

Analysis of cooperative financial performance at the manunggal palm oil cooperative, Seresam Village, Seberida District, Indragiri Hulu Regency

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ABSTRACT

This study aims to analyze the Financial Performance of Cooperatives at the Manunggal Palm Oil Cooperative in 2018-2024. This type of research uses Primary Data and Secondary Data. The research method uses quantitative descriptive analysis to describe the financial performance of the Cooperative at the Manunggal Palm Oil Cooperative. Related to qualitative data in the form of descriptive data analyzed from items related to financial ratios. While quantitative data is taken from the financial statements listed in the Cooperative at the Manunggal Palm Oil Cooperative. The results of this study indicate that the financial performance of the Manunggal Palm Oil Cooperative based on the results of the liquidity ratio analysis using the Current Ratio fluctuates every year. This shows that the cooperative has a fairly high level of debt compared to the assets it owns. The financial performance of the Manunggal Palm Oil Cooperative based on the results of the solvency ratio analysis using the Debt to asset ratio where every year it always fluctuates. This shows that the cooperative has a fairly high level of debt compared to the assets it owns. The financial performance of the Manunggal Palm Oil Cooperative based on the results of the profitability ratio analysis using Return on Assets that fluctuates every year. This shows that the cooperative has a low ability to generate profits from its assets, because the cooperative is more concerned with improving the welfare of its members.

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1. Introduction

Current economic development is in the creative economy era which shows all dynamic activities. The economy has developed in several developed countries. The definition of creative economy is a concept that develops based on creative assets that have the potential to help economic growth. With the existence of a creative economy, it spurs various small, medium, and large industries operating in regional and urban areas, to be able to adapt and strengthen their businesses with economic developments that are always changing (Bramantyo, 2023).

Cooperatives strive to realize and develop the national economy which is a joint effort based on the principles of family and economic democracy. For the Indonesian people, cooperatives play a role and function to improve the welfare of their people. Cooperatives help the Indonesian people carry out their economic activities well, especially since cooperatives are run on the basis of the principle of family (Faisal et al., 2018).

Cooperatives are a people's economic movement that aims to improve welfare where its activities are based on cooperative principles. As a movement, it upholds the values of togetherness and cooperation

between its members which are very much needed to realize its main goal, namely to improve the welfare of members and the prosperity of society. Cooperatives are business entities formed and operated by a person or an organization for and in the interests of the welfare of members in particular and the wider community in general which is based on the principle of family.

A cooperative is a group of people who have a common goal or interest. So a cooperative is a form of a group of people who have a common goal. This group will become members of the cooperative that was founded. The formation of a cooperative is based on the principles of family and mutual cooperation, especially to help its members who need assistance in the form of goods or money loans (Sitio, 2011).

The Palm Oil Cooperative of Seresam Village, Seberida District, Indragiri Hulu Regency is a cooperative that carries out transportation, savings and loans, mini markets, plantations, and saprosa businesses. This cooperative is located in Seresam Village. The cooperative will always strive to improve the welfare of its members, one of which is through the distribution of the Business Surplus to its members. One way to make a cooperative successful is to have the participation of members in particular and the community in general.

Financial performance is a measure used to evaluate the extent to which a cooperative achieves its financial and operational goals. It includes analysis of various financial aspects, including revenue, profit, expenses, and efficiency in the use of resources. Good financial performance shows that the cooperative is able to generate sustainable profits, manage costs efficiently, and provide value to stakeholders. Financial performance is a measure used to evaluate the cooperative's ability to generate profits and manage its resources (Hendra, 2022).

By understanding and analyzing financial performance, management, investors, and other stakeholders can make better decisions. The use of appropriate ratios and analysis will help in evaluating the operational efficiency, profitability, and growth potential of the company. Solid financial performance reflects not only operational efficiency, but also the ability of the cooperative to survive and thrive in a competitive business environment.

Phenomena that influence and impact the economy of a cooperative on the financial performance experienced, both in terms of nature, market competition and globalization. In general, to measure the financial performance of a cooperative can be done with a financial ratio, namely the profitability ratio. Financial performance will provide a glimpse of the company's performance to potential investors, where potential investors are able to decide where they will invest their money. In terms of business, financial performance assessment can help in determining policies or decisions.

The Business Surplus plays a very important role in improving the welfare of cooperative members, which is one of the goals of the cooperative. The more the cooperative's business develops, the greater the cooperative's opportunities will be in producing maximum Business Surplus. Activities or businesses carried out by cooperatives can provide the greatest benefits, especially for cooperative members and the community in general (Astawa et al., 2021).

The research was conducted at the Usaha Manunggal Cooperative, Seresam Village, Seberida District, Indragiri Hulu Regency, which can be seen from the remaining business results obtained by the Usaha Manunggal Seresam Cooperative in 2018-2024.

The phenomenon of data from the Remaining Business Results obtained by the Usaha Manunggal Seresam cooperative in 2018-2024. As follows; in 2018 SHU amounted to Rp. 540,748,425., in 2019 SHU amounted to Rp. 460,036,278., in 2020 SHU amounted to Rp. 436,836,789., in 2021 SHU amounted to Rp. 389,228,750., in 2022 SHU amounted to Rp. 440,156,764., in 2023 SHU amounted to Rp. 371,603,348., and in 2024 SHU amounted to Rp. 402,031,098. The data on the Remaining Business Results in 2018-2024 has fluctuating growth.

In improving the development of cooperatives, it is necessary to improve the quality of cooperatives, one of which is through financial performance. Financial performance is needed to measure the success of cooperatives in their goals, namely improving the welfare of members and the ability to pay debts, the financial performance of cooperatives can be known through financial ratio analysis (Rojabiyah, 2021).

One technique for analyzing financial statements is ratio analysis. Ratio analysis is a technique that shows the relationship between two accounting elements that allow business owners to analyze financial

performance. The ratios used in analyzing cooperative financial statements are by using liquidity ratios, solvency ratios, activity ratios and profitability ratios. Financial ratio analysis begins with basic financial statements, namely balance sheets, profit and loss calculations, and cash flow statements. The relationship between financial ratios and financial performance.

The direct relationship between the fluctuation of SHU (Remaining Operating Result) of cooperatives with financial ratios when measured through the liquidity ratio shows that cooperatives have the ability to pay their short-term obligations. If liquidity increases, then cooperatives can more easily meet their short-term obligations, so that SHU can increase due to lower interest costs and the ability to take advantage of better business opportunities.

SHU (Remaining Operating Result) of cooperatives with financial ratios if measured through the solvency ratio is high solvency indicating that the cooperative has the ability to pay its long-term obligations. If solvency increases, then the cooperative can more easily meet its long-term obligations so that SHU can increase due to lower interest costs and the ability to take advantage of better business opportunities.

SHU (Remaining Operating Result) of cooperatives with financial ratios if measured through profitability ratios is a high probability indicating that cooperatives have the ability to generate high profits. If profitability increases, then SHU can also increase because cooperatives have more resources to distribute to members.

Thus, the direct relationship between the fluctuation of cooperative SHU and the fluctuation of financial ratios studied in this study is that the fluctuation of cooperative SHU can be influenced by the fluctuation of the financial ratios studied. If the liquidity, solvency and profitability ratios increase, then SHU can also increase. Conversely, if these ratios decrease, then SHU can also decrease. However, it should be remembered that the relationship between the fluctuation of cooperative SHU and the fluctuation of the financial ratios studied can be influenced by various other factors such as economic conditions, cooperative policies, and cooperative management.

Financial ratio analysis is an analysis instrument that explains various relationships and financial indicators, which are intended to show changes in financial conditions or past operating performance and help describe the trend of these change patterns, to then show risks and opportunities. So, to assess financial conditions and performance, a ratio can be used which is a comparison of the numbers contained in the financial statement items (Hendra, 2022).

2. Research Method

The research method used is quantitative descriptive to describe certain characteristics or phenomena using data that can be measured and analyzed statistically, where this study aims to provide a clear and systematic picture of an object or population being studied without changing existing conditions (Sugiyono, 2019).

The type of data used in this study is primary data which is a type of data collected directly from the source by the researcher himself. Primary data can be qualitative data (observation or document analysis) or quantitative (statistical analysis) and can be collected through various methods. In addition, there is secondary data Is data collected by other people or other institutions, not by the researcher himself. Secondary data can be data that has been published or this data already exists and can be obtained from various sources. In this study the author obtained data obtained from the financial report of the Usaha Manunggal cooperative, Seresam Village, Seberida District.

The stages in the data analysis technique in this study are as follows: collecting financial report data, analyzing financial performance using financial ratios in the form of liquidity ratios, solvency ratios and profitability ratios (Ridhahani, 2020).

The basis or criteria for selecting financial ratios, namely current ratio, debt to assets ratio, and return on assets (ROA) in measuring cooperative performance is that the selected financial ratios must be relevant to the research objectives and characteristics of the cooperative. In this case, the current ratio, debt to assets ratio, and return on assets (ROA) are selected because they can measure the liquidity, solvency and profitability of the cooperative. The selected financial ratios must be able to measure the financial performance of the cooperative effectively. The current ratio can measure the cooperative's ability to pay short-term obligations, the debt to assets ratio can measure the cooperative's ability to pay long-term

obligations and return on assets ROA can measure the cooperative's ability to generate profits. The selected financial ratios must be able to be calculated based on available data. In this case, the current ratio, debt to assets ratio, and return on assets (ROA) can be calculated based on generally available cooperative financial data.

The reason why the activity ratio is not included in this study is because of several reasons, namely this study focuses on measuring cooperative performance from the aspects of liquidity, solvency and profitability. The activity ratio focuses more on measuring the efficiency of asset and resource use, which is not the main focus of this study. The activity ratio requires more specific data on the use of assets and resources that may not be available in the cooperative's financial statements. This study prioritizes measuring cooperative performance from the aspects of liquidity, solvency and profitability which are considered more important in measuring the overall performance of the cooperative.

The accuracy of the cooperative's financial report data can be seen from the clear and registered status of the cooperative legal entity that has more accurate and transparent financial reports. In addition, independent audits can help ensure that the cooperative's financial reports are accurate and reliable. This will involve cooperative administrators who have knowledge and experience in finance. So it is important to implement an effective internal control system to ensure the accuracy of financial report data.

3. Result and Discussion

Calculation of the financial ratio of the Sawit Usaha Manunggal cooperative, Seresam Village, Seberida District, Indragiri Hulu Regency in 2018-2024

Liquidity Ratio

Table 1. Current ratio data at the sawit usaha manunggal cooperative in 2018-2024

Year	Current asset	Current Liabilities	Current Ratio (times)
2018	22.064.684.198	18.695.197.132	1,180
2019	25.087.845.156	19.675.397.542	1,275
2020	27.276.158.214	22.989.179.269	1,186
2021	29.519.312.136	27.236.528.386	1,083
2022	32.375.736.973	29.785.358.630	1,086
2023	32.820.538.366	31.048.247.155	1,057
2024	34.736.030.929	35.038.897.330	0,991

Source: Seresam Village Manunggal Palm Oil Cooperative, 2025

Based on table 1. above, it can be seen that the development of the Current Ratio at the Sawit Usaha Manunggal cooperative in 2018-2024 fluctuated every year, meaning there was an increase and decrease. In 2018-2019, the Current Ratio increased by 1.180 times and 1.275 times, this shows that the cooperative has sufficient current assets to pay its short-term liabilities. While in 2020-2024 the Current Ratio decreased, this requires adjustments to deal with unexpected financial situations.

Solvency Ratio

Table 2. Data on debt to assets ratio at sawit usaha manunggal cooperative in 2018-2024

Year	Total Debt	Total Assets	Debt to assets ratio (%)
2018	20.271.794.181	25.990.299.351	77,99
2019	23.625.024.308	29.621.955.907	79,76
2020	25.754.952.434	32.053.823.111	80,35
2021	27.789.732.747	34.342.747.002	80,92
2022	30.517.256.278	37.499.395.736	81,38
2023	32.992.691.155	41.214.536.170	80,05
2024	35.038.897.330	43.616.435.931	80,33

Source: Seresam Village Manunggal Palm Oil Cooperative, 2025

Based on table 2. above, it can be seen that the development of the Debt to assets ratio at the Sawit Usaha Manunggal cooperative in 2018-2024 has fluctuated every year, meaning that there is an increase and decrease. This shows that the cooperative has a fairly high level of debt compared to its assets. So it is necessary to monitor in managing its debt carefully to avoid higher financial risks and ensure the financial sustainability of the cooperative.

Profitability Ratio

Table 3. Return on asset data at sawit usaha manunggal cooperative in 2018-2024

Year	Net profit	Total Assets	Return on Asset (%)
2018	540.748.425	25.990.299.351	2,08
2019	460.036.278	29.621.955.907	1,55
2020	436.836.789	32.053.823.111	1,36
2021	389.228.750	34.342.747.002	1,13
2022	440.156.764	37.499.395.736	1,17
2023	371.603.348	41.214.536.170	0,90
2024	402.031.098	43.616.435.931	0,92

Source: Seresam Village Manunggal Palm Oil Cooperative, 2025

Based on table 3. above, it can be seen that the development of Return on Assets at the Sawit Usaha Manunggal cooperative in 2018-2024 fluctuated every year, meaning there was an increase and decrease. This shows that the cooperative has a low ability to generate profits from its assets, because the cooperative is more concerned with improving the welfare of its members or providing services to the community.

What are the main factors that cause Return on Assets (ROA) to always be low in cooperatives can be caused by several factors, including cooperatives may not use their assets efficiently, resulting in low income compared to the value of the assets owned. In addition, high operational costs can reduce cooperative profits, so that ROA becomes low. Low cooperative income can cause ROA to be low, especially if operational costs and other costs cannot be reduced.

4. Conclusion

Based on the data analysis that has been carried out, the following conclusions can be drawn from the research results adalah the financial performance of the Sawit Usaha Manunggal cooperative in Seresam Village, Seberida District, Indragiri Hulu Regency in 2018-2024 based on the results of the liquidity ratio analysis using the Current Ratio fluctuated every year, meaning there was an increase and decrease. This shows that the cooperative has a fairly high level of debt compared to its assets. So it is necessary to monitor in managing its debt carefully to avoid higher financial risks and ensure the financial sustainability of the cooperative.

Financial performance of the Sawit Usaha Manunggal cooperative, Seresam Village, Seberida District, Indragiri Hulu Regency in 2018-2024 based on the results of the solvency ratio analysis using the Debt to assets ratio where every year it always fluctuates every year, meaning there is an increase and decrease. This shows that the cooperative has a fairly high level of debt compared to its assets. So it is necessary to monitor in managing its debt carefully to avoid higher financial risks and ensure the financial sustainability of the cooperative.

Financial performance of the Sawit Usaha Manunggal cooperative in Seresam Village, Seberida District, Indragiri Hulu Regency in 2018-2024 based on the results of the profitability ratio analysis using Return on Assets that fluctuate every year, meaning there is an increase and decrease. This shows that the cooperative has a low ability to generate profits from its assets, because the cooperative is more concerned with improving the welfare of its members or providing services to the community.

The application of ratio analysis results can guide cooperative policies sustainably at the regional level, namely by identifying ratio analysis that can help identify the strengths and weaknesses of cooperatives in managing their finances and operations. Based on the results of the ratio analysis, cooperatives can develop strategies to improve their financial and operational performance such as increasing efficiency, reducing costs and increasing revenue. In addition, it can help cooperative administrators in making the right decisions to improve cooperative performance such as determining investment priorities, managing risks, and improving service quality.

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decisions to improve cooperative performance such as determining investment priorities, managing risks, and improving service quality.

The recommended managerial strategy to balance business sustainability and member welfare interests in the context of low profitability ratio is to increase efficiency and productivity can help reduce costs and increase profitability. This can be done by optimizing business processes, reducing unnecessary costs and improving the quality of human resources. In addition, improving service quality can help improve member satisfaction and increase revenue. Increasing transparency and accountability can help increase member trust and increase productivity, by developing an effective reporting system and improving communication with members. Furthermore, effective risk management by identifying risks, assessing risks, and developing strategies to reduce risks.

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