Analysis of Sources and Uses Of Cash as A Tool for Management In Managing Cash

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Abstract

The purpose of this study is to investigate the cash sources and uses of PT Bank Negara Indonesia (Persero) Tbk. from 2015 to 2019 and to determine whether the cash sources and uses report can be used as a management tool to control the company's cash management during that time. This study uses balance sheets from 2015 to 2019 and secondary data from the Financial Services Authority to cover all of PT Bank Negara Indonesia (Persero) Tbk's financial statements. Descriptive analysis is the analysis technique used. The results show that the sources and uses of cash used by PT Bank Negara Indonesia (Persero) Tbk. have evolved over time, with demand deposits, Islamic financing, and credits being the primary drivers of cash fluctuations. As a management tool, the cash sources and uses report has shown to be useful.

INTRODUCTION

Companies are established to make profits and survive. To safeguard the company's resources from damage, management is responsible for planning and implementing controls so that the company's objectives can be achieved. Managers who are able to manage various parts of the company, such as production, marketing, personnel, and finance, are needed to carry out these responsibilities. In practice, this management is not affected by various internal and external problems of the company. Rozi (2019) states that financial issues are a major problem. This is especially the case when finding and allocating sources of funds for the company's working capital and cash reserves, is one of the challenges faced. challenges faced.

The liquidity level of a company is proportional to the amount of cash it has. However, if a company has a high level of liquidity because it has a lot of cash assets, this may indicate that the business has a low cash turnover and has overinvested in cash, which indicates that the company is not efficient in managing its cash (Rozi, 2013). efficient in managing its cash (Rozi, 2019).

In addition, having a lot of cash means that you will not be able to earn better profits or returns (Oetomo, 2016). Imagine if someone deposited Rp 1 million worth of deposits from 2005 to 2015, without considering bank fees and charges, the value increased from about Rp 1 million in 2005 to about Rp 2.25 million in 2015. In 2015, the

amount of Rp 2.25 million was still enough to buy about 18 kilograms of beef. Real purchasing power did not increase even though the nominal amount doubled (www.kompas.com).

As mentioned by Nesa (2017), cash shortages indicate that a company is experiencing serious financial problems. company is experiencing serious financial problems. When a business fails, it is called bankruptcy (Brigham, 2012), it can be classified into one of two categories: economic failure or financial failure. economic (economic) failure or financial (financial) failure. When a company cannot pay its operating costs, it is called economic failure. One of the evidences is profit.

lower than the cost of capital or a lower value of the company's cash flows than the liabilities to be paid. than the liabilities to be paid.

When the actual cash flow of a company is far below what was expected or hoped for, it is referred to as economic failure. Financial failure, on the other hand, occurs when a company has difficulty obtaining funds, both in the form of working capital and cash. Rozi (2019) states that a business can experience poor liquidity if the decrease in current debt is not in line with the increase in cash or other current assets. current debt is not in line with the increase in cash or other current assets. In a situation like this, creditors may not provide loans to businesses. Therefore, management must effectively manage funds as well as project the need for funds to avoid problems of excess or lack of funds. Financial statement analysis is very important as it manages cash and forecasts future cash requirements. This analysis can help management manage cash to keep business operations running smoothly. Cash flow statement analysis is a way to assess financial statements to find out how funds are used and collected by a company. This analysis examines how the organization's cash amount changes over a certain period and explains by identifying the sources and destinations of cash flow during that period (Arlina, 2016).

According to Ulfa (2018), the collection (source) and expenditure (use) of money by an organization can occur regularly or irregularly. organization may occur regularly or irregularly. As a result, analyzing and managing resources is an important tool for company managers. Through this analysis, management can understand how the sources and uses of cash change, how well cash management is working, how much cash is needed in the future, and how to make better cash planning. In addition, this analysis is used by creditors to evaluate the business's ability to pay interest and repay loans.

The company's cash changes every year, according to research conducted by Setiani (2017), Dari (2017), and Rozi (2019). The rising and falling amounts of cash show this. An increase in cash occurs when the amount of cash used is less than the source of cash, showing how management manages funds well. Consequently, when the amount of cash coming in is greater than what is being spent, a decrease in cash occurs, indicating that the management of funds is not effective.

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The amount of cash of PT Bank Negara Indonesia (Persero) Tbk. changes every year, according to the company's annual financial report. company's annual financial report. For example, its total cash was 12,743,510,000,000 in 2015 dropped to 10,991,946,000,000 in 2016, slightly increased to 11,330,043,000,000 in 2017, and finally increased to 13,681,004,000,000 in 2018.

Therefore, the author would like to analyze the changes in cash and find out the causes by examining the sources of cash receipts and uses and the amount of each component. each component. Thus, the author chose the following research title "ANALYSIS OF SOURCES AND USES OF CASH AS A TOOL FOR MANAGEMENT IN MANAGING CASH AT PT BANK NEGARA INDONESIA (PERSERO) Tbk. PERIOD 2015 to 2019".

METHODOLOGY

The main data for this final project research comes from PT Bank Negara Indonesia (Persero) Tbk, which can be accessed through www.ojk.go.id and supervised by the Financial Services Authority (OJK).

Research Model

The financial statements of PT Bank Negara Indonesia (Persero) Tbk. from 2015 to 2019 are the secondary data used in this study. secondary data used in this study. To obtain this information, you can visit the Financial Services Authority (OJK) website at www.ojk.go.id.

Research Design
a. Determining the Population
   The financial statements of PT Bank Negara Indonesia (Persero) Tbk. were used in this study.
   The report can be accessed at www.ojk.go.id, the Financial Services Authority (OJK) website.
b. Determining the Sample
   In this study, the balance sheet of PT Bank Negara Indonesia (Persero) Tbk. from 2015 to 2019 was used as a sample. 2019 is used as a sample.

Data Collection and Analysis Techniques

In this study, documentation techniques were applied to collect data and information. According to Sugiyono (2015), data and information are collected using the documentation technique from various available sources, such as writings and documents. from various available sources, such as writings, books, archives, documents, numerical data, images, and reports and other information, to support this research.

The data collected for this study were processed through descriptive analysis techniques. Sanusi (2014) says that this technique makes it possible to describe or explain the data collected in accordance with the circumstances without making any

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changes. data collected in accordance with the circumstances without making broad conclusions or generalizations. conclusions or broad generalizations. This method does not generalize or make general conclusions about the data. data.
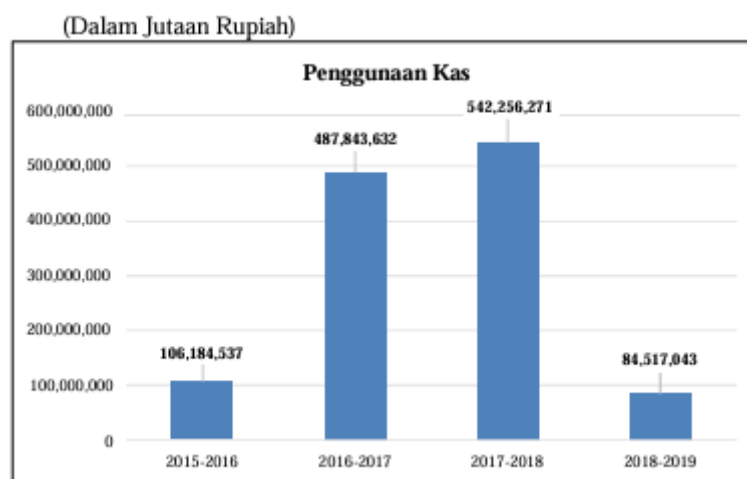

RESULTS AND DISCUSSION

Source of Cash
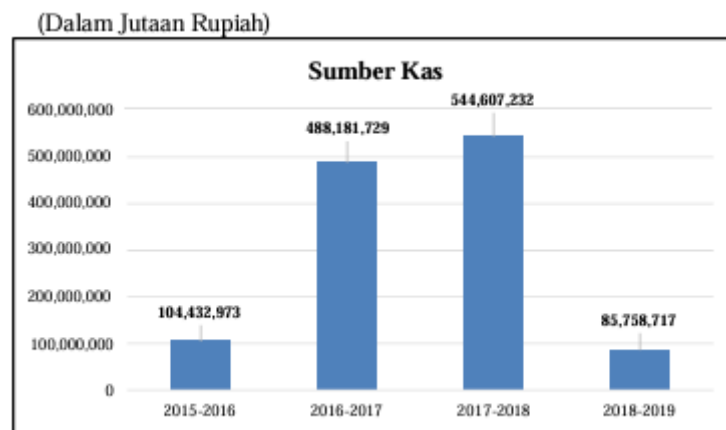
Gambar 1. Grafik Perubahan Sumber Kas Periode 2015-2019

Between 2015 and 2019, as shown in the following table and graph, changes in the amount of cash of PT Bank Negara Indonesia (Persero) Tbk. fluctuated from time to time.

a. In the 2015-2016 period, total cash resources reached Rp 104,432,973,000,000, with the main increase occurring in current liabilities, especially demand deposits of Rp 30,875,451,000,000, which was the main factor contributing to cash receipts during this period.

b. this period.

c. Decrease in assets, mainly from loans and receivables by 372,621,478,000,000, during 2016-2017, this was the main component that affected the receipt of funds, when total cash resources reached IDR 488,181,729,000,000.

d. A decrease in assets of 417,151,310,000 from Sharia Financing, was the main factor that affected cash receipts during the 2017-2018 period, when the source of cash reached 544.607.232.000.000,-.

e. Cash receipts during 2018-2019 were mainly influenced by an increase in current liabilities, especially Current Accounts of 33,000,000. liabilities, especially current accounts amounting to 33,588,761,000,000, from total cash sources of 85.758.717.000.000.

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Use of Cash

(Dalam Jutaan Rupiah)

Gambar 2. Grafik Perubahan Penggunaan Kas Periode 2015-2019

From 2015 to 2019, as shown in the table and graph data, PT Bank Negara Indonesia (Persero) Tbk. Negara Indonesia (Persero) Tbk. uses a changing amount of cash.

a. The use of cash during the period 2015-2016 reached Rp 106.184.537.000.000,-.
b. The increase in assets to fund credit of Rp 64.314.003.000.000,- is the main factor affecting the use of cash. the main factor affecting the use of cash.
c. The use of cash during the 2016-2017 period reached Rp 487,843,632,000,000, with an increase in assets of 417,151,310,000,000 from Sharia Financing being the main factor. the main factor.
d. The use of cash during the 2017-2018 period amounted to 542,256,271,000,000.
e. The increase in assets to fund loans amounting to 483,421,821,000,000,- was the main factor that affected the use of cash.
f. Cash utilization in 2018-2019 reached Rp 84,517,043,000,000,000,000, with increase in assets to fund loans of Rp 39,328,278,000,000 as the main factor. main factor.

Change in Cash

Table 1. Changes in Cash for the Period 2015 – 2019

(Dalam Jutaan Rupiah)

Periode	Sumber Kas	Penggunaan Kas	Perubahan Kas	Faktor yang Mempengaruhi Perubahan Kas	Jumlah Faktor yang Mempengaruhi Perubahan Kas
2015-2016	104.432.973	106.184.537	(1.751.564)	Kredit	64.314.003
2016-2017	488.181.729	487.843.632	338.097	Kredit	372.621.478
2017-2018	544.607.232	542.256.271	2.350.961	Pembiayaan Syariah	417.151.310
2018-2019	85.758.717	84.517.043	1.241.674	Giro	33.588.761

Analysis of Sources and Uses of Cash as a Tool for Management in Managing Cash Cash

A report on the sources and uses of funds helps managers understand how sources and uses of funds change, observe how the amount of cash changes, assess how sources and uses of cash are used, project future cash needs, and project future cash needs. sources and sources of cash are used, project future cash needs, and provide a

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basis for creditors to assess the company's ability to pay interest. provide a basis for creditors to assess the company's ability to pay interest. These changes are shown by graphs and tables depicting changes in the sources and uses of cash.

CONCLUSIONS

According to the analysis conducted, the amount of cash of PT Bank Negara Indonesia (Persero) Tbk. changed from 2015 to 2019. There was a decrease in the amount of cash in 2015-2016 because the source of cash was smaller than the use of cash. The main cause of this decrease is an increase in use of cash to pay credit or pay off credit. However, in 2016-2017, the use of cash increased again because the amount of cash sources was greater than the use of cash. In 2017-2018, the use of cash increased again, and customers used checking accounts more in 2018 and 2019. The Statement of Sources and Uses of Cash is an important tool for management to understand changes in the sources and uses of funds, discover changes in the amount of funds, and evaluate how effectively they are being used.

ACKNOWLEDGEMENT

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