

Analysis of Financial Performance at Cooperative : The role of Liquidity and Profitability Ratio

Analisa Kinerja Keuangan pada Koperasi : Peran Rasio Likuiditas dan Profitabilitas

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ABSTRACT

Assessment of the financial performance of a financial institution can use financial report analysis. With the aim to know how big the financial performance is at the Al hudori Cooperative Prabumulih branch is in good health. This financial performance is reviewed through an analysis of the ratio finances. In this study, researchers used descriptive analysis approach quantitative. Taking research subjects at the Al hudori Cooperative branch of Prabumulih While the object the research taken is the annual report of the Al hudori Cooperative branch of Prabumulih starting from the period 2020–2022 Research conducted shows that the Liquidity Ratio is of the Current Ratio type provide quite healthy results for its financial performance, and provide results of financial performance unhealthy on the type of cash ratio. Profitability Ratio as measured by the type of Return on Equity (ROE) provide results of financial performance in unhealthy conditions, in the type of Return on Assets (ROA) provides financial performance results in a fairly healthy condition, and Net Profit Margin which provides financial performance results in a very healthy condition. With Thus the results of the financial performance analysis on the financial reports of the Prabumulih branch of the Al Hudori Cooperative through financial ratio analysis is quite good even though the performance of cooperatives experiences every year decline and fluctuation.

Keywords: Financial Performance, Liquidity Ratios, Profitability Ratios

ABSTRAK

Penilaian kinerja keuangan suatu lembaga financial dapat menggunakan analisa laporan financial. Dengan tujuan agar diketahui seberapa besar kinerja financialnya pada Koperasi Al hudori cabang Prabumulih tersebut dalam kondisi yang sehat. Kinerja keuangan ini ditinjau melalui analisis dari rasio keuangannya. Pada penelitian ini peneliti menggunakan analisis deskriptif dengan pendekatan kuantitatif. Pengambilan subjek penelitian pada Koperasi Al hudori cabang Prabumulih Sedangkan objek penelitian yang diambil adalah laporan tahunan Koperasi Al hudori cabang Prabumulih mulai periode 2020–2022 Penelitian yang dilakukan menunjukkan bahwa Rasio Likuiditas dengan jenis Current Ratio memberikan hasil cukup sehat untuk kinerja keuangannya, dan memberikan hasil kinerja keuangan yang tidak sehat pada jenis Cash Rationya. Rasio Profitabilitas yang diukur dengan jenis Return on Equity (ROE) memberikan hasil kinerja keuangan dalam kondisi yang kurang sehat, dalam jenis Return on Asset (ROA) memberikan hasil kinerja keuangan dalam kondisi cukup sehat, dan Net Profit Margin yang memberikan hasil kinerja keuangan dalam kondisi yang sangat sehat. Dengan demikian hasil analisis kinerja keuangan pada laporan keuangan Koperasi Al hudori cabang Prabumulih melalui analisis rasio keuangan sudah tergolong baik meskipun kinerja koperasi setiap tahun mengalami penurunan dan fluktuasi.

Kata Kunci: Kinerja keuangan, Rasio Likuiditas, Rasio Profitabilitas

1. Introduction

The important role of the existence of cooperatives in Indonesia is in building a more prosperous economy. Formulation based on the principle of kinship for the realization of a prosperous and just community group. Cooperative activities are carried out by management with

full care and special attention, especially their financial condition so that they run well. The success of a financial institution is determined through good financial management in order to achieve its goals. (Ehiedu 2014). Categorized as healthy in a financial institution can be seen through an analysis of its financial reports. This type of calculation in the financial statements used uses liquidity and profitability ratios. The ability of financial institutions to meet their immediate debt obligations is how to calculate the liquidity ratio. Financial institutions being able to generate profits during a certain period is a calculation in the profitability ratio (Rahmah 2020).

The ability of financial institutions to run their business requires relevant and proven information in financial reports to see developments in assessing financial performance. According to (Kasmir, 2012), The company's financial performance can be measured from the liquidity ratio and profitability ratios. By doing ratio analysis, it is expected to know directly the development and progress of the cooperative (Durrah et al., 2016).

Calculation of the company's financial ratios is used to determine the comparison of strengths, weaknesses in one company with another (Arsyad et al., 2021). This calculation will provide an overview of whether the financial condition is in good or bad condition in a certain period (Brigham, Houston 2010). Calculation of financial statements using liquidity ratios, solvency ratios, profitability ratios.

1) Liquidity Ratio

The ability of the company to fulfill its obligations in terms of finance. The strength of payments from financial institutions is the amount of liquid assets owned by these institutions (Bambang Riyanto, 2010). Types of liquidity ratios used include the current ratio and cash ratio.

2) Profitability Ratios

Measuring the level of profit of financial institutions using profitability ratios. Assessment of the level of ability of financial institutions in seeking profit is a profitability ratio according to (Kasmir, 2012). The types of profitability ratios used include return on equity, return on assets, and net profit margin. The company's target is to achieve maximum profit. performance of the AL Hudori Cooperative branch of Prabumulih through liquidity and profitability ratios

2. Methods

The object of research is the Prabumulih branch of the Al Hudori cooperative, having its address at Jl. Bangka No. 429, Gunung Ibul, Kec. Prabumulih Prabumulih City, South Sumatra 31146. This research uses types descriptive research by describing the current situation during research implementation. Using secondary data sources. According to Sugiyono (2015; 97) secondary data is: "Sources of data obtained by how to read, learn and understand through other sources of media from literature, books, and company documents".

Data source used this is the financial report of the cooperative Al hudori Prabumulih branch in the form Cooperative financial reports for the 2020-2022 period in a way ask for approval or permission from the finance department of the Prabumulih branch of the Al hudori cooperative. In this study, data collection techniques were taken through the results interviews and documentation. The data analysis technique used in analyzing the research data uses financial ratios, with steps as follows:

- a. Analysis of financial statements using liquidity ratios consists of: Current Ratio and Cash Ratio
- b. Analysis of financial statements using profitability ratios consisting of: Return on Equity, Return on Assets, and Net Profit Margin.

3. Results and Discussion

In this study, the authors analyze the financial performance of cooperatives through liquidity ratios, profitability ratios. The following are the results of the research:

Liquidity Ratio

1) Current Ratio

Table 1. Current Ratio Results at the Al Hudori Cooperative, Prabumulih Branch

Year	Current assets (Rp)	Current liabilities(Rp)	Current (%)
2020	5.299.541.060	3.057.250.870	170.01%
2021	5.413.260.090	3.221.030.070	165.01%
2022	5.163.893.690	2.865.936.070	170.50%
average			168.53%

The table 1 above shows that in 2020 to 2021 the current ratio are in the fairly healthy category. Experiencing an increase in 2021 in healthy category. This shows that the Al hudori cooperative branch of prabumulih in calculating the average current ratio is in a fairly healthy category. Upgrade in 2021 to 2022 shows that cooperatives are very efficient in managing assets smoothly or have no difficulty in paying off long-term debt in short.

2) Casio Ratio

Table 2. Cash Ratio results

Year	Current assets (Rp)	Current liabilities(Rp)	Current (%)
2020	176.695.926	3.057.250.870	4,91%
2021	257.190.230	3.221.030.070	9,78%
2022	235.565.795	2.865.936.070	8,17%
average			7,62%

The table 2 above shows that in 2020 to 2022 the cash ratio are in the unhealthy category. This shows that the Al hudori cooperative is a prabumulih branch in calculating the average cash ratio with unhealthy category. Category This shows that from 2020 to 2022 the cooperative will not be able to afford it pay off short-term debt using cash.

Profitability Ratio

The profitability ratio measures the effectiveness of management as a whole which is indicated by the size of the level of profit obtained in relationship with sales and investment. The better the profitability ratio the better the value of the financial institution and shows that the company is able to make a profit. Types of profitability ratios consist from :

1) Return on Equity (ROE)

Table 3. of Return on Equity Results

Year	Current assets (Rp)	Current liabilities(Rp)	Current (%)
2020	160.705.250	3.283.608.729	7.70%
2021	258.361.750	3.730.494.299	6.85%
2022	255.966.300	4.154.017.099	6.25%
average			6.93%

Table 3 shows that in 2020 to 2022 Return on Equity is in the unhealthy category. This shows that the Prabumulih branch of the Al hudori cooperative in calculating the average Return on Equity is in the unhealthy category. This category shows that from 2020 to 2022 the

cooperative will still be less in obtaining profits (net profit after tax and own capital), and the overall lack of productivity of funds held by financial institutions used.

2) Return on Asset (ROA)

Table 4. Results of Return on Assets

Year	Current assets (Rp)	Current liabilities(Rp)	Current (%)
2020	160.705.250	7.194.618.709	3.57%
2021	258.361.750	7.375.107.759	3.60%
2022	255.966.300	7.180.241.323	3.65%
average			3.60%

Based on table 4 shows that in 2020 to 2022 Return on Assets is in a fairly healthy category. This shows that Uber cooperative in calculating the average Return on Assets with the sufficient category Healthy. This category shows from 2020 to 2022 cooperatives quite effective in using its assets and obtaining profits from assets and SHU invested. In overall assets are quite able to provide returns as expected.

3) Net Profit Margin

Table 5. Net Profit Margin Results

Year	Current assets (Rp)	Current liabilities(Rp)	Current (%)
2020	160.705.250	1.002.273.000	23.65%
2021	258.361.750	1.187.882.000	20.91%
2022	255.966.300	1.229.489.000	20.00%
average			21.50%

Based on table 5, it shows that in 2020 to 2021 the Net Profit Margin is in a very healthy category. This shows that the Prabumulih Al Hudori cooperative in the calculation of the average Net Profit Margin is in the very healthy category. This category shows that from 2020 to 2022 cooperatives have met the standard, namely 21.50%. This means that cooperatives have very good financial categories and good corporate management practices to achieve targets.

4. Conclusions

Based on the results of the analysis, it can be seen from the Remaining Profits of the Al hudori Cooperative in the prabumulih branch that from 2020 to 2021 there will be an increase, in 2022 decrease. During the period 2020 to 2022 Remaining results of operations the highest is in 2021 of IDR 258,361,750. From the Residual Results of Operations It can be seen that financial performance is still not stable. In calculating the liquidity ratio using the type of current ratio and cash ratios show very different results. The current ratio with an average of 168.53% is quite healthy, indicating that the cooperative is very healthy efficient in managing its current assets or not experiencing difficulties in paying off its short-term debts. Cash ratio with an average of 7.62% unhealthy category indicates that from 2020 to 2022 cooperatives unable to pay off short-term debt using cash.

In calculating the profitability ratio using the type of return on equity, return on assets, and net profit margin show different results. Return on Equity with an average of 6.93% shows the unhealthy category from 2020 to 2021 cooperatives are still lacking in acquisitions net profit after tax and equity, and lack of productivity all funds owned by the financial institution used. return on

Assets with an average of 3.60 are quite healthy, showing starting in 2020 until 2022 cooperatives are quite effective in using their assets for profit from the total assets and SHU invested. In All of these assets are sufficient to provide a return on profits expected company. Net Profit Margin with an average of 21.52% category very healthy, indicating that from 2020 to 2021 the cooperative will be in compliance standard, meaning that cooperatives provide financial performance results with categories who is very good at doing corporate financial management for achieve the desired target.

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