>
<td>25,5232</td>
<td>1,81260</td>
</tr>
<tr>
<td>Belanja Modal</td>
<td>75</td>
<td>25,25</td>
<td>27,74</td>
<td>26,6181</td>
<td>1,50997</td>
</tr>
<tr>
<td>Belanja Pemeliharaan</td>
<td>75</td>
<td>20,17</td>
<td>28,70</td>
<td>22,9109</td>
<td>1,37252</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>75</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS Processing Results, 2022

Based on table 3, the results of descriptive statistics can be obtained the minimum value, maximum value, average value, and standard deviation values as follows:

1. Maintenance Expenditure in Regency/City of South Sumatra Province has a logarithmic minimum value of 20.17 obtained by Empat Lawang Regency in 2016 with a realized value of Rp. 572,300,700. This means that Empat Lawang Regency realizes the lowest Maintenance Expenditure. The maximum value transformed by a logarithm of 28.70 was obtained by OKI Regency in 2018 with a realized value of Rp. 2,900,880,329,864. This means that OKI Regency realizes the highest Maintenance Expenditure. The average value (mean) of Ln Maintenance Expenditure in the Regency/City of South Sumatra Province for 5 (five) years for the 2016-2020 period is 22,9109 with a standard deviation of 1.37252.

2. Fixed Assets in the Regency/City of South Sumatra Province have a minimum logarithmic value of 21.70 obtained by OKU Regency in 2020 with a value of Rp. 2,657,994,664.55. This means that OKU Regency has the lowest total fixed asset value. The maximum value transformed by a logarithm of 30.25 obtained by the City of Palembang in 2020 with a fixed asset value of Rp. 13,663,235,904,310.8. This means that the city of Palembang has the highest total fixed asset value. The average value (mean) of Ln Fixed Assets in the Regency/City of South Sumatra Province for 5 (five) years for the 2016-2020 period is 28.5247 with a standard deviation of 1.19842.

3. Regional Original Income in the Regency/City of South Sumatra Province has a logarithmic minimum value of 23.83 obtained by Empat Lawang Regency in 2016.
with a value of Rp22,347,811,779.36. This means that Empat Lawang Regency has the lowest realization value of Regional Original Income. The maximum value transformed by the logarithm is 27.72 which was obtained by the City of Palembang in 2017 with a value of Rp. 1,091,704,605,854.9. This means that the City of Palembang has the highest realization of Regional Original Income. The average value (mean) of Ln Regional Original Income in the Regency/City of South Sumatra Province for 5 (five) years for the 2016-2020 period is 25.5232 with a standard deviation of 0.81260.

4. Capital Expenditures in the Regency/City of South Sumatra Province have a logarithmic minimum value of 25.25 obtained by Pagaralam City in 2018 with a value of Rp92,576,062,279. This means that Pagaralam City has the lowest realization value of Capital Expenditure. The maximum value transformed by a logarithm of 27.74 obtained by the City of Palembang in 2019 was Rp. 1,115,910,029,299.31. This means that the city of Palembang has the highest realization of fixed capital expenditures. The average value (mean) of Ln Capital Expenditures in the Regency/City of South Sumatra Province for 5 (five) years for the 2016-2020 period is 26.6181 with a standard deviation of 0.50997

Discussion
Partial Effect of Fixed Asset Value on Maintenance Expenditure

Based on the results of the t-test (partial), the t-count value for the Fixed Asset Value variable is 0.977. The t-count value obtained is smaller than the t-table value (0.977 < 1.99394). In addition, the significance value of the Fixed Asset Value variable shows a value above the 5% significant level ($\alpha = 0.05$) which is 0.29. So that it can be concluded that the variable of Fixed Asset Value partially has no effect and is not significant on the Maintenance Expenditure variable in the Regency / City of South Sumatra Province. This means that the first hypothesis in this study is rejected. Furthermore, based on the strength of the relationship between the dependent variable and the independent variable or analysis to determine how much the independent variable explains the dependent variable, it can be seen that the coefficient of determination is 0.127. This means that 12.7% of the variables regarding Maintenance Expenditure in the Regency/City of South Sumatra Province are influenced by Fixed Asset Value and other variables in this study while the rest are influenced by other variables.

Based on Government Regulation no. 71 of 2010 PSAP No. 7 concerning Fixed Assets, Fixed Assets are tangible assets that have a useful life of more than 12 (twelve) months to be used, or intended to be used, in government activities or utilized by the general public. In order for fixed assets to have a longer useful life and maintain their
usefulness, of course, fixed assets require costs for such maintenance. This means that the value of fixed assets has a relationship with increased maintenance expenditures to maintain good condition. However, in this study, the value of fixed assets has not been sufficiently influential and does not significantly increase Maintenance Expenditures in the Regency/City of South Sumatra Province. This can be seen in table 4.9 of one of the cities in South Sumatra Province, namely Prabumulih City in 2017.

Table 11.
List of Fixed Assets to Maintenance Shopping

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Persyaratan Kendal (K)</td>
<td>5.224.005.510.00</td>
<td>-</td>
<td>-</td>
<td>1.745.000.00</td>
<td>3.851.005.815.00</td>
<td>3.851.005.815.00</td>
</tr>
<tr>
<td>Belanja Perbaikan</td>
<td>3.903.912.029.00</td>
<td>-</td>
<td>-</td>
<td>3.203.564.714.00</td>
<td>3.203.564.714.00</td>
<td>3.203.564.714.00</td>
</tr>
<tr>
<td>Belanja Servis</td>
<td>2.592.451.999.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.592.451.999.00</td>
<td>2.592.451.999.00</td>
</tr>
<tr>
<td>Total</td>
<td>11.719.370.548.00</td>
<td>(1.394.595.596.00)</td>
<td>(980.614.812.00)</td>
<td>1.745.000.00</td>
<td>(46.702.800.00)</td>
<td>(46.702.800.00)</td>
</tr>
</tbody>
</table>

Source: CALK Prabumulih City, 2017

Based on table 4.9 of the Prabumulih City Government, the nominal value of fixed assets is IDR 680,584,812 of the total realized maintenance expenditure of IDR 3,980,912,026 or only 0.017%. This shows that the percentage of fixed assets excluded from maintenance expenditure is only 0.17%. There is an adjustment in maintenance expenditure for the value of fixed assets. The reduction in the value of fixed assets is possible that the assets are in a severely damaged condition so that there is a deletion from the asset list in the Regency/City of the Province of South Sumatra or there is a correction of maintenance expenditures. Maintenance expenditures that do not meet the elements in increasing production capacity and quality will not increase the value of fixed assets (Calk, Murphy, & Eichhorn, 2016).

In contrast to the results of research by (Nugroho, 2019), which shows that the Fixed Asset Value has a significant and significant effect on Maintenance Expenditures. The value of fixed assets that are maintained should have a share in the allocation of maintenance expenditures (Nugroho, 2019). Every year the value of fixed assets will certainly experience a decrease in their useful life or a decrease in their function such as experiencing damage. To maintain these conditions in order to continue to function properly, expenditures are needed for the maintenance of fixed assets, namely Maintenance Expenditures. The difference in the results of this study is caused by the use of samples, time periods and different ways of measuring variables.

Partial Influence of Regional Original Revenue on Maintenance Expenditure
Based on the results of the t-test (partial), the t-count value for the Regional Original Income variable is 1.289. The t-count value obtained is smaller than the t-table value (1.289 < 1.99394). In addition, the significance value of the Regional Original Income variable shows a value above the 5% significant level ($\alpha = 0.05$) which is 0.202. So that it can be concluded that the Regional Original Income variable partially has no effect and is not significant on the Maintenance Expenditure variable in the Regency / City of South Sumatra Province. This means that the second hypothesis in this study is rejected. Furthermore, based on the strength of the relationship between the dependent variable and the independent variable or analysis to determine how much the independent variable explains the dependent variable, it can be seen that the coefficient of determination is 0.127. This means that 12.7% of the variables regarding Maintenance Expenditures in the Regency/City of South Sumatra Province are influenced by Regional Original Income and other variables in this study while the rest are influenced by other variables.

Sources of financing for local government expenditures can come from Regional Original Revenues and Balancing Funds. Based on Law Number 23 of 2014 it is stated that Regional Original Revenue is the right of local governments which is recognized as an addition to the value of net assets obtained from Regional Taxes, Regional Levies, Separated Regional Assets Management Results and Other Legitimate Regional Original Income. In realizing public services to the community, each local government allocates funds in the APBD to finance program activities in a certain budget year (Nur Putriasani, 2014). Regional Original Revenues obtained are of course a source of revenue to finance maintenance expenditures so that fixed assets remain in good condition. However, in this study, Regional Original Revenue has not sufficiently influenced or financed maintenance expenditures in the Regency/City of South Sumatra Province. This research is in line with the research of (Budi, 2019) that Regional Original Income does not have a significant effect on Maintenance Expenditure partially. In contrast to the research of (Widiasa et al., 2014) that Regional Original Income has a positive and significant effect on Maintenance Expenditure partially. The difference in the results of this study is caused by the use of samples, time periods and different ways of measuring variables.

**Partial Effect of Capital Expenditure on Maintenance Expenditure**

Based on the results of the t-test (partial), the t-count value for Capital Expenditure is 1.656. The t-count value obtained is smaller than the t-table value (1.656 < 1.99394). In addition, the significance value of the Capital Expenditure variable shows a value above the 5% significant level ($\alpha = 0.05$), which is 0.102. So it can be concluded that the Capital Expenditure variable partially has no effect and is not
significant to the Maintenance Expenditure variable in the Regency/City of South Sumatra Province. This means that the third hypothesis in this study is rejected. Furthermore, based on the strength of the relationship between the dependent variable and the independent variable or analysis to determine how much the independent variable explains the dependent variable, it can be seen that the coefficient of determination is 0.127. This means that 12.7% of the variables regarding Maintenance Expenditures in the Regency/City of South Sumatra Province are influenced by Capital Expenditures and other variables in this study while the rest are influenced by other variables.

Based on Government Regulation Number 12 of 2019, capital expenditure is a budget expenditure to acquire fixed assets and other assets that provide benefits for more than 1 (one) accounting period. Capital expenditure can be said to be pseudo (Nugroho, 2019). Capital expenditures are budgeted to increase the number of assets to keep them in good condition and function optimally, so maintenance expenditures are necessary. Maintenance expenditure is allocated when capital expenditure is carried out, if capital expenditure is carried out at the beginning of the year then maintenance expenditure is also allocated for a period of one year, while if capital expenditure is carried out in the middle of the year, maintenance expenditure is also allocated for a half year or 6 month period (Rustiyaningsih, 2012). This means that capital expenditures have a relationship with increased maintenance expenditures. However, in this study, capital expenditures have not been sufficiently influential and do not significantly increase Maintenance Expenditures in the Regency/City of South Sumatra Province.

Based on table 12 the list of capital expenditures for maintenance expenditures for the 2017 fiscal year in Banyuasin Regency, the realized nominal maintenance expenditures amounted to 3,013,386,900.00 of the total realized capital expenditures of 303,104,686,231.70 or only 0.99%. This means that the effect of capital expenditure on maintenance expenditure is still relatively small with a percentage of 0.99%. This research is in line with (Nugroho, 2019), (Ramadani, 2019) Lumbanraja, (2019) who
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states that Capital Expenditure has no influence and is not significant on Maintenance Expenditure. It is possible that the allocation of maintenance expenditure did not take into account the allocation of capital expenditure during the current year. In contrast to the research results (Rustiyaningsih, 2012), (Kurniawan, 2021), and (Budi, 2019) show that Capital Expenditure has an effect and is significant on Maintenance Expenditure. The increase in the capital expenditure budget will indirectly be accompanied by an increase in the maintenance expenditure budget for fixed assets which is realized in the capital expenditure budget (Kurniawan, 2021). The difference in the results of this study is caused by the use of samples, periods and different ways of measuring variables.

Effect of Fixed Asset Value, Regional Original Income, and Capital Expenditure simultaneously on Maintenance Expenditure

Based on the results of hypothesis testing, the effect of Fixed Asset Value, Regional Original Income, and Capital Expenditure on Maintenance Expenditure has an Fcount of 4,576. When compared with Ftable of 2.33, Fcount is greater than Ftable (4,576 > 2.73). In addition, the significance value of the variable Value of Fixed Assets, Regional Original Income and Capital Expenditures together shows a value below the significant level of 5% (α = 0.05) which is 0.005. So it can be concluded that the variables of Fixed Asset Value, Regional Original Income and Capital Expenditure simultaneously have a positive and significant relationship or effect on Maintenance Expenditures in the Regency/City of South Sumatra Province. This means that the fourth hypothesis in this study is accepted. Furthermore, based on the strength of the relationship between the dependent variable and the independent variable or analysis to determine how much the independent variable explains the dependent variable, it can be seen that the coefficient of determination is 0.127. This means that 12.7% of the variables regarding Maintenance Expenditures in the Regency/City of South Sumatra Province are influenced by the Value of Fixed Assets, Regional Original Income and Capital Expenditures, while the rest is influenced by other variables.

Sources of revenue from the Regional Government itself such as local taxes, levies from, and other legitimate income have been able to finance all expenditures to facilitate community needs in financing the large budget allocation for additional capital expenditures. Capital expenditures are allocated for expansion or increasing the number of existing assets with the aim of improving services. The amount of revenue in addition to fixed assets is of course accompanied by maintenance expenditures to maintain the condition of government assets so that they can function properly and are ready for use. Therefore, fixed assets need to be maintained and maintained in condition. Maintenance activities are usually carried out on goods that are used without changing,
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adding or reducing the shape, function, or construction of the goods (Brilianti, et al: 98). In accordance with the provisions of the Decree of the Minister of Finance of the Republic of Indonesia Number 01/KM.12/2001 concerning Guidelines for Capitalization of State Owned Assets in the Government Accounting System as regulated again through the Regulation of the Minister of Finance Number 181/PMK.06/2016 concerning Administration of State Property, the condition fixed assets are classified into good, lightly damaged and heavily damaged. This shows that the source of revenue is very necessary for allocating maintenance expenditures so that fixed assets can be in good condition. It can be concluded that, together, the value of fixed assets, local revenue and capital expenditure has been able to allocate its budget for Maintenance Expenditures in the Regency/City of South Sumatra Province.

CONCLUSION

Based on the description and discussion in chapter IV, the conclusions of this study are as follows: 1) Partially Fixed Asset Value (X1) has no influence and is not significant on Maintenance Expenditure (Y) in the Regency/City of South Sumatra Province. 2) Regional Original Income (X2) has no effect and is not significant on Maintenance Expenditures in the Regency/City of South Sumatra Province. 3) Capital Expenditure (X3) partially has no effect on Maintenance Expenditure in the Regency/City of South Sumatra Province. 4) Fixed Asset Value (X1), Regional Original Income (X2), and Capital Expenditure (X3) simultaneously have a positive and significant effect on Maintenance Expenditure (Y) in the Regency/City of South Sumatra Province.

REFERENCE


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