

## ***Acquisition of Source And Use of Capital Work By Analyzing Financial Report***

### **Perolehan Sumber Dan Penggunaan Modal Kerja Dengan Menganalisis Laporan Keuangan**

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#### **ABSTRACT**

*This study aims to determine the sources and uses of working capital by analyzing the financial reports of the Padang Bulia Traditional Village LPD. The data used in this study are balance sheet data and financial reports obtained directly from the Padang Bulia Traditional Village LPD. This research method is a horizontal method used to compare company financial reports from different years, namely the 2018- 2022 period. Analysis of sources and uses of working capital is a very important financial analysis for companies/business entities. The results of this analysis show that the analysis of the sources and use of working capital LPD Padang Bulia Traditional Village for the 2018-2022 period has been effective and efficient with increases and decreases in working capital must be the same in reports on changes in working capital, reports on sources and use of working capital, liquidity ratios and working capital turnover ratio.*

**Keywords:** Sources and Use of Working Capital; Financial report

#### **ABSTRAK**

*Penelitian ini bertujuan untuk mengetahui sumber dan penggunaan modal kerja dengan menganalisis laporan keuangan LPD Desa Adat Padang Bulia. Data yang digunakan dalam penelitian ini adalah data neraca dan laporan keuangan yang didapat langsung pada LPD Desa Adat Padang Bulia. Metode penelitian ini adalah metode horizontal yang digunakan untuk membandingkan laporan keuangan perusahaan dari tahun yang berbeda yaitu periode 2018-2022. Analisis sumber dan penggunaan modal kerja merupakan analisis keuangan yang sangat penting bagi perusahaan/badan usaha. Hasil dari analisis tersebut menunjukkan bahwa analisa sumber dan penggunaan modal kerja LPD Desa Adat Padang Bulia untuk periode 2018-2022 sudah efektif dan efisien dengan kenaikan dan penurunan modal kerja harus sama pada laporan perubahan modal kerja, laporan sumber dan penggunaan modal kerja, rasio likuiditas dan rasio perputaran modal kerja.*

**Kata kunci :** Sumber dan Penggunaan Modal Kerja; Laporan Keuangan

## **1. Introduction**

In this globalization technology, the development of the business world is also increasingly rapid. The rapid development of the business world causes the level of competition between companies to increase. To maintain the survival of the company in the face of increasingly high competition with other companies, good and disciplined handling and management of resources is needed by the company management. Apart from that, managers are required to be able to coordinate the use of all resources owned by the company efficiently and effectively, and to be able to produce decisions that can manage these information sources to achieve company goals in the future. In carrying out its work, every company always needs a certain amount of funds or what is usually called capital.

According to Syam (2014), capital is a right owned by a company through the remaining financial assets after deducting its liabilities. Capital in a company has a very crucial role, because it is needed for the establishment and operation of the company. Therefore, the success or failure

of a company's work is determined by capital. This capital plays an important role as a right or share owned by the company. The capital owned by companies varies according to the type of business carried out by each company. Thus, proper capital management is needed, namely management that can limit the amount of funds allocated for each capital according to the company's business field.

Sources of working capital in a company can be obtained through the activities of a company which can cause changes in the elements of fixed assets, long-term debt and own capital which can increase working capital which is a source of working capital. According to Kasmir (2019), increases and decreases in working capital can be caused by a company's financial activities, namely an increase in capital (increase in owner's capital or profit), a reduction in fixed assets (sale of fixed assets), an increase in debt. On the other hand, changes in fixed assets, long-term debt and own capital that reduce working capital are a use of the company's working capital. The source of capital is greater than the use, meaning there is an increase in working capital, conversely if the use is greater than the source, it means there is a decrease in working capital. The amount of working capital should be in accordance with needs, hence the efficient use of capital and the elements of working capital itself. It is hoped that the working capital that has been spent will return to the company within a short period of time through the proceeds from sales of its production. Then the income received will be spent again to finance further operations.

The Village Credit Institution is a financial institution owned and managed directly by a traditional village which functions as a forum for accommodating traditional village wealth in the form of money, securities and pooled funds from the village community which can be managed effectively and efficiently to improve the economy. As a financial institution that in carrying out its business activities requires funds in the sense of working capital. Having sufficient working capital is very important for Village Credit Institutions (LPD) so that they can operate as economically as possible and so that they do not experience financial difficulties, so that concentration can be focused on achieving even higher levels, because the role of working capital is so important, it should receive special attention. the main thing of a manager. Mistakes or mistakes in managing working capital will cause a decline in the company's financial condition so that company activities are hampered or stopped completely.

The Padang Bulia Traditional Village credit institution is one of the LPDs in Sukasada District. This LPD was founded on Thursday, April 22 1989, at that time the Padang Bulia Traditional Village LPD had initial capital of 2 million rupiah. based on the provisions/decisions of the Padang Bulia Traditional Village LPD. Which states that the LPD belonging to the Traditional Village/Krama Desa is a forum/village wealth which aims to support and improve the standard of living of the community as well as provide capital to the people/karma of the Padang Bulia Traditional Village to create a business. During its journey, the Padangbulia Traditional Village LPD, led by Nyoman Dasi, experienced problems, including bad credit, mismanagement and irregularities, leading to liquidity difficulties and the LPD being unable to pay its obligations to customers, ultimately the LPD collapsed/went bankrupt. Due to these conditions, the traditional prajuru took action under the command of Kelian I Ketut Rena to take steps to save the LPD by replacing all the administrators. The change of new management had a positive impact on the LPD as it slowly began to recover and over time the LPD began to gain the trust of the community. Now the Padang Bulia Traditional Village LPD has 7 employees, including 3 people in the credit department, 3 people in the savings and deposit department and 1 person in charge of managing other people's funds. The Padang Bulia Traditional Village LPD has management consisting of 3 administrators, namely Pemucuk, Penyarikan, and Petengen. Activities in implementing work programs at LPD to date, we have a

program, called the savings

## 2. Methods

The type of data used in this research in terms of the problems studied is quantitative data. Quantitative data is data in the form of numbers or qualitative data that is calculated, in this research the quantitative data consists of capital, which is sourced from the financial reports of the Padang Bulia Traditional Village LPD for the period 2018 to 2022. In this research, remember that the data used is quantitative, so the data used in this research is secondary data, which means that the data obtained comes from financial report documents, balance sheets, and profit/loss reports from 2018-2022 obtained from Padang Bulia Traditional Village LPD.

### 1) Observation

This is a data collection technique by conducting direct observations on research objects and systematically recording all activities within the Village Credit Institution (LPD) of the Alap Sari Traditional Village, Jinengdalem Village with the aim of obtaining more objective data.

### 2) Documentation

This is a data collection technique obtained by looking at documents, financial reports of the Village Credit Institution (LPD) of Alap Sari Traditional Village, Jinengdalem Village, such as balance sheets, profit/loss reports.

### 3) Interview

This is a data collection technique by conducting direct questions and answers with the parties concerned to obtain information and sources that support data completeness.

The analysis technique used in this research is quantitative descriptive. Descriptive is a description of an object as it is at a certain time. Quantitative data that can be processed and measured in the form of numbers and described thoroughly according to the problem to be solved. The data analysis tools used in this research are:

- 1) Analyze the sources and use of working capital, namely by making a report on the sources and use of working capital.
- 2) Analysis of liquidity ratios consisting of the Quick Ratio and Current Ratio. The liquidity ratios measured using the following formula:

#### a) Quick Ratio

Quick Ratio is current assets minus inventory divided by current liabilities. The formula used is as follows:

$$\text{Quick Ratio} = \frac{\text{Current Asset} - \text{Inventory}}{\text{Current Liabilities}}$$

According to Kasmir (2018) states that "the quick ratio is a ratio that can show a company's ability to fulfill or pay current obligations or debts using current assets without taking into account the value of its inventory". The standard that can state this ratio is liquid, namely 1 times.

#### b) Current Ratio

Current Ratio is current assets divided by current liabilities to pay short-term needs. The formula used is as follows

$$\text{Current Ratio} = \frac{\text{Current Asset}}{\text{Current Liabilities}}$$

According to Kasmir (2018), "the current ratio is one way to measure a company's ability to pay current debts that are due soon using its current assets. The standard that can state this ratio is liquid, namely 1 times.

c) Working Capital Turnover

Working capital turnover is a ratio between sales and working capital. A high working capital turnover can indicate the greater ability of a company to obtain maximum profits through sales and will ultimately increase the company's profitability. The standard that can state this ratio is liquid, namely 1 times.

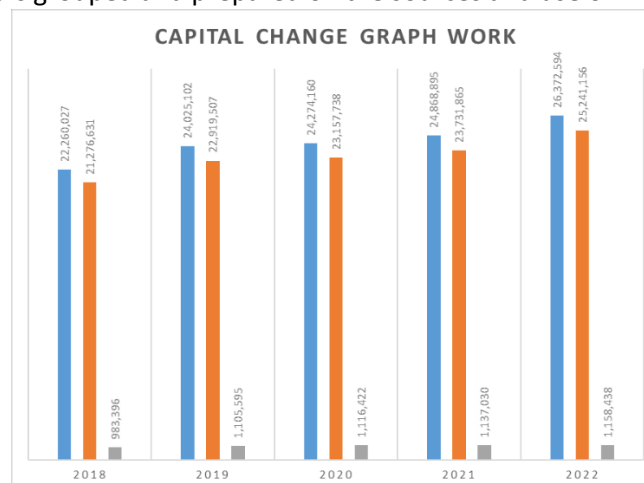
The formula used is as follows:

$$\text{Working Capital Turnover} = \frac{\text{Total Sales}}{\text{Average Current Asset}}$$

### 3. Results and Discussion

#### Research Result

To create a report on the sources and use of working capital, a balance sheet comparison report is first presented between the two points in time to be analyzed. From the balance sheet comparison report, a report on changes in working capital will be prepared and Non Current Account elements can be analyzed which have the effect of increasing and decreasing working capital. Next, a report is grouped and prepared on the sources and use of working capital.



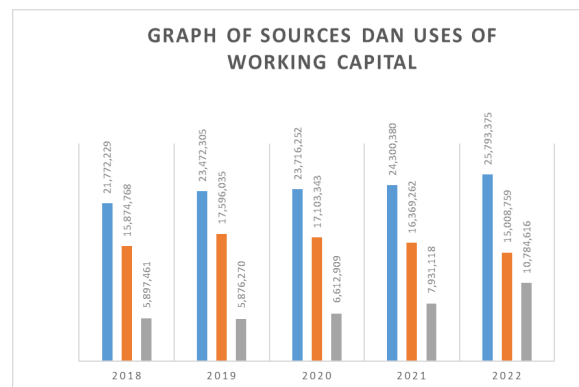
Blue : Total Asset, Orange : Liability Amount, Grey : The Difference In The Amount Of Assets and Liabilities

Based on the graph of changes in working capital above, changes in working capital occur due to transaction operations in a company. Changes in working capital are greatly influenced by the number of assets and liabilities working in a company. Supported by table 1 in the attachment, for the 2018 period the total assets owned by a company were IDR. 22,260,027,000, the amount of liabilities owned is 21,276,631,000, the difference in the amount of assets and liabilities can cause a difference in changes in working capital of Rp. 938,396,000 with a percentage change in working capital of 1.046%. Then in the 2019 period the total assets owned by a company amounted to Rp. 24,025,102,000, the amount of liabilities owned is 22,919,507,000, the difference in the amount of assets and liabilities can cause a difference in changes in working capital of Rp. 1,105,595,000 with a percentage change in working capital of 1.048%. Continuing with the 2020 period, the

number of assets owned by a company is IDR. 24,274,160,000, the amount of liabilities owned is 23,157,738,000, the difference in the amount of assets and liabilities can cause a difference in changes in working capital of Rp. 1,116,422,000 with a percentage change in working capital of 1.048%. However, a decrease in working capital occurred in the 2021 period with the percentage change in working capital decreasing to 1.047% with the total assets owned by a company amounting to Rp. 24,868,895,000, the amount of liabilities owned is 23,731,865,000, the difference in the amount of assets and liabilities can cause a difference in changes in working capital of Rp. 1,137,030,000. And the decrease in working capital occurred again in the 2022 period with a percentage change in working capital of 1.045% with total assets owned by a company amounting to Rp. 26,372,592,000, the amount of liabilities owned is 25,241,156,000, the difference in the amount of assets and liabilities can cause a change in working capital of Rp. 1,158,438,000.

According to Sodikin and Riyono (2014) stated that "capital change reports are financial reports that present structured financial information regarding changes in company capital due to company operations and transactions with owners in a certain accounting period. Based on the graph of changes in working capital above for the 2018-2022 period, the number of assets and liabilities, changes in working capital and percentage changes in working capital are different in each period, this indicates that there are operations and transactions in a company where assets and liabilities have an important role in activities. the company. The 2022 period is the period that has the largest total assets and liabilities compared to the previous year, namely total assets of Rp. 26,372,592,000 and the amount of liabilities owned is 25,241,156,000 with a change in working capital of Rp. 1,158,438,000 with a percentage change in working capital of 1.045%. However, the size of the asset and liability figures is not a benchmark for the percentage change in working capital that occurred, the 2019 period with the highest percentage change in working capital, namely 1.048% with the total assets owned by a company amounting to Rp. 24,025,102,000, the amount of liabilities owned is 22,919,507,000, the difference in the amount of assets and liabilities can cause a change in working capital of Rp. 1,105,595,000.

We can see that company assets can be obtained from a collection of assets and liabilities, assets are all sources of wealth by an entity owned by a company and liabilities are obligations paid by the company to third parties. Current assets consist of cash, savings, deposits and loans and fixed assets consist of CPRR, acquisition price, accumulated depreciation and types of assets. The liabilities of a company are generally obtained from current liabilities and own capital, current liabilities consist of mandatory savings and time savings, and for own capital it consists of paid-in capital, general reserves, last year's profit and loss and current year's profit and loss. The existence of asset and liability activities can cause changes in the working capital of a company in the form of an increase or decrease in working capital. The greater the assets owned by a company, the greater the change in working capital in a company, whereas the greater the liabilities held. by a company, the smaller the change in capital that will occur in a company.



*Blue : Source Of Capital, Orange : Use Of Capital, Grey : Increas Of Working Capital*

Based on the source and use of working capital graph above, it can be seen the source of working capital, use of working capital and increase in working capital for the 2018-2022 period supported by data presented in the form of a table of sources and use of capital contained in tables 5-9 in the attachment. In the 2018 period, the Padang Bulia Traditional Village Village Credit Institution (LPD) experienced an increase in working capital of IDR. 5,897,461,000. This is because the amount of working capital is greater than the amount of working capital used in that period. The total source of working capital is IDR. 21,772,229,000 while the total use of working capital sources is Rp. 15,874,768,000. In the 2019 period, the Padang Bulia Traditional Village Village Credit Institution (LPD) experienced an increase in working capital of IDR. 5,876,270,000.

This is because the amount of working capital is greater than the amount of working capital used in that period. The total source of working capital is IDR. 23,472,305,000, while the total use of working capital sources is Rp. 17,596,035,000. In the 2020 period, the Padang Bulia Traditional Village Village Credit Institution (LPD) experienced an increase in working capital of IDR. 6,612,909,000. This is because the amount of working capital is greater than the amount of working capital used in that period. The total source of working capital is IDR. 23,716,252,000, while the total use of working capital sources was Rp. 17,103,343,000. In the 2021 period, the Padang Bulia Traditional Village Village Credit Institution (LPD) experienced an increase in working capital of IDR 7,931,118,000. This is because the amount of working capital is greater than the amount of working capital used in that period.

The total source of working capital is IDR. 24,300,380,000, while the total use of working capital sources is Rp. 16,369,262,000. In the 2022 period, the Padang Bulia Traditional Village Village Credit Institution (LPD) experienced an increase in working capital of IDR. 10,784,616,000. This is because the amount of working capital is greater than the amount of working capital used in that period. The total source of working capital is IDR. 25,793,375,000, while the total use of working capital sources is Rp. 15,008,759,000.

According to Jumingan (2008) states that "working capital can come from various sources", such as: Net income, namely working capital obtained from the sale of goods and other results which increase cash and receivables, profits from the sale of securities, namely letters valuable as one of the items of current assets that can be sold, sale of fixed assets, long-term investments, and other non-current assets, namely another source to increase working capital from the proceeds from the sale of fixed assets, sale of bonds and shares as well as fund contributions from owners, namely bonds and shares , some loan funds are obtained from bankloans and short-term loans. Meanwhile, the use of working capital. According to Jumingan (2008) states that "the use of working capital is in the form of short-term expenses and short- term debt payments, there is

private use that comes from profits, business losses that require cash outlays and repayment of long-term debt and repurchase of company shares."

Padang Bulia Traditional Village LPD has sources of working capital obtained from savings, time deposits, various assets, authorized capital, general reserves, CPRR, accumulated depreciation and profit and loss for the current year, then the use of working capital in the form of loans, fixed assets and inventory, and various assets. Based on the graph above which is presented in accordance with the table in the attachment, the largest increase in working capital sources for the Padang Bulia Traditional Village LPD occurred in the 2022 period amounting to IDR. 10,784,616.00, this increase was supported by the largest source of working capital owned by the Padang Bulia Traditional Village LPD amounting to Rp. 25,793,375,000 with details of capital source accounts in the form of savings of Rp. 10,014,130,000, term savings Rp. 11,257,320,000, authorized capital Rp. 4,500,000, general reserves Rp. 3,581,781,000, CPRR Rp. 332,566,000, accumulated depreciation Rp. 246,653,000 and profit and loss for the year Rp. 356,425,000, this increase is also supported by the least use of working capital, namely in the 2022 period with details of accounts for the use of working capital sources in the form of loans granted of Rp. 11,632,483,000, fixed assets and inventory Rp. 726,107,000 and various assets Rp. 2,650,169,000.

The greater the source of capital owned by a company, the greater the increase in working capital obtained by a company, if the greater the use of working capital in a company, the smaller the increase in working capital obtained by a company, of course every company will expect an increase in working capital in each period, therefore the company uses its working capital as effectively and efficiently as possible and increases its working capital through its working capital source accounts.

## **Discussion**

The analysis of the sources and use of working capital of the Padang Bulia Traditional Village LPD for the 2018-2022 period is in line with the Research Analysis of the sources and use of working capital of the Sulanyah Traditional Village LPD for the 2012-2014 period which states that the use of working capital is used for granting loans, fixed assets and inventory, as well as various assets.

Based on the equations regarding the research above, it is supported by a graph of sources and use of work which is supported by a report on sources and use of working capital which is presented in table form which can be found in the attachment. This increase in working capital in the 2018-2022 period was due to the amount of working capital being greater than the amount allocated for the use of working capital in that period.

According to Jumingan (2008) states that "working capital can come from net income, namely working capital obtained from the sale of goods and other results which increase cash and receivables". The sources of working capital for the Padang Bulia Traditional Village LPD for the 2018-2022 period come from savings. The increase in the amount of savings is a collection of funds from the community or customers which can increase the capital resources of the Padang Bulia Traditional Village LPD. The amount of savings for the 2018-2022 period has increased and decreased every year. with the highest amount of savings in 2022.

**Term savings** The increase in the number of term savings can also increase the working capital sources of the Padang Bulia Traditional Village LPD, term savings are a collection of funds from the community with a certain interest rate and can be withdrawn within a specified time period. **Miscellaneous liabilities** The increase in various liabilities is a source of working capital for the Padang Bulia Traditional Village LPD due to changes in capital from third parties. **Basic capital**

The increase in basic capital is a source of working capital for the Padang Bulia Traditional Village LPD. The amount of authorized capital in 2018-2022 has a fixed amount and there is no increase in authorized capital because income continues to increase, resulting in a profit for the company. General reserves are reserves formed from the allowance for retained profits or net profits, so that profits can increase the source of working capital at the Padang Bulia Traditional Village LPD. Doubtful Loan Reserve or CPRR is a fund established to address credit risk. Accumulated depreciation The increase in accumulated depreciation is the total amount of assets depreciated over a certain period of time. Profit and loss for the year Profit and loss for the year is the profit earned by a company in one period, usually one year. Profit and loss for the current year can increase the source of working capital at the Padang Bulia Traditional Village LPD.

According to Ahmad (2005) states that "the use of working capital will be able to influence changes in the size of the amount of current assets owned by a company, but the use of current assets is not always followed by changes in the size of the company's working capital". The use of working capital for the Padang Bulia Traditional Village LPD for the 2018-2022 period is generally used to meet needs in company operations and activities. Loans provided, Providing loans can reduce working capital at the Padang Bulia Traditional Village LPD. Providing loans to customers is accompanied by the delivery of collateral for a certain period of time in accordance with the agreement between the customer and the debtor. Fixed Assets and Inventory are tangible things used for the company's operational activities for a period of more than one year, in the form of land, buildings, equipment and supplies, vehicles, and others. Miscellaneous Assets are assets other than cash, the existence of these various assets can reduce the working capital of the Padang Bulia Traditional Village LPD.

From the 2018-2022 period, the Padang Bulia Traditional Village LPD experienced an increase in working capital each period. The average working capital of the Padang Bulia Traditional Village LPD for the 2018-2022 period increased by 1.3%. With this increase in working capital, the Padang Bulia Traditional Village LPD can operate economically or efficiently and the LPD will not experience financial difficulties. Apart from that, an increase in working capital will provide benefits, one of which is protecting against the threat of a working capital crisis due to a decrease in the value of current assets, making it possible to pay all obligations on time, making it possible for companies to provide better credit terms. profitable for its customers, and allows companies to operate more efficiently because there is no difficulty in obtaining the goods or services needed (Munawir, 1986: 116). The results of the Analysis of Sources and Use of Working Capital of the Padang Bulia Traditional Village LPD are clearer and more complete and can be seen in the attachment.

### Liquidity Ratio Analysis

#### 1. Current Ratio

Years	Current Asset	Current Liabilities	Current Ratio
2018	20,045,018	18,426,614	1.09
2019	21,331,042	19,594,115	1.09
2020	21,586,405	19,697,814	1.10
2021	21,106,860	19,944,802	1.06
2022	22,417,099	21,271,450	1.05

According to I Made Sudana (2015) stated that "the current ratio is one way to measure a company's ability to pay current debts using its current assets. In line with research into Working



Capital Analysis, the Current Ratio, Quick Ratio and Cash Ratio on the Indonesian Stock Exchange have similarities in the formula for calculating the current ratio by dividing current assets by current debt owned by the company, but differ in the standard current ratio held.

Based on the table above, it shows that the company's current ratio value for the 2018-2022 period shows that the current ratio value owned by the Padang Bulia Traditional Village LPD is declared to be liquid in financing its current debt in accordance with the standard current ratio value, namely 1 times, if the results of calculating the current ratio exceed from 1 time, it shows the company's good ability to pay all its short-term debts with the current assets it has so that there is little risk of delay. According to Kasmir (2018) states that "the current ratio is a ratio to measure a company's ability to pay short-term obligations or debts that are immediately due when they are collected in full."

So from the calculation of the current ratio for the 2018-2022 period at the Padang Bulia Traditional Village LPD, it can be seen that there has been an increase and decrease in the value of the ratio caused by changes in the value of current assets and current liabilities. It can be seen that in the 2018 period the ratio value was 1.09 times, then it remained in 2019 with the same amount of 1.09 times, the ratio value increased to 1.10 in 2020, then decreased in 2021 to 1.06 times and decreased again in 2022 to 1.05 times, with a ratio figure that has exceeded the standard value, this indicates that the Padang Bulia Traditional Village LPD has been able to pay its current debts with all the current assets it owns. According to the book Syafrida Hani (2015) states that "Current Ratio is a measuring tool to assess a company's ability to pay debts which must immediately be met using more liquid current assets".

## 2. Quick Ratio

Years	Current Asset	Inventory	Current Liabilities	Qucik Ratio
2018	20,045,018	705,536	18,426,614	2.00
2019	21,331,042	719,535	19,594,115	2.13
2020	21,586,405	718,252	19,697,814	2.15
2021	21,106,860	742,047	19,944,802	2.11
2022	22,417,099	726,107	21,271,450	2.24

According to Kasmir (2018) states that "the quick ratio is a ratio that can show a company's ability to fulfill or pay current obligations or debts using current assets without taking into account the value of its inventory". In line with research on the Analysis of Sources and Use of Working Capital in Increasing Liquidity in the Sunny Meuble Furniture Business in Metro City, this research also discusses the application of the quick ratio in measuring the level of liquidity of a company.

Based on the table above, it shows that the company's quick ratio value for the 2018-2022 period shows that the current ratio value owned by the Padang Bulia Traditional Village LPD is declared to be liquid because basically this ratio is used to test how much the company has assets to pay off all its obligations, in general in accordance with The standard quick ratio value is 1 times, if the quick ratio calculation result is more than 1 times then it can be ensured that the company's ability is good in paying all its short-term debts with the assets it owns so as to minimize the risk of delays in paying these obligations, according to Irfham Fahmi (2011) states that "The Quick Ratio is often referred to as the quick ratio. The quick ratio is a more thorough measure of short-term solvency compared to the current ratio because the numerator eliminates inventory which is considered a slightly illiquid current asset and is likely to be a source of loss.

From the calculations above, it is known that the quick ratio value for the 2018-2022 period

experienced increases and decreases caused by changes in current assets, inventories and current liabilities owned by the company. The quick ratio value in 2018 was 2.00 times, then increased in 2019 to 2.13 times, the increase occurred again in 2020 to 2.15 times, but decreased in 2021 to 2.11 times and experienced a fairly high increase with a ratio value of 2.24 times in In 2022, based on the quick ratio calculation, it is stated that the LPD of Padang Bulia Traditional Village in paying its short-term debt is good and is declared liquid because it is above the standard value Cash Turnover

### 3. Ratio Analysis

Years	Current Asset	Current Liabilities	Net Working Capital
2018	20,045,018	18,426,614	1.61
2019	21,331,042	19,594,115	1.73
2020	21,586,405	19,697,814	1.88
2021	21,106,860	19,944,802	1.16
2022	22,417,099	21,271,450	1.14

According to Bambang Riyanto (2001) states that "working capital turnover is a ratio between sales and working capital". Based on the table above, it shows that the net working capital ratio value of the Padang Bulia Traditional Village LPD for the 2018-2022 period shows that the net working capital ratio value of the Padang Bulia Traditional Village LPD is stated to be very good and liquid, because the difference between current assets and liabilities has exceeded The industry standard value for this ratio is 1 times. If you want to increase the net working capital ratio, you must pay off company debt more often and encourage sales within the company. If the net working capital ratio is below the industry standard value, then the company is threatened with bankruptcy. According to Kasmir (2012) states that "Working Capital Turnover is a comparative ratio to measure or assess the effectiveness of a company in using its working capital during a certain period".

From the calculation of the net working capital ratio for the 2018-2022 period, it can be seen that, in 2018 net working capital was 1.61 times, then in 2019 it increased to 1.73, followed by an increase in 2020 to 1.88, while in 2021 it decreased to 1.16 times and again there will be a decrease in net working capital in 2022 to 1.14 times, this indicates that the value of the net working capital owned by the Padang Bulia Traditional Village LPD is good because it is already above the standard, namely 1 time. According to Kasmir, 2008 states that "Working capital turnover is defined as investment invested in current assets or short-term assets, such as cash, banks, securities, receivables, inventories and other current assets

### 4. Conclusions

Based on the analysis that has been put forward it can be concluded as follows:

1. The results of the analysis of sources and use of working capital in increasing the company's working capital have increased in the 2018-2022 period, there is no decrease in working capital in this period because it is supported by the large capital sources owned by the Padang Bulia Traditional Village LPD compared to the working capital allocation of the village LPD Padang Bulia Customs. The increase in working capital is very visible every year starting, with the highest increase in working capital in 2022. This indicates that the Padang Bulia Traditional Village LPD has been able to use capital sources as effectively and efficiently as possible and cut the use of working capital without disrupting company activities, operations and transactions. .
2. The results of the liquidity ratio of the Padang Bulia Traditional Village LPD, the Current Ratio

value is not good because it is already below the standard value or 1 times, then for the Quick Ratio value it can be said to be good because it is above the standard value or 1 times the standard. If the company wants to increase the ratio value, in the future the company can reduce its current liabilities and increase its current assets. The greater the ratio value the company has, the greater its ability to pay short-term obligations, and the company is said to be liquid.

3. The results of the working capital turnover ratio, often referred to as net working capital, in the Padang Bulia Traditional Village LPD experienced an increase and decrease in the 2018-2019 period. The decrease and increase in the value of this ratio is caused by the amount of current assets compared to the current debt owned by the company. The greater the current assets owned, the greater the value of the working capital turnover ratio, however, if the greater the current debt owned by the company, the value of the ratio will be reduced. turnover of the company's working capital.

Based on the research results, analysis and interpretation of data and conclusions, it is recommended that companies:

1. Based on reports on the source and use of working capital, so that there is no shortage of working capital which will disrupt the performance of the company itself, it is necessary to maintain a source of working capital that is greater than its use. As well as increasing sales volume with promotions, so that there is no accumulation of inventory or idle assets and in terms of capital management, this must be done correctly by planning expenditure and paying attention to expenditure items that experience waste.
2. And in terms of company liquidity, it needs to be maintained so that it does not experience a decline. Because if liquidity decreases it will result in the company's ability to cover its short-term obligations decreasing, this can reduce the company's profits.
3. And in terms of company liabilities, it needs to be maintained so that it does not experience a decline. Because if the company's liabilities decrease, it will result in a decrease in the company's working capital, which can reduce the company's profits

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