ProBisnis : Jurnal Manajemen, 14 (5) (2023) pp. 1-5

Published by: Lembaga Riset, Publikasi, dan Konsultasi Jonhariono

ProBisnis : Jurnal Manajemen

Journal homepage: www.jonhariono.org/index.php/ProBisnis

Financial Performance Analysis of PT Bank Perkreditan Rakyat

Yunita Eriyanti Pakpahan[1], Verawati Br Karo[2]

[1,2] Accounting Study Program, Quality University, Berastagi, Indonesia

ARTICLE INFO

Article history:

Received Sep 07, 2023
Revised Oct 13, 2023
Accepted Oct 23, 2023

Keywords:

Financial Performance;
BPR;
Financial

ABSTRACT

The end of the COVID-19 pandemic has brought significant changes to the banking world in achieving banking financial performance because this is closely related to the sustainability of businesses managed by customers. To see bank performance, it is necessary to analyze financial performance for the past, current, and future periods. This research aims to determine the financial condition based on liquidity ratios, solvency ratios, and profitability ratios at PT. Bank Rakyat Nusantara Bonapasogit 15 (BPR NBP 15) credit period 2020-2022. Field research method with a direct approach to the company that is the object of research. The results of this research explain the liquidity ratio, solvency ratio, and profitability ratio at PT. Bank Rakyat Nusantara Bonapasogit 15 (BPR NBP 15) credit for the 2020-2022 period is in a good category.

Corresponding Author:

Yunita Eriyanti Pakpahan,
Accounting Study Program,
Quality University, Berastagi, Indonesia
Jalan Peceran Desa Lau Gumba.
Email: yunitaeriyantipakpahan@gmail.com

1. INTRODUCTION

The company's financial performance is the company's ability or achievement in running its business which is financially stated in the financial statements. Besides that, the importance of excellent service to maintain good relations with customers is reflected in the company's financial statements (DAS Parawansa, 2017). We can see the financial performance of the company from the rapid increase in revenue which greatly affects the profit of the company. In this case, financial performance can be measured by financial statements, especially profit and loss, balance sheets, changes in equity, cash flow, and financial statement notes, so that you can know whether the company's financial performance is good or bad.

Financial performance is a description of the achievement of success within a company and can be interpreted as the results that a company has obtained from various operations that have been carried out and have been identified to what extent a company has used rules and regulations in carrying out finances properly and correctly (Fahmi, 2012).

Rural Banks (BPR) have a strategic role in the Indonesian economy. BPR can be said to be the spearhead of financing for small people who are not touched by commercial banks. This is because it provides relatively easy access to financing, although sometimes it is not cheap for small communities. Therefore, BPR plays an important role in the development of the Indonesian economy (Erwin et al., n.d.). As a financial institution with an intermediary function, BPRs are required to manage funds both collected and disbursed. To maximize profits, the management of third-party funds (DPK) must be efficient. Savings and deposits that generate interest expenses must be calculated as well as possible so that they can be minimized, while credit or loans as a source of income must be maximized (Nuryartono et al., 2012).

Profitability is the ability of a company to obtain profits related to sales, total assets, and own capital (Penyusun & Rahmadhani, 2011). So a ratio in assessing a company's ability to seek profit or profit. Based on this statement, bank profitability can be measured through several financial ratios, namely: Return On Assets, Return On Equity, Operating Costs (BOPO), and Net Profit Margin (NPM). ROA is referred to as economic profitability which is a measure of a company's ability to generate a profit with all the assets owned by the company. Therefore, a profit generated is profit before interest and taxes. This ratio shows the level of management efficiency in assets carried out by the company. The greater the ROA, the greater the level of profit and the better the position of a company in using assets.

Return On Equity is a ratio used to measure net profit obtained from managing capital that will be invested by the company owner. Meanwhile, BOPO is used to determine the level of efficiency and the bank's ability to sign profits by utilizing its operational costs. NPM is a ratio that shows a bank's ability to earn a net profit. This ratio compares net profit after tax to net sales. So that BPRs can continue to operate well and consistently, BPRs need to pay attention to the profits they earn, and a profitability ratio analysis is needed.

According to (Fahmi, 2012) the bank, it is an institution that connects funds with creditors, and also facilitates the flow of payments, and seeks profits from the business being carried out. Banks consist of Commercial Banks and Rural Banks. A Commercial Bank is a bank that carries out business activities based on conventional principles or Sharia principles whose activities are to provide services in cross-payments. Meanwhile, Rural Credit Bank (BPR) is a bank that carries out business activities using conventional or Sharia principles whose activities do not provide cross-payment services.

Table 1. NBP BPR Financial Ratios 15

	Information	Realization Th. 2018	Realization Th. 2019	Realization Th. 2020	Realization Th. 2021	Realization Th. 2022
1	Cash Ratio	9.57%	7.73%	14.43%	9.30%	7.87%
2	ROA	3.08%	2.99%	2.03%	2.91%	3.07%
3	LDR	56.05%	58.49%	56.88%	59.91%	63.94%

(Source: PT BPR NBP 15)

From the table above, it can be seen that there has been an increase and decrease in financial ratios. One of them is LDR (loan deposit ratio). This means that if liquidity is too high, the LDR is low, which means that the level of lending is small so profits are reduced because interest income on loans is less, while interest costs for third-party deposits increase, and the funds are idle (idle money). The higher the LDR ratio, the less liquid a bank is, meaning that the bank will have difficulty meeting its short-term obligations.

As a financial institution that functions as a mediator between entities that have excess funds and entities that need funds, the fund distribution function is then referred to as the credit distribution function. Credit is defined as one of the bank's instruments as an intermediation function that is affected by banking liquidity conditions. From a bank's perspective, credit is a type of fund placement with a long-term tenor, while third-party funds are a type of funding with a short-term tenor. Based on the tenor characteristics of the two types of bank products, the bank will need liquidity to fulfill these business activities. Without good liquidity, a bank will have difficulty achieving the credit distribution target that has been set. On the other hand, if the amount of credit distribution does not meet the target, it will have an impact on reducing the bank's income because covering most of the bank's operational costs, such as loan interest, usually comes from income from lending.

Liquidity is also one of the factors that determines a company's success or failure. Providing cash needs and the sources to meet these needs determine the extent to which the company bears the risk. To maintain the development of its business in increasingly fierce competition and respond to community needs, the management of the People's Credit Bank tries to manage funds so that it operates well. The implementation of increasingly professional Rural Bank management has become more effective and efficient. Based on the description of the background to the problem above, the

main problem in this research is what is the financial performance ratio including liquidity, solvency, and profitability of PT Bank Perkreditan Rakyat Nusantara Bona Pasogit every year.
Rural Credit Banks (BPR) are banks that carry out business activities conventionally or based on Sharia principles but do not provide services in payment traffic. According to the Republic of Indonesia Law article 1 paragraph 2 No. 10 of 1998 concerning banking defines that "Banks are business entities that collect funds from the public in the form of savings and distribute them to the public in the form of credit and/or other forms to improve the standard of living of many people."

The company's financial (Hulukati et al., 2022) performance, is a description of the financial condition of a company which is analyzed using financial analysis tools so that it can be known the good and bad financial condition of a company reflects work performance in a certain period. According to (Hutabarat, 2023) stated that: "Financial reports are the main or final result of an accounting process which becomes information material for its users as a material in the decision-making process and can also describe indicators of a company's success in achieving its goals." According to (Hutabarat, 2023) The parties who need financial reports are company leaders, creditors, investors, government, employees, and public accountants. According to (Purba et al., 2023) This type of financial report consists of several components such as a balance sheet which describes the company's financial position on a certain date, a profit/loss calculation which describes the total results, costs, and profit/loss of the company in a certain period, a report on the sources and use of funds and a flow report. cash.

Bank financial performance can be measured using financial ratios, including liquidity ratios, solvency ratios, and profitability ratios. Liquidity Ratio, which describes the company's ability to settle its short-term obligations. Solvency Ratio, which describes the company's ability to pay long-term obligations and its obligations if the company is liquidated. Profitability Ratio Is a ratio that shows the company's ability to obtain profits from users of its capital.

2. RESEARCH METHOD

To analyze the data, the researcher uses quantitative data analysis as a research method that describes descriptively the ratio analysis of PT. People's Credit Bank Nusantara Bonapasogit 15 with its head office in Kabanjahe with 2 Berastagi and Tiga Binanga branch offices and 3 cash offices, namely the Tiga Arrows, Brands, and Laubaleng cash offices for the period 2020 to 2022.

3. RESULTS AND DISCUSSIONS

A. Liquidity Ratio

Table 2. Comparison of Liquidity Ratios
PT BPR NBP 15 Year 2019-2021

Ratio	2019	2020	2021	Industry Average
Current Ratio	109,54%	108,23%	107,49%	200%
Cash Ratio	46,22%	48,00%	42,20%	30%

Source: PT BPR NBP 15 2019-2021 liquidity ratio

B. Solvency Ratio

Table 3 . Solvency Ratio Comparison
PT BPR NBP 15 Year 2019-2021

Ratio	2019	2020	2021	Industry Average
Debt Ratio	87,71%	88,74%	88,96%	35%
Debt Equity Ratio	2125,09%	1132,12%	1234,74%	90%

Source: PT BPR NBP 15 2019-2021 solvency ratio

C. Profitability Ratio

Table 4 . Comparison of Profitability Ratios
PT BPR NBP 15 Year 2019-2021

Ratio	2019	2020	2021	Industry Average
Gross profit margin	17,51%	12,63%	15,20%	30%
Net profit margin	61,71%	12,60%	16,09%	10%
Return On Investment	2,48%	1,68%	2,31%	30%
Return On Equity	60,02%	21,43%	32,13%	5%
Return On Asset	3,12%	2,04%	2,70%	0,5%

Source: PT BPR NBP 15 2019-2021 profitability ratio

4. CONCLUSION

Based on the analysis of financial statements using liquidity, solvency, and profitability ratios in assessing financial performance at PT. BPR NBP 15 from 2019 to 2021, it can be concluded that the level of liquidity in 2019 to 2021 is in a good category. The company's solvency level from 2019 to 2021 looks very good. Although it can be seen that every year there is a decrease and increase, both in terms of debt ratio and debt-equity ratio. The level of the company's profitability ratio from 2019 to 2021 as a whole also shows a fluctuating or erratic ratio from year to year.

This research is in line with research (Putra & Mulfa, 2022) that there were 4 Rural Banks that were in the very good category in Subang Regency during the study period, namely BPR Tutur Ganda, BPR Nusantara Bona Pasogit 28, BPR Bangun Arta, and BPR Subang. BPR Gede Arta Guna's ROA is in the very good criteria, as well as BPR Markoni Sarana Jaya whose average ROA is in the very good category. BPR Karya Utama West Java with good ROA.

Suggestion.

Based on the problems faced in calculating company performance, the advice given is for profitability ratios at PT. BPR NBP 15 must further develop its products and service quality, so that its profitability ratio increases from year to year, and can become a banking institution that is trusted by the local community, and can contribute to the world of banking.

REFERENCES

DAS Parawansa. (2017). A Moderating Effect of Commitment and Customers' Satisfaction on The Effect of Service Quality to the Customers' Perpetuation in People's Credit Bank (Bank. *International Journal of Economic Research*, *14*(2), 5–24. https://core.ac.uk/download/pdf/132584231.pdf

Erwin, K., Abubakar, E., Economic, I. M.-J. of A., & 2018, undefined. (n.d.). The Relationship of Lending, Funding, Capital, Human Resource, Asset Liability Management to Non-Financial Sustainability of Rural Banks (BPRs) in Indonesia. *Search.Ebscohost.ComK Erwin, E Abubakar, I MudaJournal of Applied Economic Sciences, 2018•search.Ebscohost.Com*. Retrieved August 10, 2023, from https://search.ebscohost.com/login.aspx?direct=true&profile=ehost&scope=site&authtype=crawler&jrnl=18436110&AN=135430406&h=xxrIzOSOQtMp9YManPRj2QhlWTntM%2FKvG99vIaMBdlVLqTyISSTZOAB8L%2BNkj3IlWSfSavedCR5rBwEVVUQMSA%3D%3D&crl=c

Fahmi, I. (2012). *Analisis kinerja keuangan: panduan bagi akademisi, manajer, dan investor untuk menilai dan menganalisis bisnis dari aspek keuangan*. http://library.stik-ptik.ac.id/detail?id=49247&lokasi=lokal

Hulukati, R., Amaliah, T., Review, A. L.-J. A., & 2022, undefined. (2022). Rekonstruksi Laporan Keuangan Penggilingan Padi Analisa Sesuai SAK EMKM Menggunakan Sistem. *Jar.Fe.Ung.Ac.IdRE Hulukati, TH Amaliah, A LukumJambura Accounting Review, 2022•jar.Fe.Ung.Ac.Id*, *3*(2), 78–88. https://jar.fe.ung.ac.id/index.php/jar/article/view/52

Hutabarat, M. F. (2023). *Analisa Laporan Keuangan: Perspektif Warren Buffet*. https://books.google.com.my/books?hl=id&lr=&id=j6nEEAAAQBAJ&oi=fnd&pg=PP1&dq=buku+analisa+laporan+keuangan&ots=ih9WkZ0lX7&sig=UHYonA00AILs1fqVLr7brymngd4

Nuryartono, N., Anggraenie, T., & Firdaus, R. S. (2012). Sustainability View project Seaweed farming and rural livelihoods in South Sulawesi, Indonesia View project Efficiency Level of BPR: Study of Stochastic Frontier Analysis with an Approach of Time Varying Decay. In *International*

Research Journal of Finance and Economics. http://www.internationalresearchjournaloffinanceandeconomics.com

Penyusun, N., & Rahmadhani, L. (2011). *Analisis Pengaruh CAR, Pertumbuhan DPK, Pertumbuhan Simpanan dari Bank Lain dan Suku Bunga SBI terhadap Pertumbuhan Kredit (Studi Kasus pada Bank*. http://eprints.undip.ac.id/29460/

Purba, R., Nugroho, L., Santoso, A., Hasibuan, R., & Munir, A. (2023). *Analisis Laporan Keuangan*. https://books.google.com.my/books?hl=id&lr=&id=U_GoEAAAQBAJ&oi=fnd&pg=PA1&dq=buku+analisa+laporan+keuangan&ots=44yAfGzTZd&sig=Jff80hLp3rVK5OpXuIkb-6YLxq8

Putra, Y., & Mulfa, D. (2022). *Analisis Kinerja Keuangan PT. Bank Perkreditan Rakyat Lengayang*. https://osf.io/qhjtb/download