ABSTRACT

Rima Rachmawati, Title of research: " The Influence Of Equity Capital To Profitability (ROA) at Koperasi Unit Desa (KUD) Sarwa Mukti Cisarua Bandung". Adviser: Linna Ismawati, SE., M.Si

Equity is one of the important factor in a cooperative. Equity is a source of funds to finance the business activities of cooperatives. Therefore, it needs good management of their own capital to determine the performance efficiency of the cooperative. Cooperative efficiency can be detected by analyzing financial statements by calculating the profitability of the cooperative.

This study aims to determine the development of the equity, the development of profitability (ROA) and The influence of equity to profitability (ROA) at KUD Sarwa Mukti Cisarua Bandung. In this study the authors use two variables. They were Equity (X) as the independent variable and profitability (ROA) as dependent variable (Y).

In this study, the author used descriptive and quantitative methods. The samples used in this study was the financial statements and financial highlights of the balance sheet during the eight years from 2001 to 2008 at KUD Cisarua Sarwa Mukti. The statistical analysis used was simple linear regression analysis, correlation, coefficient of determination, and hypothesis testing (t-test) using SPSS 15.0 for Windows.

Based on the results of research conducted on The Influence Of Equity to Profitability (ROA) at KUD Sarwa Mukti Cisarua Bandung, the result was found that the equity was tend to increase while the profitability (ROA) was tend to decrease, due to lack of planning in predicting sales, errors of inventory's calculation, not properly manage the capital and many free cash funds that do not generate revenue.

Based on the results of statistical analysis, Pearson correlation obtained between the equity and profitability (ROA), which showed a strong negative correlation that is equal to = - 0.604 and the coefficient of determination obtained for (Kd) = 36.481%, this value implies that the influence of equity to profitability (ROA) amounted to 36.481% while the remaining 63.519% is influenced by other factors.

Keywords: Equity and Profitability (ROA)