

The Influence of Transparency and Accountability on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistric

Tika Fuji Lestari^{*1}, Sulkiah¹

Universitas Gunung Rinjani, Indonesia¹

^{*}Corresponding Email : tikalestari2305@gmail.com

ABSTRACT

This study aims to analyze the influence of transparency and accountability on the financial management of Village-Owned Enterprises (BUMDes) in the Suralaga Sub-District. This means that the researcher seeks to determine the extent to which transparency and accountability affect the quality of financial management carried out by BUMDes administrators. The research method used is quantitative, which refers to an approach that emphasizes objective measurement of social phenomena through numerical data and statistical analysis. The data collection technique used in this study is a questionnaire, which serves to obtain primary data from respondents, namely BUMDes managers in the Suralaga Sub-District. The collected data were analyzed using multiple linear regression and Partial Least Squares-Structural Equation Modeling (PLS-SEM) through the SmartPLS software. The results of this study indicate that transparency does not affect the financial management of BUMDes in Suralaga District unless it is accompanied by adequate access and human resource capacity. In contrast, accountability has a significant effect on the financial management of BUMDes in the same area. Good accountability ensures that every use of funds, assets, and activities is properly reported and can be accounted for to both the public and the government. Transparency is defined as public access to data or information, along with clarity regarding government rules and services.

Accountability refers to the obligation to report and be answerable for an institution's achievements or failures in fulfilling its predetermined vision and goals

ARTICLE INFO

Article history:

Submitted: 10 April 2025

Revised: 23 April 2025

Accepted: 26 April 2025

Published: 30 April 2025

Keyword:

Transparency,
Accountability,
Financial Management of BUMDes.

To cite this article (APA Style):

Lestari, T. F., and Sulkiah. (2025). The Influence of Transparency and Accountability on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistric. *JASa : Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi*. Vol 9 (1), p.228-240. <https://doi.org/10.36555/jasa.v9i1.2816>

INTRODUCTION

Law No. 6 of 2014 concerning villages grants broader autonomy for villages to explore their potential, strengthen local wisdom, and foster a spirit of self-governance and independence. This regulation also provides greater authority for villages to govern themselves, implement development, foster social life, and enhance community capacity. Since the enactment of this regulation, the status of villages has shifted—from previously being merely administrative units under the regency—to becoming entities with the authority to manage their own governmental affairs, including the management of village funds and assets.

The regulation also elaborates on the delegation of authority and responsibility to the government in distributing village funds sourced from the State Budget (APBN). These funds are intended to be synergized and optimized at the village level. In line with this policy, the central government allocated Rp20.7 trillion, with an estimated average of Rp280 million for each village. In 2016, the allocation increased to Rp46.98 trillion,



This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License.

<https://creativecommons.org/licenses/by-nc-nd/4.0/>

averaging Rp628 million per village, and further rose in 2017 to Rp60 trillion, giving each village about Rp800 million.

This increase is expected to continue in the coming years. The same regulation also states that all or most of the capital of Village-Owned Enterprises (BUMDes) is sourced from direct participation by village governments through asset contributions, aiming to improve the welfare of the local community.

The presence of BUMDes empowers village governments to independently manage potential resources from local natural wealth and human capabilities, enabling villages to develop programs that align with their unique strengths. The existence of BUMDes is vital for both village governance and communities, offering various benefits, including boosting the rural economy, increasing village-generated income, optimizing local potential according to residents' needs, and serving as a foundation for rural economic growth and equity.

BUMDes are obligated to compile financial reports from all business units in an accountable and transparent manner each month. Additionally, they must report business developments to villagers through village meetings at least twice a year. Accountability being a crucial element in ensuring their operational sustainability. Factors influencing accountability in BUMDes financial management include human resource capacity, institutional commitment, and the effectiveness of internal control systems. Accountability is essential for achieving consistent and sustainable organizational performance. Its implementation is fundamental for the development and sustainability of BUMDes.

Accountability refers to the obligation to report and be answerable for an institution's achievements or failures in meeting its vision and pre-established goals, as communicated through regular reporting. In managing funds, village officials are required to report and be responsible for the use of village funds—not only to higher government levels such as regency/city, but also directly to the public. This responsibility includes planning, implementation, and routine financial management. The success or failure of accountability in village fund management is measured by how well village governments apply principles of participation, transparency, accountability, orderliness, and discipline. Accounting processes are reflected in documentation—from planning stages, activity execution, budgeting, to final reporting—as a form of public accountability. This is intended to maintain public trust and ensure the sustainability of village institutions or enterprises, while also serving as an indicator to assess the success of public service organization management.

Alongside accountability, transparency is also a critical element in BUMDes governance. Transparency ensures that financial reports prepared by village governments are easily accessible to citizens, enabling them to clearly understand the inflow and outflow of village funds. Transparency indicators include the accessibility and comprehensibility of policies, regulations, programs, budgets, and government activities.

Transparency means public access to data or information, along with clarity on government rules and services. It can be measured through indicators such as ease of accessing valid and timely information, transparent communication of procedures and costs, ease of information access, and the availability of grievance mechanisms in cases of violations.

Government authorities play a key role in realizing public accountability through the policies they implement (Diab, 2021). To achieve optimal village governance, strategic measures must be taken to improve local administrative systems (Basri et al., 2021). Governments are also responsible for developing policies that foster transparent and accountable practices, particularly in accountability (Jameel et al., 2019). As policymakers, drivers, and supporters of village fund management, governments are crucial in the oversight, implementation assistance, and management of village budgets, which ultimately contribute to building a financial accountability system in villages (Zeho, 2018). Cooperation among stakeholders—regency/city governments, village officials, and communities—is essential for accountable fund management (Sofyani et al., 2020; Zeho

et al., 2020). Thus, governments must build public trust by implementing effective and efficient policies and strategies (Houston & Harding, 2013).

Previous research has explored financial management accountability. Basri et al. (2020) found that village fund management, institutional commitment, and legislative roles positively influence good governance. These findings emphasize the need for government efforts to improve governance systems for better administration. Wibowo & Hapsari (2022) argued that accountability has yet to be optimally implemented because BUMDes still follow village financial mechanisms. Hartanto & Siregar (2020) and Jameel et al. (2019) concluded that good governance practices can strengthen public trust and form a basis for strategic policy formulation. Mizhari & Minchuk (2019) revealed that effective accountability can enhance legal compliance awareness, prevent fraud and corruption, and strengthen government agency responsibility, thereby fostering stakeholder trust.

Efforts to strengthen BUMDes in West Nusa Tenggara (NTB) Province are also supported through collaboration between Perum Bulog NTB and PT. Gerbang NTB Emas (Persero), as cited from (www.ntbprov.go.id, 2019). This partnership aims to position BUMDes as centers for trade and logistics distribution. The program is designed to develop BUMDes capacity through appropriate technology by forming the "Maha Desa" distribution network using the TDC (Trade and Distribution Centre) application. With essential goods like rice, sugar, cooking oil, and eggs provided at affordable prices by Bulog, these services are expected to be accessible both online and offline, encouraging BUMDes to serve as local distribution centers.

Yuni Yuliana Burhan's thesis (105731115116), titled Transparency in Financial Report Management of BUMDes on Village Fund Reporting, highlighted weak oversight in BUMDes institutions. This opens the possibility for village officials to commit illegal budget and fund misappropriation. From 11 villages monitored, 10 were suspected of such practices. Using a qualitative descriptive approach with BUMDes managers as the main data source, the study found that transparency in BUMDes financial report management was reflected in final reports submitted to village officials, the Village Consultative Body (BPD), the inspectorate, and the public to ensure alignment between BUMDes information and village budget details—particularly in terms of BUMDes-generated profits.

Nurma Fitriana's thesis (1502100288), conducted in Roworejo Village, Negeri Katon Sub-District, Pesawaran Regency in 2021, explored the issue from a Good Corporate Governance perspective. The main problem was the absence of proper communication forums for the public to obtain information on BUMDes funds, financial reports, and related data. Limited interaction between administrators and residents led to a lack of understanding regarding the management of BUMDes Unggul Makmur. This field study used a descriptive qualitative method and inductive reasoning. The findings indicated that transparency in financial management was still suboptimal, as reflected in limited public access to BUMDes financial information.

Pakaya et al. (2019) also studied transparency in BUMDes management in Kamanga Village, Tompas Sub-District. They found that the management of BUMDes Kalooran lacked openness. Financial documents were unavailable, and village officials withheld information from residents. Even core administrators like the secretary and treasurer lacked sufficient data on BUMDes activities.

From the explanations above, the following hypotheses are proposed:

H1: The influence of transparency on BUMDes financial management in Suralaga Sub-District

Transparency in BUMDes financial management may not significantly influence financial outcomes if available resources are limited, as transparency requires sufficient capacity to monitor and understand financial operations (Nurhayati, 2019; Wahyuningtyas et al., 2020).

H2: The influence of accountability on BUMDes financial management in Suralaga Sub-District

Accountability can improve the quality of BUMDes financial management by ensuring operations are transparent and responsible (Risya, et. al., 2017; Kuswandi, 2018).

Based on the above data analysis, accountability has a significant positive effect on BUMDes financial management, as it ensures that financial operations are conducted transparently, effectively, and efficiently. Accountability in BUMDes financial management implies responsibility for fund use, asset management, and debt handling.

Based on the theoretical review above, the researcher proposes a conceptual framework to explain the variables that may influence the financial management of BUMDes in Suralaga Sub-District, as outlined in the following framework.

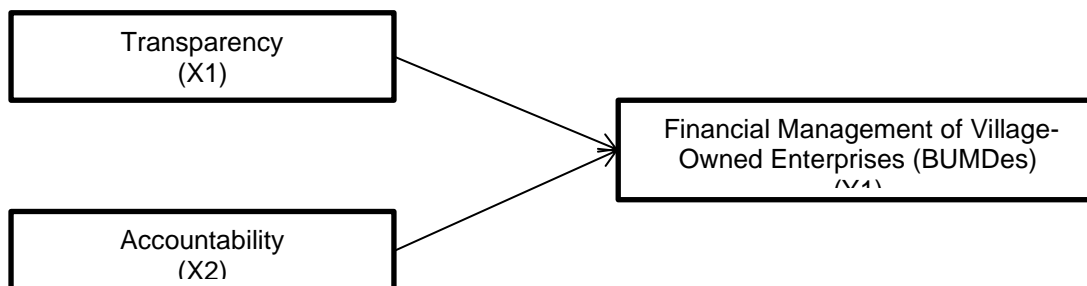


Figure 1. Conceptual Framework

Source: Research data 2025

This study proposes two hypotheses related to the influence of transparency and accountability on the financial management of Village-Owned Enterprises (BUMDes).

1. The Influence of Transparency and Accountability on the Financial Management of BUMDes in Suralaga District

Transparency in BUMDes financial management may not have a significant impact if the available resources are limited. This is because transparency requires sufficient resources to monitor and understand financial management (Nurhayati, 2019). Furthermore, transparency may also be insignificant if the capacity of financial managers is limited, as it requires them to be capable of overseeing and comprehending financial processes (Putri et al., 2020).

Hypothesis 1 (H1): There is an influence of transparency on the financial management of Village-Owned Enterprises (BUMDes).

2. The Influence of Accountability on the Financial Management of BUMDes

Accountability can enhance public trust in BUMDes financial management by ensuring that it is conducted in a transparent and responsible manner (Kuswandi, 2018). Moreover, accountability improves the quality of financial management by ensuring it is carried out in a transparent and accountable way (Risya, et. al., 2017).

Based on the data analysis, accountability has a significant effect on BUMDes financial management because it plays a crucial role in ensuring that financial management is transparent, effective, and efficient. Accountability in this context means that BUMDes managers must be responsible for the financial activities carried out. This includes the ability to justify financial decisions and actions such as fund utilization, asset management, and debt management.

Hypothesis 2 (H2): There is an influence of accountability on the financial management of Village-Owned Enterprises (BUMDes).

METHODS

This study employed a data collection method through surveys using questionnaires, conducted across several villages in the Suralaga District area. The study population

The Influence of Transparency and Accountability on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistrict

Tika Fuji Lestari^{*1}, Sulkiah¹

included all Village-Owned Enterprises (BUMDes) spread across 15 villages within the district.

Sampling was conducted using a purposive sampling technique with specific criteria: the BUMDes must be located in Suralaga District, managers must be between 20 and 45 years old, have at least a senior high school education, and the BUMDes must have been established for 3 to 15 years. Based on these criteria, a total of 40 respondents who are BUMDes managers from all over Suralaga District were selected.

The dependent variable in this study is BUMDes financial management, which includes activities such as budget planning, financial reporting, bookkeeping, and internal control systems. The independent variables consist of transparency and accountability. Transparency is defined as the openness of information to the public regarding the management of BUMDes funds, while accountability refers to an organization's obligation to report and be answerable for its achievements and failures in realizing predetermined goals on a periodic basis.

Data analysis in this study was conducted using the Partial Least Square (PLS) method. There are five steps in implementing PLS, namely: designing the structural model, constructing the measurement model, building the path diagram, formulating mathematical equations, and evaluating the model used.

RESULTS AND DISCUSSION

Descriptive statistics are used to present a general overview of the characteristics of each variable in the study, such as minimum value, maximum value, mean, and standard deviation. A summary of the descriptive statistical analysis results can be seen in the following table:

Table 1. Statistik Deskriptif

Variable	No	Min	Max	Mean	Std Devition
Transparency (X1)	40	3	5	4,2	0,487
Accountability (X2)	40	3	5	4,3	0,484
	40	3	5	4,3	0,468

Source: Processed Data SmartPLS 4, 2025

Analisis Partial Least Square(PLS)

The procedure employed was the Partial Least Squares (PLS) approach, with the analysis conducted using SmartPLS 4. The first stage in using PLS-SEM is the conceptualization of the structural model. The structural model of this study is presented in Figure 2 :

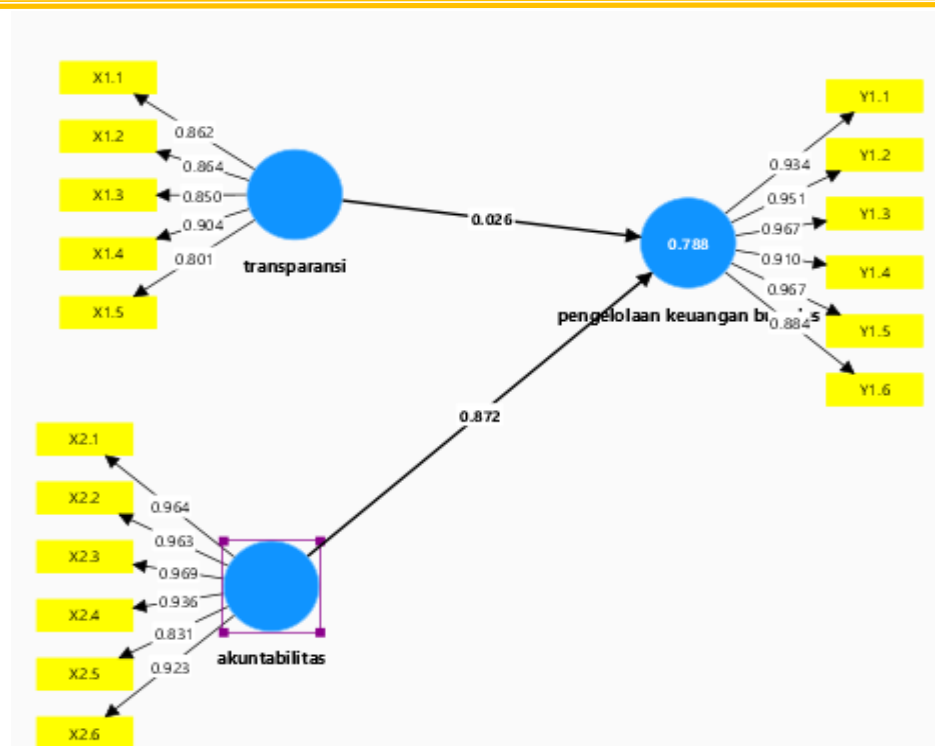


Figure 2. Initial Structural Model
Source: Processed Data SmartPLS 4, 2025

Figure 2. illustrates that the constructs of transparency and financial management are measured by 5 and 6 indicators respectively, while accountability is measured by 6 indicators. The directional arrows between the indicators and the constructs in this study indicate that a formative approach is used for the variables of transparency, accountability, and BUMDes financial management.

Assessment of the PLS model is conducted through the evaluation of the outer model and the inner model. The outer model evaluation is carried out to assess the extent to which the indicators in the model possess adequate validity and reliability. Meanwhile, the inner model evaluation is intended to examine and estimate the relationships between the latent constructs in the research model (Ghozali and Latan, 2015:73).

Evaluation of the Measurement Model (Outer Model)

The evaluation phase of the measurement model (outer model) aims to determine the extent to which the model demonstrates adequate validity and consistency. In this study, the outer model testing is conducted by examining the convergent and discriminant validity of each indicator forming the construct, and by measuring reliability through composite reliability and Cronbach's alpha values of the overall indicators used.

Convergent validity refers to the assumption that manifest variables representing a single construct should have strong correlations. This test is assessed through the loading factor values of each indicator on its construct. Loading factor values between 0.5 and 0.6 are considered acceptable. The PLS Algorithm process produces the initial output of the research model as shown below:

Table 2. Outer Loading

Variable	Financial Management of Village-Owned Enterprises (BUMDes)	Transparency	Accountability
X1.1		0.904	
X1.2		0.864	
X1.3		0.862	
X1.4		0.850	
X1.5		0.801	
X2.1			0.964
X2.2			0.963
X2.3			0.969
X2.4			0.963
X2.5			0.831
X2.6			0.923
Y1.1	0.884		
Y1.2	0.910		
Y1.3	0.934		
Y1.4	0.951		
Y1.5	0.967		
Y1.6	0.967		

Source: Processed Data, 2025

The analysis results above show that the loading factor values for indicators Y1.1, Y1.2, Y1.3, Y1.4, Y1.5, and Y1.6 on the construct of BUMDes Financial Management are all greater than 0.6, specifically 0.884, 0.910, 0.934, 0.951, 0.967, and 0.967. This indicates that these indicators (Y1.1 through Y1.6) are valid in measuring the BUMDes financial management construct in this study. The loading factor values are also supported by the Average Variance Extracted (AVE) value, which is greater than 0.5. The AVE values from the PLS Algorithm analysis are presented in Table 3 :

Table 3. Nilai AVE

	Average variance extracted (AVE)	Condition	Explanation
Accountability	0.869	0,50	Valid
Financial Management of Village-Owned Enterprises (BUMDes)	0.876	0,50	Valid
Transparency	0.735	0,50	Valid

Source: Processed Data SmartPLS 4, 2025

The next test for the constructs of transparency, accountability, and BUMDes financial management is the discriminant validity test, which is assessed through the cross-loading between indicators and their respective constructs. If the correlation between a construct and its indicators is higher than the correlation of those indicators with other constructs, it indicates that the construct has a stronger ability to represent its own group of indicators compared to those in other blocks. Thus, the requirement for discriminant

validity is considered fulfilled (Ghozali & Hengky, 2015:39). The results of the discriminant validity test are presented in Table 4.

Table 4. cross-loading

	Accountability	Financial Management of Village-Owned Enterprises (BUMDes)	Transparency
X1.1	0.619	0.544	0.862
X1.2	0.480	0.486	0.864
X1.3	0.410	0.346	0.850
X1.4	0.516	0.437	0.904
X1.5	0.368	0.386	0.801
X2.1	0.964	0.892	0.582
X2.2	0.963	0.811	0.497
X2.3	0.969	0.872	0.539
X2.4	0.936	0.750	0.541
X2.5	0.831	0.714	0.604
X2.6	0.923	0.895	0.453
Y1.1	0.781	0.934	0.494
Y1.2	0.923	0.951	0.494
Y1.3	0.868	0.967	0.547
Y1.4	0.820	0.910	0.406
Y1.5	0.817	0.967	0.526
Y1.6	0.758	0.884	0.483

Source: Processed Data SmartPLS 4, 2025

According to the information in Table 4, the cross-loading values for indicators X1.1, X1.2, X1.3, X1.4, and X1.5 with the BUMDes financial management construct are 0.862, 0.864, 0.850, 0.904, and 0.801, respectively. All of these values are above 0.70. Cross-loading values exceeding 0.70 indicate that the latent construct has a stronger ability to explain indicators within its own block compared to indicators from other blocks. Therefore, indicators X1.1 through X1.5 meet the requirements for discriminant validity and can be considered valid.

Meanwhile, the cross-loading values for indicators X2.1, X2.2, X2.3, X2.4, X2.5, and X2.6 with the accountability construct are 0.964, 0.983, 0.969, 0.936, 0.831, and 0.923, respectively—all of which also exceed the threshold of 0.70. These results show that the latent construct more accurately predicts its own group of indicators compared to those from other groups. Thus, indicators X2.1 through X2.6 have fulfilled the criteria for discriminant validity and are considered valid.

Since the constructs of transparency and accountability have satisfied the requirements for validity, the next step is to test their reliability by examining the composite reliability values from the PLS Algorithm results. The commonly used rule of thumb for assessing construct reliability, according to Ghozali and Hengky (2015:75), is based on confirmatory values. The transparency construct is deemed reliable as it has a confirmatory value of 0.904, and the accountability construct has a value of 0.983—both exceeding the threshold of 0.70. The results of the PLS Algorithm analysis for confirmatory values are presented below.

Table 5. Composite reliability

	Cronbach's alpha	Composite reliability (rho_c)	Condition	Explanation
Accountability	0.969	0.974	<0.70	Valid
Financial Management of Village-Owned Enterprises (BUMDes)	0.972	0.975	<0.70	Valid
Transparency	0.911	0.925	<0.70	Valid

Source: Processed Data SmartPLS 4, 2025

The Influence of Transparency and Accountability on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistric

Tika Fuji Lestari^{*1}, Sulkiah¹

1. Structural Model Evaluation (Inner Model)

The evaluation of the structural model using SmartPLS begins with examining the R-Square values for each latent and endogenous variable. This includes analyzing the influence of transparency and accountability participation on the financial management of Village-Owned Enterprises (BUMDes).

Table 6.R-square

	R-square	R-square adjusted
Financial Management of Village-Owned Enterprises (BUMDes)	0.788	0.776

Source: Processed Data SmartPLS 4, 2025

The R-square value obtained from the relationship between transparency and accountability toward the financial management of village-owned enterprise (BUMDES) reports is 0.788. An R-square value of 0.788, or 78,8%, is categorized as a strong model influence. This indicates that the construct of village financial report accountability can be explained by transparency and accountability by only 78,8%. The remaining 21,2% is explained by other variables outside the model developed in this study.

Table 7. Nilai total Effects

	Accountability	Financial management of village-owned enterprises(Bumdes)	Transparency
Accountability		0.872	
Financial Management of Village-Owned Enterprises (BUMDes)			
Transparency		0.026	

Source Processed Data SmartPLS 4, 2025

The effect size is classified into three categories: 0.02, 0.15, and 0.35, representing low, medium, and high levels of influence of latent predictor variables on the structural model. Based on these findings, accountability contributes a value of 0.872, while transparency has an effect of 0.026. This indicates that accountability falls into the category of having a strong influence on BUMDes financial management, whereas transparency falls into the category of weak influence. In other words, the contribution of the accountability variable to BUMDes financial management is highly significant, while the influence of transparency is relatively small.

Hypothesis Testing

The hypotheses are tested through the structural model by examining the R-Square value as an indicator of model fit (goodness of fit). The testing is also carried out by evaluating the total effects, which reflect the parameter coefficients and the significance values based on a t-statistic threshold of 1.96. For hypothesis testing, SmartPLS uses simulation and the bootstrap method to minimize data non-normality. The results of significant parameter estimates provide valuable insights into the interactions between variables. The following hypothesis testing table presents the bootstrapping analysis results in SmartPLS.

Table 8. Hypothesis Testing

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Accountability - > Financial Management of Village-Owned Enterprises (BUMDes)	0.872	0.870	0.095	9.148	0.000
Transparency - > Financial Management of Village-Owned Enterprises (BUMDes)	0.026	0.038	0.132	0.201	0.841

Source: Processed Data SmartPLS 4, 2025

The results obtained in Table 8 can be elaborated as follows to explain the hypothesis testing analysis of this study:

1. Based on the analysis results, transparency does not have a significant effect on the financial management of BUMDes. This is evidenced by the t-statistic value in Table 3, which only reaches 0.201—below the threshold of 1.96. Moreover, the P value of 0.841, which exceeds 0.05, further confirms that the influence of transparency on BUMDes financial management in Suralaga District is not statistically significant.
2. Conversely, accountability shows a significantly positive impact on the financial management of BUMDes in Suralaga District. This is indicated by a t-statistic value of 9.148, which is greater than 1.96, and a P value of 0.000, which is less than 0.05. These findings suggest that accountability has a real and substantial influence on the financial governance of BUMDes in the area.

DISCUSSION

The Influence of Transparency on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistrict

Transparency in the financial management of BUMDes may not have a significant effect when available resources are limited. This is because transparency requires sufficient resources to monitor and understand financial operations (Nurhayati, 2019). Similarly, the impact of transparency may be insignificant if the capacity of financial managers is inadequate, as effective transparency depends on the ability of financial administrators to comprehend and supervise financial management processes (Wahyuningtyas et al., 2020).

Based on the assessment results and hypothesis testing, transparency does not have a significant influence on BUMDes financial management in Suralaga District, as indicated by the t-statistic value of 0.201 (<1.96) and a p-value of 0.841 (>0.05). Thus, it can be concluded that transparency has not yet made a meaningful contribution to the overall financial management process of BUMDes in the region. Several factors may contribute to the insignificant effect of transparency, including limited access to information, which remains a challenge in some villages. Although transparency practices have been implemented, access to financial information is still restricted in certain areas. This may be caused by factors such as limited information and communication technology infrastructure, lack of public capacity to access and interpret financial information, and

The Influence of Transparency and Accountability on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistrict

Tika Fuji Lestari^{*1}, Sulkiah¹

inadequate human resources and budget to disseminate financial data.

Several factors may contribute to this insignificant effect, including limited access to financial information, which remains an issue in many villages. Although transparency principles may have been implemented, information access is still restricted in some areas due to constraints such as underdeveloped information and communication technology infrastructure, limited public ability to access and comprehend financial information, and insufficient human and financial resources to disseminate such information effectively.

The Influence of Accountability on the Financial Management of Village-Owned Enterprises (BUMDes) in Suralaga Subdistrict

Accountability can enhance public trust in BUMDes financial management by ensuring that financial activities are conducted transparently and responsibly (Kuswandi, 2018). In addition, accountability can improve the quality of financial management in BUMDes by promoting integrity, transparency, and responsibility in financial practices (Risya, et, al., 2017).

According to the results of data analysis and hypothesis testing in this study, it is concluded that information disclosure (transparency) does not have a significant influence on the financial governance of BUMDes. This is indicated by the t-statistic value of 0.201, which is below the threshold of 1.96, and the P value of 0.841, which is greater than 0.05—further reinforcing the finding that transparency does not significantly impact the financial management system of BUMDes in Suralaga Subdistrict.

This indicates that the financial management of BUMDes must be able to demonstrate clear and responsible handling of financial resources, including fund usage, asset management, and liability management. This statement emphasizes the importance of structured, measurable, and auditable financial management for BUMDes. Since BUMDes manages public funds (whether from the Village Budget/APBDes or from the village's business profits), its financial management must adhere to the principles of transparency, accountability, efficiency, and effectiveness.

CONCLUSION

This study aims to evaluate the impact of transparency and accountability on the financial governance of Village-Owned Enterprises (BUMDes) in the Suralaga Subdistrict. Transparency in the context of BUMDes financial management is identified through several indicators, such as the availability of accurate financial information delivered in a timely manner, as well as openness in decision-making processes related to BUMDes financial matters. Accountability, on the other hand, can be measured through indicators including the presence of an effective internal control system and a clear financial accountability mechanism. Meanwhile, financial management performance is assessed based on indicators such as BUMDes financial performance, efficiency in financial management, and the overall quality of financial governance.

In this study, the transparency variable was found to have no significant effect on the financial management of BUMDes, whereas the accountability variable showed a significant influence. This implies that improved accountability can enhance the efficiency and effectiveness of BUMDes financial management and help minimize the risk of financial misuse.

REFERENCES

- Basri, M. Y., Desti, M. T., & Rofika, R. (2020). Village Financial Management: Analysis of Influencing Factors. *JAK (Journal of Accounting): Scientific Review of Accounting*, 8(1). <https://doi.org/10.30656/jak.v8i1.2379>
- Basri, Y. M., Azlina, N., & Arfendi, L. Z. (2021). Financial Management, Organizational Commitment and Legislative Role on the Implementation of Good Governance at Village Governments. *The Indonesian Journal of Accounting Research*, 24(01), 109–126. <https://doi.org/10.33312/ijar.517>
- Diab, A. (2021). The Accountability Process During the Centrality of State Institutional Logics: A Case from an African Rural Context. *Economies. Journal of Accounting in Emerging Economies*, 11(3). <https://doi.org/10.1108/JAEE-06-2020-0126>
- Ghozali, I., & Hengky, L. (2015). *Concepts, Techniques, and Applications Using SmartPLS 3.0 for Empirical Research*. Semarang: Diponegoro University Press.
- Ghozali, I., & Latan, H. (2015). *Partial Least Squares: Concepts, Techniques and Applications of SmartPLS 3.0*. Semarang: BP UNDIP.
- Government of West Nusa Tenggara Province. (2019). Strengthening BUMDes through Cooperation with Perum Bulog and PT. Gerbang NTB Emas. Retrieved from <https://www.ntbprov.go.id>
- Hartanto, D., & Siregar, S. M. (2020). Determinants of Overall Public Trust in Local Government: Mediation of Government Response to COVID-19 in the Indonesian Context. *Transforming Government: People, Process and Policy*, 15(2), 261–274. <https://doi.org/10.1108/TG-08-2020-0193>
- Houston, D. J., & Harding, L. H. (2013). Public Trust in Government Administrators: Explaining Citizen Perceptions of Trustworthiness and Competence. *Public Integrity*, 16(1), 53–76. <https://doi.org/10.2753/PIN1099-9922160103>
- Jameel, A., et al. (2019). Good Governance and Public Trust: Assessing the Mediating Effect of E-Government in Pakistan. 17(2). [https://doi.org/10.4335/17.2.299-320\(2019\)](https://doi.org/10.4335/17.2.299-320(2019))
- Kristianten. (2006). *Budget transparency in government*. Jakarta: Rineka Cipta
- Kuswandi, D. (2018). Accountability in BUMDes Financial Management. *Journal of Economics and Business*, 9(2), 75–84.
- Ministry of Finance of the Republic of Indonesia. (2017). *Village Fund Allocation Data for 2015–2017*. <https://www.kemenkeu.go.id>
- Mizrahi, S., & Minchuk, Y. (2019). Accountability and Performance Management: Citizens' Willingness to Monitor Public Officials. *Public Management Review*, 21(3), 334–353. <https://doi.org/10.1080/14719037.2018.1473478>
- Nurhayati, S. (2019). Resource Limitations and Their Impact on Village Financial Transparency. *Journal of Village Economics and Accounting*, 3(1), 28–35.
- Pakaya, N., Rorong, A., & Tulus, F. (2019). Transparency in the Management of Village-Owned Enterprises (BUMDes) in Kamanga Village, Tompaso Subdistrict. *Jurnal Administrasi Publik*, 1–9.
- Putri, W. M., Sripeni, R., & Kusumo Broto, A. H. (2020). The Effect of Transparency, Accountability, and Participation on Financial Management in Sub-districts in Kartoharjo, Madiun City. *JAMER: Jurnal Akuntansi Merdeka*, 1(2), 94–104. <https://doi.org/10.33319/jamer.v1i2.33>
- Risya, F., Umami, R., & Nurodi, M. (2017). Transparency and Accountability in BUMDes Financial Management. *Scientific Journal of Economics*, 5(10), 115–122.
- Sofyani, H., Riyadh, H. A., & Fahlevi, H. (2020). Improving Service Quality, Accountability, and Transparency of Local Government: The Intervening Role of Information Technology Governance. *Cogent Business and Management*, 7(1), 1735690. <https://doi.org/10.1080/23311975.2020.1735690>
- Wahyuningtyas, M. P., Rusbiyanto, S., & Kusumo Broto, A. H. (2020). The Effect of

-
- Transparency, Accountability and Participation on Village Financial Management. *Merdeka Accounting Journal*, 1(2), 94–104. <https://doi.org/10.33319/jamer.v1i2.33>
- Wibowo, M. I. S., & Hapsari, A. N. S. (2022). BUMDes Financial Management: Efforts to Achieve Sustainable Village Development Goals. *JRAP: Journal of Accounting & Taxation Research*, 9(01), 52–71. <https://doi.org/10.35838/jrap.2022.009.01.05>
- Zeho, F. H. (2018). The Role of Village Government in Fund Management Accountability. Brawijaya University Repository. [http://repository.ub.ac.id/id/eprint/162509/1/Fannidya Hamdani Zeho.pdf](http://repository.ub.ac.id/id/eprint/162509/1/Fannidya%20Hamdani%20Zeho.pdf)
- Zeho, Y., Haryanto, T., & Sari, R. (2020). *Stakeholder collaboration in village financial management*. *Journal of Administrative Science*, 18(1), 45–58.