

ABSTRACT

**INFLUENCE OF REGIONAL ORIGINAL INCOME
AND CAPITAL EXPENDITURES
ON THE FINANCIAL PERFORMANCE OF REGIONAL GOVERNMENTS**
(Survey of Regencies/Cities in Central Java Province 2018-2022)

By:

Nabilla Nursinta Pangesti

203403102

Guide I: Dr. Jajang Badruzaman, S.E., M.Si., Ak., CA.

Guide II: Nisa Noor Wahid, S.E., M.M

This research aims to find out how Regional Original Income, Capital Expenditures and Regional Government Financial Performance are jointly and partially in Regencies/Cities in Central Java in 2018-2022. The research method used in this research is quantitative research with a descriptive approach, while the sample selection technique uses the saturated sample method. The data collection technique used is secondary data obtained through the Directorate General of Balance and Finance as well as other sources relevant to this research. The analytical tool used is panel data regression analysis. The results of this research show that: (1) Regional Original Income has increased, while Capital Expenditures and Regional Government Financial Performance have decreased in value; (2) Partial Original Regional Income does not have a positive effect on regional government financial performance; (3) Capital Expenditures do not have a positive effect on local government financial performance; (4) Regional Original Income and Capital Expenditures together have a significant effect on regional government financial performance.

Keywords: *Original Regional Income, Capital Expenditure, Regional Government Financial Performance*