RATIO LIQUIDITY ANALYSIS AND PROFITABILITY RATIOS FOR ASSESSING THE FINANCIAL PERFORMANCE (AT PT. BANK MANDIRI (PERSERO) TBK, DILI TIMOR LESTE)

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ABSTRACT

Researchers have taken the title of Liquidity and Rentability Ratio Analysis to Assess Financial Performance at PT. Bank Mandiri (Persero) Tbk Dili, Timor - Leste. In accordance with the problems in this study. The aim in this study, to investigate and analyze whether the liquidity ratio can measure the financial performance of banks and to know and analyze whether Rentability ratios measure the financial performance of banks in PT.Bank Mandiri (Persero) Tbk, Dili Timor Leste. Researchers to use quantitative approach and Analysis the ratio of the data documentation take From PT. Bank Mandiri (Persero) Tbk, Dili Timor Leste. Study the data and data analysis techniques. Researchers took two bank financial ratios to measure the financial performance of banks, consisting of the liquidity ratio and Rentability which the researchers collected, the raw data in the form of notes on the financial statements PT.Bank Mandiri (Persero) Tbk, Dili Timor Leste. from the year 2009 to 2013 , Based on the analysis of data the researchers concluded that in view of the liquidity ratio in the LDR in parentheses period of 5 years the average percentage of RR 13:33% and the average percentage of 89.4%. the percentage of the ratio neighbor Llikuiditas financial performance at PT Bank Mandiri in a good state. Thus the ratio of GPM Profitability on the average percentage of 48.06% and the average NPM percentage of 50.49%. the percentage of the bank's Rentability ratios in financial kinerjan stated in a safe condition

Key word: liquidity ratios, rentability, financial performance, bank mandiri

INTRODUCTION

Bank Financial is Institutions which collect funds from the people who kelebihanya funds and channeled back to the community that lack of credit. Bank functions as institution financial intermediaries to divert funds from the excess funds kepad parties who lack the funds, as well as providing other financial services. In other words, the bank acts as a distributor between peminjang and lenders.

Banks are concerned with the results that will get it from their investment activities, and also has an interest in helping people kesejateran government. Banks performs its functions as penhimpun funds and distribute funds for the community is very important to determine the success of a bank in achieving a high level of profitability, so the bank's financial performance is maintained. In this case the bank as an intermediary for customers with excess funds to customers that require funding. That activity of these banks can be berjalang well and attract customers, banks need to apply some strategic purpose as withdrawals for customers who are loyal to the bank, in terms of the ratio is the ratio Financial analysis related to the company's ability to pay debts or obligations known as liquidity ratio analysis. Besides, the liquidity necessary to meet credit demand filed by the debtor into the main deposit in the assessment of liquidity is the ability of the bank to return the funds to the customers' short-term nature, and drawn with nasaba to want and the rest of the profitability ratio. Profitability is the company's ability to generate profits for a certain period. Profitability of a company is measured by the success of the company and the ability to use assets productively, thus the profitability of a company can be determined by comparing the profits obtained in a period by the total assets or the amount of capital these companies.

The performance of a company can find the results of whether or not these companies. The function of the financial performance assessment is a tool for a company management in decision making process, also to show to the investors or customers or the public in general the company has a good credibility. If a company has good credibility, it will encourage investors to invest. To be able to know the performance of a company can be seen from the aspect of non-financial and financial aspects. From the aspect of non-financial performance can be determined by assessing the level of a clear division of functions and powers within its organizational structure, assess the quality level of its resources, assess the level of welfare of employees and their employees, assess the quality of its services, assess the level of trust of society to the company as well as to assess the level the company's concern surrounding social environment.

Assessment of performance through the non-financial aspects of relatively more difficult, because of the assessment depends on the assessment, to do an assessment of a person will be different from the result of the judgment of others. Thus, in the assessment of financial performance mostly use the financial aspects, and in general many to think that the state will reflect the state of seutunya. In general, financial performance assessment company multitude done using ratios to describe a relationship or consideration of a number tertentudengan other amounts, and by using analytical tools in the form of ratios which may or explain or give an overview to the analyzer about the good or bad things are or the financial position of the company especially if the ratio, especially compared to the ratio used as a standard. The main causes of the incident shortage company’s inability to pay such obligations are a result of the negligence of Management of the company in business. Then, the other cause is before the management company does not calculate financial ratios are given so as not to know that the actual condition of the company is already in a state can no longer because the value of money higher than the assets. Seandanya company has been analyzing the ratio associated with it, companies can find out easily the condition and position of the actual company. Then, the company may try to find a way out.

LITERATURE REVIEW

Financial Statements

Cashmere (2010: 66), reports keuanganadalah: one way to measure the performance of companies in a period. Kasmir (2012: 66), Financial Statement Analysis is to be aware of the financial position of the company today. By knowing the financial position, after in-depth analysis of the financial statements, will be seen whether the company can achieve the targets that have been planned in advance or not.

Harahap (2007: 105), the financial statements portray the financial condition and results of operations of a company at a certain time or a certain period of time. The type of financial statement that is commonly known is the balance sheet, profit / loss, or results of operations, cash flow statement, statement of changes in financial position.

Format of Financial Statements.

The financial statements were prepared by the company consist of some type, depending on the purpose and goals of these financial statements. Hanafi (2002: 16), there are three forms of financial statements which is commonly made by the company, namely: the income statement, balance sheet and cash flow statement.

Financial Statement Analysis

Financial statement analysis is a process of analysis of the financial statements, with the aim to provide additional information to users of financial statements for economic decision-making, so the quality of satisfaction that will be better taken Juliaty (2002: 24). Munawir (2007: 24), there are two methods of analysis used by each analyzer financial statements, namely the analysis of horizontal and vertical analysis. Bernstein's in Harahap (2007: 18), financial statement analysis performed for the following purposes: screening, understanding, forecasting, diagnosis and evaluation.

Profitability ratios

Profitability is to obtain maximum profit or gain. By because it is, in practice management company is required to be able to meet the targets set. That is a big advantage to be achieved in accordance with the expected profit does not mean origin. To measure the rate of profit a company, used the ratio of profit or profitability ratios, profitability ratios were also known.

Financial Performance

Financial performance is a tool to measure the financial performance of the company through the structure permodalan. Sugiono (2009: 65), the financial performance of the significant achievements of an enterprise in a given period to reflect the financial soundness of a particular udaha body and is used to show the results achieved positive. The financial performance of a company can be seen and measured by measuring the financial statements are available. Through the analysis of financial statements, financial condition and progress of the company and the results that have been achieved the company can be seen, both from the past as well as the running time in connection with the selection of strategic companies that will be applied. Sugiono (2009: 65), in terms of Management of finance, the company dikatakaan have good performance or not can be measured by: the company's ability to meet obligations akang maturity, the ability of the company to arrange financing structure, namely perbandingn between debt and capital, the company's ability to benefit, the company's ability to grow, and the company's ability to manage the assets of the maximal.

Munawir (2002: 31), the purpose of financial performance is knowing the liquidity, solvency, profitability and stability in paying its obligations. There is a performance measurement purposes, among others.

1. To determine the level of liquidity is the company's ability to meet financial obligations at the time billed.
2. To determine the level of solvency which shows the company's ability to meet financial obligations, if the company dilikuiditas both short term liabilities and long-term.
3. To determine the level of profitability that is mrnunjukan the company's ability to earn a profit for a certain period.
4. To determine the stability of that company's ability to perform its business with a stable measured by considering the company's ability to pay installments regularly to pemega shares without obstacles.

RESEARCH METHODS

Population

Arikunto (2002: 109) says that the population is the whole object of research. so the population in this study is the financial data on PT.Bank Mandiri (Persero) Tbk, Branch Dili Timor Leste for five years from 2009 to 2013

Sample

Hasan (1999: 12) says that the sample is part of a population which is considered to represent the population It so sample in this study is the financial data of the year 2009, up to 2013. taken in PT.Bank Mandiri (Persero) Tbk, Branch Dili Timor Leste.

RESULT AND DISCUSSION

Liquidity Ratio Analysis

To determine the level of liquidity in PT Bank Mandiri (PerseroTbk Branch Dili East Timor, which is used to measure the ratio of a bank's ability to pay short-term when jatuhtempo among others:

Loan To Deposit Ratio (LDR)

LDR is the ratio between the numbers of bank loans with funds received by the bank. Loand to deposit ratio states how much the bank's ability to repay depositors withdrawal of funds committed by relying on credit deberikan sources of liquidity. In other words, how much lending to credit customers can offset the obligations of the bank to meet the demands of its depositors segerah inging retract oth that has been used by banks to provide credit. the higher the ratio gives an indication of the ability of the lower liquidity of the bank concerned. This is largely attributable due to the amount of funds required to finance the loan becomes.

Based on the conditions set for the Indonesian bank LDR ratio of 110% or rated credit 0, meaning that the bank's liquidity is more deberi not sehat.dan value for LDR of 110% or less given a credit score of 100, meaning that liquidity is considered healthy.

From the calculation of the above directing that the LDR in 2009 amounted to 26.41%, 2010 was 12.34%, 2011 was 12.89%, 2012 amounted to 9.65% and in 2013 amounted to 5.36% of the comparison shows that the five periods be a significant slowdown in the LDR. This is because since 2006 the military crisis in Timir Leste so that PT Bank Mandiri (Persero) Tbk Branch Dili Timor Leste is no longer funds or the expansion of credit to customers. PT Bank Mandiri (Persero) Tbk Branch Dili Timor Leste only manage existing borrowers receive a loan before.

Average - Average for five of the period was 13.33%, which means that PT Bank Mandiri (Persero) Tbk Branch Dili Timor Leste views of the LDR showed healthy performance so that the bank can channel them back to customers in the form of credit amounting to 13, 33%.

Reserve Requerement or better known as the minimum required liquidity is a minumum deposit required to be maintained in the form of demand deposits in the bank or the bank Indonesian central to all banks.

Requerement (RR)

Requerement (RR) is 2% since the date of February 1996, sebesarnya RR 3% and in 1997 to 5% and as of February 2008 RR besrnya 8% to determine the Reserve Requerement can use the ratio of liquid assets, the definition of liquid assets in the ratio above consists of two things is the ratio of cash and deposits at central banks and / BCTL with total demand deposits, time deposits, certificates of deposit, savings other short-term liabilities.

From the calculation above shows that RR in 2009 amounted to 78.26%, 2010 was 89.26% 2011 90.8% 2012 amounted to 93.16%, and in 2013 amounted to 95.68,% from the comparison of five period seen that happen in the 2009 downturn, caused by changes in the period of the placement of funds from one month to over a month.

Profitability Ratio Analysis

To measure the level of profitability obtained by PT Bank Mandiri (Persero) Tbk Branch Dili East Timor, for five years 2009-2013, to seek a reciprocal relationship between the post - a post that exist on the income statement (income statement) as well as ties between posts - posts that exist on the balance sheet (balance sheet) at the bank concerned in order to obtain a variety of indicators to use profitability at PT. Bank Mandiri (Persero) Tbk Branch Dili, Timor Leste. The ratio to measure the level of profitability among others.

Gross Profit Margin (GPM)

Gross Profit Margin, this ratio is used to determine the percentage of profit in purely business activities and the relevant bank after deducting the cost - the cost. After doing penilitian of the year 2009 - 2013, to know every effort is 2009 of 16.07%, 2010 was 44.65%, 2011 was 63.15%, 2012 amounted to 63.43% and in 2013 amounted to 53.00% in the operation generating gross profit of 48.06% five years, it is because banks are not lending to customers and only manage existing borrowers earlier, and operating income results of income just a day - the day the bank's gross profits smaller. Bank Mandiri indicate safe operational performance, because the banks do not have a load.

Net Profit Margin (NPM)

Net profit margin ratio is a portrait level of profits the bank compared with income received from operations. This ratio can also measure the ability of the management of banks in managing productive assets to generate net interest income derived from interest income less interest expense. The greater this ratio, the increase in interest income on earning assets managed by the bank, so a slow lorises a bank in increasingly problematic conditions kecil.oleh therefore in calculating this component need to know first bersinya interest income and the average - average productive assets owned by banks for five year amounted to 50.49%. Net interest income is the year 2009 amounted to 49.24%, 2010 was 47.48%, 2011 was 44.94%,

2012 amounted to 61.00%, and 49.80% in 2013 amounting to generate net income and operational activities principally, after research from years 2009 - 2013 in the percentage of net profit by the bank experienced ups and downs because up and down the operational costs higher than business income, the bank experienced a revenue climbed down.
As with the calculation of the ratio of NPM also refer to the operating income of banks which are mainly derived from lending activities, which in practice has a wide range of risks such as credit risk (non-performing loans and bad credit, it can be seen in net interest income during the five periods decreased as a result independent banks did not deliver loans to customers, and expand only independent bank debtors previously. Although independent banks average earnings - average period of five years, only 50.49% of banks still show the performance of the fund depositors safe, because banks do not have a load.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

1. Results of the liquidity ratio analysis condition of financial performance. Bank Mandiri (Persero) Tbk, for five years starting from the year 2009 to 2013 in terms of the Loan Deposit Ratio of 2009 amounted to 26.41%, 2010 was 12.34%, 2011 was 12.89%, 2012 amounted to 9.65% and in 2013 amounted to 5.36% in the discussions that the Loan Deposit ratio increased in 2009 and a decrease from the year 2010-2013, the liquidity of the Bank Mandiri (Persero) Tbk branch Dili Timor Leste indicate financial performance at that time still baik. Conclusion that independent banks in the current financial performance is still good due to the bank's liquidity is guaranteed, for third-party funds deposited in the bank independent.
2. Reserve Requirement of 2009 amounted to 78.26%, 2010 was 89.26% 2011 90.8% 2012 amounted to 93.16% and in 2013 amounted to 95.68%, therefore, it can be seen that the Reserve Requirement PT. Bank Mandiri (Persero) Tbk branch Dili Timor Leste, has decreased in 2010, 2011 and 2013, and also increased in 2012. Hai This shows that the Reserve Requirement Bank Mandiri below average - average 89.4% with less independent bank performance iti either because of sub-standard BCTL
3. Profitability Ratios of the year 2009 there are changes in the value of income from year to year. Groos Profit Margin 2009 gain of 16.07% and 2010 profits jumping by 44.65% and in 2011 rose to 63.15%, and in 2012 settled 63, 43% and in 2013 decreased to 53.00%. so the advantages Groos Profit Margin of the year 2009 - 2013 the average - average of 48.06%.
4. Net Profit Margin from the year 2009 to 2013 there are changes in the value of income from year to year 2009 amounted to 49.24% and in 2010 increased by 47.48% and in 2011 menurung be 44.94% and in 2012 again rose to tahin 61.00% and in 2013 back down to 49.80%, so net profit margin from the year 2009 to 2013 the average - average 50.49%.

Suggestion

1. It is expected that the management of PT. Bank Mandiri (Persero) Tbk Branch Dili, Timor Leste, perform and put the excess funds in the lucrative field and have this level of security.
2. It is expected that the management of PT. Bank Mandiri (Persero) Tbk Branch Dili, Timor Leste, always be to maximize on the use of total assets and capital sector in an effort unruk increase profit achievement.

3. It is expected that the management of PT. Bank Mandiri (Persero) Tbk Branch Dili, Timor Leste, maintaining above capabilities in an effort to maintain the quality of capital, to establish good relations with the Holders of shares and maintain profit / loss, capital sector seta added to the retained earnings of the profit. Revenue is known that the net profit margin PT. Bank Mandiri (Persero) Tbk Branch Dili Timor Leste, during the five years of a five-year rise, although revenue from daily operational only where the average - average net profit margin for five years at 55.75%, this shows that PT. Bank Mandiri (Persero) Tbk Branch Dili East Timor, can practice obtain acceptable level of profit from operations.

Recommendation

Based on the research results, the authors recommend to the PT. Bank Mandiri Dili Timor Leste in order to further improve the liquidity ratio and profitability, especially in the ratio, RR, LDR, GPM and NPM, should maintain better increase the ratio, in order to be strong for the sake of the future of PT. Bank Mandiri and the peoples of Timor Leste.

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