

Analysis of Village Financial Management in Ara Condong Village, Stabat District, Langkat Regency

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ABSTRACT

Examining how well Ara Condong Village's financial management adheres to the Minister of Home Affairs' Regulation No. 20 of 2018 is the primary goal of this research. The village is located in Stabat District, Langkat Regency. Qualitative descriptive research based on interviews, observations, and documentation is employed. The study's findings provide light on how accountability has been integrated into all aspects of village financial management, from planning to implementation, recording to reporting. Not all indicators are up to par, though; one area that needs improvement is the way the community is informed about the progress being made with the Village Budget. In order to make the management of village fund finances more open and responsible, this study stresses the significance of training and involvement for village officials.

INTRODUCTION

Indonesian villages are the lowest level of governance and play an important role in allocating funds and managing resources for the benefit of their residents. Law 6 of 2014 grants villages extensive authority to manage and oversee their own finances, including budgeting, spending, and holding themselves to account. Allocating funds from central government transactions to various important sectors, such as infrastructure development, community outreach, socialization and training of village communities, and the implementation of village government activities, is a crucial part of this management. Common problems stem from village authorities' inability to grasp and use the best practices for managing local funds. Further, there is often no oversight of how local monies are being spent.

Village monies are distributed directly to villages from the State Revenue and Expenditure Budget (APBN), as stated in Article 72 paragraph 1 letter b of Law Number 6 of 2014 respecting Villages. Regional budget transfers provide each district with Village Funds, which are subsequently allocated to villages according to factors including population, area, poverty level, and geographical conditions. All aspects of village government, from administration to the upkeep of public infrastructure and general government operations, are financed by the Village Funds. In order to promote sustainable development and lessen reliance on external resources, it is intended that villages will autonomously manage their Village Funds by making use of local resources and raw materials. Also, by getting locals involved in development initiatives, Village Funds can boost the economy and perhaps provide jobs in rural areas. Raharjo (2021) argues that populations in rural areas can greatly benefit from better infrastructure, economic empowerment, and overall quality of life when fiscal management is both effective and open. Thus, aligned with the government's decentralization principle, Village Funds are a crucial instrument for lowering economic inequities and enhancing village welfare.

Problems with openness and accountability, a lack of community involvement, and officials' incompetence are just a few of the obstacles that village financial management frequently encounters. Consequently, under the present system of government, it is crucial for villages to assist local governments in creating accountable, transparent, and regulatory compliant financial reports (MS Siagian, 2024).

Regulation 20 of 2018 of the Minister of Home Affairs governs the management of village finances in great detail. Plans, implementation, reporting, and evaluation of village funding are all outlined in this rule. The policy's overarching goal is to make the village's financial administration more open and accountable. To further facilitate transparency regarding the utilization of village finances, this policy necessitates the implementation of a digitalized reporting system.

To avoid waste, fraud, and abuse of village money, it is crucial that those in charge of such monies be held accountable (Mariana, 2022). Furthermore, responsible leadership is based on holding all parties involved to account. Transparency and community engagement in village financial management are

also important signs of accountability, which lets village residents monitor and evaluate the usage of village finances through the village government.

There are still many challenges to implementing Permendagri Number 20 of 2018 in the field, despite the fact that it has given comprehensive guidance. Experts in financial management may still be lacking in some villages (Sari et.al., 2022). Furthermore, not everyone has a good grasp of why accountability and openness are so crucial. The lack of a sufficient technology foundation to back up an effective and efficient reporting system is another obstacle.

With an area of around ±650 hectares and 13 hamlets, Ara Condong Village is situated in Stabat District, Langkat Regency. There is a lot of room for growth in how Ara Condong Village uses the village funding that it receives each year. Poor fiscal management, however, can impede progress toward village development objectives.

Table 1. Report on the Realization of the Village Budget of Ara Condong Village 2023

LAPORAN REALISASI PELAKSANAAN ANGGARAN PENDAPATAN DAN BELANJA DESA PER SUMBERDANA PEMERINTAH DESA ARA CONDONG TAHUN ANGGARAN 2023				
Sumberdana : DLL.Pendapatan Lain-Lain		Realisasi s.d 31/12/2023		
KODE REK	URAIAN	ANGGARAN (RP)	REALISASI (RP)	LEBIH/(KURANG) (RP)
1	2	3	4	5
4.	PENDAPATAN			
4.3.	Pendapatan Lain-lain	1.600.000.00	1.603.728.00	(3.728.00)
4.3.6.	Bunga Bank	1.600.000.00	1.603.728.00	(3.728.00)
	JUMLAH PENDAPATAN	1.600.000.00	1.603.728.00	(3.728.00)
5.	BELANJA			
5.2.	Belanja Barang dan Jasa	2.780.493.00	2.346.000.00	344.493.00
5.2.1.	Belanja Barang Perlengkapan	1.180.493.00	1.176.000.00	4.493.00
5.2.5.	Belanja Operasional Perkantoran	1.600.000.00	1.260.000.00	340.000.00
	JUMLAH BELANJA	2.780.493.00	2.436.000.00	344.493.00
	SURPLUS/ (DEFISIT)	(1.180.493.00)	(832.272.00)	(348.221.00)
6.	PEMBIAYAAN			
6.1.	Penerimaan Pembiayaan	1.180.493.00	0.00	1.180.493.00
	SILPA Tahun Sebelumnya	1.180.493.00	0.00	1.180.493.00
	PEMBIAYAAN NETTC	1.180.493.00	0.00	1.180.493.00
	SISA LEBIH/(KURANG) PERHITUNGAN ANGGARAN	0.00	(832.272.00)	832.272.00

Source: Village Secretary Ara Condong, 2024

For the year 2023, Ara Condong Village's LRA (Table 1) shows a deficit of Rp. 832,272.00. A budget gap happens when overall spending is higher than overall income. The prior year's excess is used to cover the shortfall. Good financial management is indicated by a little overage of income in the bank interest post and an underage of expenditure in the goods and services expenditure post, suggesting that the budget is being used efficiently.

During his time at Ara Condong Village, Langkat, on July 29, 2024, the author saw two major problems that needed fixing. To begin, one of the biggest issues in managing the village fund's money is the lack of human resources (HR). The absence of soft copy data archives and a lack of knowledge and training among village officials are major roadblocks to making the most of IT. This is particularly true when it comes to the digitization of financial management, which has not been done independently by village officials. It will

be challenging to apply technology effectively in village finance management without increasing HR capacity. Second, there are a number of obstacles that might arise at any point in the process of managing a village's finances, including during the planning, execution, administration, reporting, and accountability phases.

Based on this background, the author is interested in analyzing accountability in the financial management of Ara Condong Village, Stabat District, Langkat Regency, and assessing the extent to which its implementation is in accordance with the provisions stipulated in the Minister of Home Affairs Regulation Number 20 of 2018.

LITERATURE REVIEW

Signaling Theory

This work mostly relies on signaling theory. For the purpose of reducing information disparity, the party with more knowledge, in this instance the village administration, sends a signal to the party with less knowledge, the village community, according to the concept of signaling theory (Jama'an in Ade, 2020:30). When it comes to managing the village's finances, the signals can be sent through open and honest financial reports, community participation in decision-making, or development projects that benefit the community directly.

In order to maintain an even playing field between the company's management and outside stakeholders, signaling theory advocates for timely information disclosure by businesses. This disparity exists because insiders in management have a deeper understanding of the business than outsiders. Companies can help level the playing field by making financial data publicly available online and instituting controls to guarantee that reports are tailored to investors' requirements (Idawati & Dewi, 2017).

According to Suganda (2018), the main focus of signal theory is how information that a corporation conveys affects the investment decisions made by third parties. Here, financial reports serve as management's signals to the market, particularly to investors. Investors will evaluate and study the information to determine if it is good or bad news, which might affect the amount of stock trading, when it is received. A rise in the stock price is common when investors view the signal as good news for the company. The stock price of the company could fall, on the other hand, if the indication is negative.

Village Financial Management

Planning, implementing, administering, reporting, and holding the village government accountable for its finances are the different processes that make up village financial management, according to Regulation of the Minister of Home Affairs Number 20 of 2018. Verifying the proper and effective use of these local finances for the benefit of the community is the primary goal of this management. But there are still a lot of obstacles to overcome in terms of human resource capability, monitoring systems, community involvement, and the use of information technology in the administration of village revenues. So that it may be handled appropriately and promptly, this is an issue for the village administration.



Figure 1. Village Financial Management Cycle Image

Village Financial Management Planning

Particularly when carrying out development initiatives, planning is the initial and important stage of management. To achieve the stated goals, it is necessary to plan ahead and identify all available resources. As part of village financial management, the revenue and expenditure budget (APBDes) is implemented, which includes the payment process for goods and services. In order to accomplish one's objectives, one must engage in planning (Nurwana, Purwanto, & Saputra, 2022).

Implementation of Village Financial Management

There are a number of critical phases involved in this implementation stage, which takes place throughout the yearly budget period of the Village Budget, which runs from January 1 to December 31. Each activity's Budget Plan (RAB) serves as the foundation for submitting a Payment Request Letter (SPP) in compliance with the Village Budget that has been set up. Purchasing goods and services, creating the Activity Assistant Cash Book, and revising the Village Budget as needed to accommodate new circumstances and demands are the primary tasks at this stage. With a solid RAB in place, the village's financial dealings will be more open and accountable.

Village Financial Management Administration

The village treasurer is responsible for overseeing the management of the village's finances. Now comes the part when the village treasurer has to keep track of all the money that comes in and goes out of the village within a specified time frame, also called the budget year (Ridha, 2019). According to Indrawati (2021), it is essential for the treasurer to accurately record all transactions and close the books of accounts every month. For successful control of the village finances, this administrative job is crucial. There are a number of additional village authorities whose duties are distinct from those of the treasurer. In their capacity as village chief and treasurer, the village

secretary and head of the village both play crucial roles in making sure this phase goes off without a hitch.

Village Financial Management Reporting

As an accountability measure for the responsibilities and powers delegated, reporting entails conveying information about actions taken within a specific time frame (Hariawan, 2019:68). To maintain openness, responsibility, and efficiency in the utilization of the Village Budget, reporting on financial management is an essential procedure. The goal is to assure the community and relevant parties that the village's financial management is transparent and accountable. Furthermore, reports help keep an eye on how the village's finances are doing, spot any signs of fraud, and implement fixes when needed. Budget realization, balance sheet, and cash flow reports are the three most common types of village financial reports. Complete, accurate, and submitted on time, each report must include information that is both useful and accountable. Village officials, sub-district officials, district/city officials, the Audit Board of Indonesia (BPK), and members of the community are among the intended recipients of the report. The capability of Village Human Resources, the efficacy of digitization, and community involvement in report preparation and dissemination can all be enhanced to make reporting more effective.

Accountability for Village Financial Management

According to the 2018 Ministerial Regulation No. 20, the Village Head must report to the Regent or Mayor at the conclusion of each budget year on accountability for the realization of the implementation of the Village Budget. The purpose of this report is to hold the village government to its word and to keep an eye on how their money is being handled. Accountability reports should be thorough, factual, and easy to understand for the public in order to guarantee open and honest government. Income, spending, and the remaining surplus or deficit funding, along with supporting documentation, are often included in the report, as stipulated by the Village Regulation.

METHODOLOGY

Ara Condong Village in the Stabat District of Langkat Regency is the site of this research on fiscal management. Observation, interviews, and documentation are the methods used to gather data. A descriptive qualitative technique was employed to thoroughly grasp the social processes that were researched. Analyzing data properly calls for a thorough familiarity with the data's background and significance. The steps of data collection, data reduction, data presentation, and conclusion and verification drawing are all part of the Miles and Huberman Interactive Analytical Model, which is followed throughout the analysis process. The study's analysis approach is shown in the following diagram:

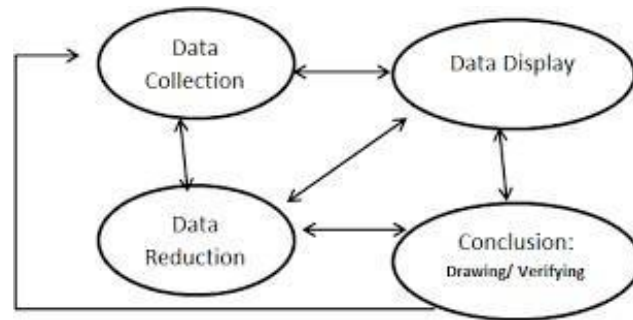


Figure 2 Analysis Interactive Model (Miles & Huberman)

Following is an explanation of the steps involved in qualitative research provided by Sugiyono (2019):

- a. Data Collection
Qualitative research relies on in-depth interviews, documentation, and observational methods to gather data, or a mix of these three approaches (triangulation).
- b. Data Reduction
Summarizing, choosing, and processing data in its essential components is what data reduction is all about. By reducing the data set, this method aids in the identification of themes and patterns, which in turn makes the research process easier.
- c. Data Presentation
In qualitative research, data presentation is methodically structuring material to facilitate conclusion-drawing and action-taking. At this point, you should have a good grasp of the subject at hand thanks to your data interpretation and analysis skills, as well as your ability to pick and concentrate on study concerns.
- d. Drawing Conclusions/Verification
Following the completion of the preceding steps, conclusions are drawn. Conclusions can be drawn from the analysis once the data is presented with a focus on the research problem. These conclusions must be based on the results that have been produced.

RESEARCH RESULT

Village Financial Management Planning in Ara Condong Village

In Ara Condong Village, Stabat District, Langkat Regency, the author found that the RPJM for a period of six years was the first step in the process of village financial management. As per the findings of the evaluation conducted in line with Permendagri No. 20 of 2018, the following are the outcomes of the analysis of the financial management plans for Ara Condong Village and the village fund:

Table 2. Analysis Comparison Planning Management Village Finance in Ara Condong Village Based on Minister of Home Affairs Regulation No. 20 of 2018

Minister of Home Affairs Regulation No. 20 of 2018	Ara Condong Village	Compliance
<p>Article 31</p> <ul style="list-style-type: none"> - Management finance village covers income and expenses government village during year budgeted budget in Village Budget . - Secretary village compile design regulation village related Village Budget based on the Village RKP for the year in question. - Contents include regulation Regent / Mayor in accordance with the provisions stated in paragraph 2. - Design APBDesa which has been arranged become base For compile design regulation village about Village Budget. 	<p>In Ara Condong Village, planning management finance village covering every budgeted revenues and expenditures in APBDes. Secretary village start the process with compile APBDes , which begins with deliberation hamlet (musdus) for to collect aspiration society , then to be continued with deliberation village (musdes) for determine project development that will implemented and ratified . Furthermore , the secretary village compile design Village Budget based on the Village RKP in effect in the year said , and the design Village Budget This Then approved become regulation village (perdes) about Village Budget .</p>	<p>Already applied</p>
<p>Secretary village submit design regulation village about Village Budget to head village. Then, the head village convey design regulation village to the Village Consultative Body (BPD) for discussed and agreed in deliberation village. Design regulation village about APBDesa which has been agreed together must completed at the latest October of the year running. If BPD does not agree design regulation village about APBDesa submitted by the village head village, government village only will carry out activity related expenditure operational organization government village with use the budget that has been set previously.</p>	<p>In Ara Condong Village, the village secretary has submitted the Draft Village Revenue and Expenditure Budget (RAPBDes) to the village head and submitted it to the Village Consultative Body (BPD) to be discussed in the village meeting. After that, the village secretary submits the Village Revenue and Expenditure Budget (APBDes) to the village head no later than October.</p>	<p>Already applied</p>
<p>Article 33</p>	<p>In Ara Condong Village, the</p>	<p>Already</p>

<p>Based on agreement between head village and BPD, head village compile design regulation the village that explains details APBDes. Secretary village coordinate compilation design regulation head village, while regent / mayor do evaluation based on existing guide for evaluate design regulation village about Village Budget. Draft regulation village about Village Budget Then delivered in accordance with procedure.</p>	<p>village head has prepared a draft regulation regarding the elaboration of the Village Budget and has been tasked with coordinating the draft.</p>	<p>applied</p>
<p>Article 37 Regent or Mayor can deliver not quite enough answer For evaluate design regulation village about Village Budget to the Sub-district Head.</p>	<p>The Regent gives authority to the Sub-district Head to consider the draft village regulations (perdes) regarding the Village Budget, and to evaluate the draft, in accordance with the delegation of authority from the Regent.</p>	<p>Already applied</p>
<p>Article 38</p> <ul style="list-style-type: none"> - Spicy design about APBDesa that has been evaluated decided by the head village become regulation village about Village Budget - Village Regulation about Village Budget set no later than December 31 year budget previously - Head village set design regulation head village about description Village Budget as Village Regulations on Village Budget . - Head village convey regulation village about Village Budget and Regulations Village Head about description Village Budget to Regent /Mayor no later than 7 (seven) days Work after set . 	<p>Village regulations that have been evaluated or revised are then determined as regulations regarding the Village Budget and must be submitted no later than December. The village head must then submit the village regulations to the Regent, usually within a maximum of 7 days after the agreement.</p>	<p>Already applied</p>
<p>Article 40</p> <ul style="list-style-type: none"> - Government village only own authority for change Village Budget. - Changes to the Village Budget 	<p>The village head makes revisions to the Village Budget, which if implemented will result in additional funds in accordance with the regent's</p>	<p>Already applied</p>

<p>can done only one time in One year budget, except in situation outside normal .</p> <ul style="list-style-type: none"> - Criteria For condition outside normal set up in regulation Regent / Mayor about management finance village. - Changes to the Village Budget set through regulation village (perdes) and remains follow Plan Work Village Government (RKP Village). 	<p>regulations.</p>	
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Data Source processed, 2024

Implementation of Village Financial Management in Ara Condong Village

The five categories of disaster management, emergency, and urgent, as well as community development, empowerment, and village development implementation, are outlined in the RKPD guidelines that the village of Ara Condong has allocated. The allocation of funds at the time of RKPD determination must be followed by all operations in Ara Condong. In a nutshell, APBDes implementation entails carrying out APBDes operations, closing the budget gap with realization, and paying to close the budget gap. In accordance with the Ministry of Home Affairs Regulation No. 20 of 2018, this report assesses the various phases of the Village Fund's implementation in Ara Condong Village:

Table 3. Analysis Comparison Implementation Management Village Finance in Ara Condong Village Based on Minister of Home Affairs Regulation No. 20 of 2018

Minister of Home Affairs Regulation No. 20 of 2018	Ara Condong Village	Compliance
<p>Article 43</p> <ul style="list-style-type: none"> - Management finance village covering receipts and expenditures made through village cash account. - Village cash account made by the government village with specimen sign hand head village and kaur finance. - For a village that has not been own service banking in the area, village cash accounts will opened on site closest. 	<p>In Ara Condong Village, Acceptance as well as Expenditure done use Village Cash Account and there Already have Service Banking.</p>	<p>Already applied</p>
<p>Article 45</p> <ul style="list-style-type: none"> - Head village assign Kaur and love For carry out activity budget in accordance with his 	<p>In Ara Condong Village, a DPA has been prepared with time maximum 3 days after Village</p>	<p>Already applied</p>

<p>duties, and prepare a DPA no later than 3 days Work after regulation village about Village budget and village regulations about description Village Budget set.</p> <ul style="list-style-type: none"> - The DPA in question includes: Plan activities and budget village, plan Work activity village, and plans budget cost. 	<p>Regulation about Village Budget as well as Village Head Regulation about description APBDes. DPA is in the form of Design work and budget plan Work.</p>	
<p>Article 48</p> <ul style="list-style-type: none"> - Head of Finance compile draft RKP based on existing DPA approved by the head village. - The Village RAK Draft was submitted to head village through secretary village. - Secretary village do verification to draft of the Village RAK submitted by the village head finance, and head village agree the draft RAK that has been verified by the secretary village. 	<p>In Ara Condong Village, the Finance Department is preparing a draft of the RAK in accordance with with DPA submitted by the secretary village to the village head after That Village Secretary do verification next draft of Village RAK The village head lives agree.</p>	<p>Already applied</p>
<p>Article 49</p> <p>Village RKP which includes cash inflow and outflow arranged For arrange withdrawal of funds via village cash account , as well as do evaluation to design regulation village about Village Budget and delivery design regulation village about Village Budget.</p>	<p>RKP in Ara Condong Village has covering cash inflow and outflow for to organize withdrawal of funds via village cash account .</p>	<p>Already applied</p>
<p>Article 50</p> <p>Cash flow received load all Village income originating from from income original village, transfers and other income Every income is supported by complete and valid evidence.</p>	<p>Cash inflow covering all over income original village, transfer income and other income and income must accompanied by complete instructions as well as valid .</p>	<p>Already applied</p>

Data Source processed, 2024

Administration of Village Financial Management in Ara Condong Village

The local government's system, the Village Financial System (SISKEUDES), is used in the administrative process of Ara Condong Village. Ara Condong Village's Permendagri No. 20 of 2018, which is the basis for this stage, notably:

Table 4. Analysis Comparison Administration Management Village Finance in Ara Condong Village Based on Minister of Home Affairs Regulation No. 20 of 2018

Minister of Home Affairs Regulation No. 20 of 2018	Ara Condong Village	Compliance
<p>Article 63</p> <ul style="list-style-type: none"> - Management finance done by the head of the village finance as part from function treasury. - Management done with take notes all income and expenses in general cash book. - Recording in general cash book must closed at the end every month. 	<p>In Ara Condong Village, Stabat District, Stabat Regency Langkat, administration No only carried out by the treasurer, but also includes recording income and expenses in general cash book as well as closing book every end month.</p>	<p>Already applied</p>
<p>Article 64</p> <p>Head finance must make book general cash assistant consisting of from: Book bank assistant, Book servant Taxes, and Books servant deposit.</p>	<p>Head of Finance in Ara Condong Village, Stabat District, Stabat Regency The Land of the Rising Sun Already make book general cash assistant</p>	<p>Already applied</p>
<p>Article 65</p> <p>Reception deposited to village cash account through method following : deposited direct to the bank by the government province as well as government area district / city, or deposited through other banks, institutions finance, or office post by party third, and deposited by the head of the village finance For the revenue received from party third.</p>	<p>General cash bank and book assistant servant tax</p>	<p>Already applied</p>

Data Source processed, 2024

Reporting of Village Financial Management in Ara Condong Village

The village administration must report the management of village money to the Regent through the Head of the Sub-district after the financial management process is completed. Ara Condong Village's financial reporting follows the steps outlined in Permendagri No. 20 of 2018:

Table 5. Analysis Comparison Reporting Management Village Finance in Ara Condong Village Based on Minister of Home Affairs Regulation No. 20 of 2018

Minister of Home Affairs Regulation No. 20 of 2018	Ara Condong Village	Compliance
<p>Article 68</p> <ul style="list-style-type: none"> - Head village convey report implementation First semester village budget to Regent/ Mayor through the Sub-district Head. - Report the consists of from : Report implementation Village Budget and Reports realization activity. - Head village compile report with method merge all over latest report Sunday second month July year walk . 	<p>Ara Condong Village has convey report implementation APBDes and comply with the provisions set out in regulation For ensure accountability and transparency in management finance village</p>	<p>Already applied</p>

Data Source processed, 2024

Accountability for Village Financial Management in Ara Condong Village

The next step is for the treasurer to meet with the village chief and any other interested parties to review and discuss the spending of the village budget. The purpose of this meeting is to review the Village Budget's accountability report. Phases of Responsibility Based on Ara Condong Village's Permendagri No. 20 of 2018 – specifically:

Table 6. Analysis Comparison Accountability Management Village Finance in Ara Condong Village Based on Minister of Home Affairs Regulation No. 20 of 2018

Minister of Home Affairs Regulation No. 20 of 2018	Ara Condong Village	Compliance
<p>Article 70</p> <ul style="list-style-type: none"> - Head village convey report accountability realization Village Budget to Regent / Mayor through sub-district head every end year budget. - Report accountability submitted no later than 3 months after end year budget 	<p>Head the village in Ara Condong Village has convey report accountability realization Village Budget to Regent / Mayor through sub-district head every end year budget. Report accountability This submitted no later than 3 months after end year budget ,</p>	<p>Already applied</p>

regarding the stipulated with regulation village.	according to with the provisions set out in regulation village	
<p>Article 72</p> <ul style="list-style-type: none"> - The APBDes realization report is informed to the public through information media. - The information includes: Village Budget Realization Report, Activity Realization Report, Activities that have not been completed or not implemented, and Remaining Budget Complaint Address. 	Report realization Village Budget in Ara Condong Village, Stabat District, Stabat Regency The Land of the Rising Sun Already informed to the public through information media.	Already applied

Data Source processed, 2024

DISCUSSION

Village Financial Management Planning in Ara Condong Village

Interviews and a comparison table show that, for the most part, Ara Condong Village's 2023 planning process has followed the rules laid down by Permendagri No. 20 of 2018. The financial planning in this village adheres to the principles set out in the Permendagri, which includes planning for infrastructure development, according to Mr. Muhammad Nasir, ST, Secretary of Ara Condong Village. As part of the planning process, villagers get together to talk about what the village needs and what they want to see developed so that everyone can live better. Gathering these hopes and dreams leads to a village meeting where the 2023 infrastructure projects are decided.

While Puncangan Village's planning stage process complied with the regulations, a prior study by Sinta P. Pratiwi (2019) on the implementation of Permendagri No. 20 of 2018 found that the approval schedule for the draft Village Regulation (Perdes) on the Village Budget differed. No later than February must the Puncangan Village draft Perdes be approved, and no later than October must the Permendagri be approved. Consequently, Puncangan Village's planning has not adhered strictly to the prescribed protocols.

Implementation of Village Financial Management in Ara Condong Village

The study and statistics above demonstrate that Ara Condong Village's financial management in 2023 adhered to Permendagri No. 20 of 2018. There is still a need for help from the sub-district and regency administrators with the implementation, though, as the author learned during an interview with the village's head of finance, Mrs. Azlina Herawati. The efficacy of village officials can be enhanced by enhancing their competence, particularly in the areas of technical execution and oversight.

When looking at the management of APBDes in Karyamukti Village, Mootilango District, Gorontalo Regency, research conducted by Joice Machmud, Sri Hastuti Parramatta, and Helmi Pitoy (2020) revealed that although community participation and community institutions were involved

in the well-executed management of village funds, the organizational aspect could be improved. Karyamukti Village's bureaucracy was out of step with its residents' levels of education, and the Village Consultative Body's (BPD) oversight was toothless and inefficient. The management of village money to improve the community's economy was not totally functional, and the initiatives that were put in place lacked new creativity, because of this.

Administration of Village Financial Management in Ara Condong Village

Results from the comparison and analysis show that Ara Condong Village's financial administration stage is up to par with what's required by Permendagri No. 20 of 2018. Budget Surplus (SiLPA) is evidence of meticulous budget preparation. More careful planning and more efficient execution are required, though, to lessen the excessive SiLPA.

Reporting of Village Financial Management in Ara Condong Village

The execution of Permendagri No. 20 of 2018 was carried out after analyzing and comparing the financial management reporting of Ara Condong Village in 2023. Nevertheless, further work is required to enhance public comprehension and engagement with village financial reporting. So that the villagers can have a bigger say in how the village budget is used, this is crucial. Financial records generated in Puncung Village were inconsistent, according to a prior study by Sinta P. Pratiwi (2019). This was because we did not conduct any interviews during the six months of the project, which meant that we did not have data for the first and last semesters.

Accountability for Village Financial Management in Ara Condong Village

The execution of Permendagri No. 20 of 2018 in Ara Condong Village was based on the outcomes of analyzing and comparing financial management reporting in 2023. But there should be a more democratic system of accountability, like a town hall meeting or online forum, where members of the community may voice their opinions and concerns. Tapanuli Village, Sipoholon District, North Tapanuli Regency fully complied with the Regulation of the Minister of Home Affairs Number 20 of 2018, according to a prior study by Monalisa Santun Siagian, Berupilihan Br. Ginting, and Nasri Hanafi Purba (2024) on financial management planning.

CONCLUSION AND RECOMMENDATIONS

According to the findings of the study on the village's financial management, Ara Condong has complied with the Minister of Home Affairs' Regulation No. 20 of 2018. Having said that, there are a few things that could use some work. Since the village's level of involvement is still lower than that of other, more successful villages in this area, it is crucial that the community become more involved in financial management. Hence, in order to improve the efficiency and openness of village budget administration, more education is required for village authorities and accountability measures should be fortified. There has been development, but it might be even better.

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