The analysis of the 2018-2022 Aceh provincial government financial Reports using a ratio analysis approach (viewpoints in the special autonomy framework)

A análise dos relatórios financeiros do governo provincial de Aceh 2018-2022 usando uma abordagem de análise de proporção (pontos de vista na estrutura de autonomia especial)

El análisis de los informes financieros del gobierno provincial de Aceh 2018-2022 uso de un enfoque de análisis de razones (puntos de vista en el marco de autonomía especial)

ABSTRACT
The aim of this research is to analyze the ratios of the Aceh provincial government's financial reports. Financial ratio analysis is useful for determining the financial health of local governments both now and in the future. The ratios used are the effectiveness ratio, efficiency ratio, growth ratio, independence ratio, compatibility ratio, liquidity ratio and solvency ratio. This research uses secondary data taken from the website, namely taking the 2018-2022 Aceh provincial government financial report. The results show that the independence ratio is very low, the effectiveness ratio is very good, the efficiency ratio is good, the growth ratio is still fluctuating, the compatibility ratio can be said to be good, the liquidity ratio is very good, the solvency ratio less than good.

Keywords: financial reports, independence ratio, effectiveness ratio, efficiency ratio, growth ratio, compatibility ratio, liquidity ratio, solvency ratio.
RESUMO
O objetivo desta pesquisa é analisar os índices dos relatórios financeiros do governo da província de Aceh. A análise dos índices financeiros é útil para determinar a saúde financeira dos governos locais, tanto agora quanto no futuro. Os índices utilizados são o índice de eficácia, o índice de eficiência, o índice de crescimento, o índice de independência, o índice de compatibilidade, o índice de liquidez e o índice de solvência. Esta pesquisa usa dados secundários retirados do site, ou seja, o relatório financeiro do governo da província de Aceh de 2018-2022. Os resultados mostram que o índice de independência é muito baixo, o índice de eficácia é muito bom, o índice de eficiência é bom, o índice de crescimento ainda é flutuante, o índice de compatibilidade pode ser considerado bom, o índice de liquidez é muito bom, o índice de solvência é menos que bom.

Palavras-chave: relatórios financeiros, índice de independência, índice de eficácia, índice de eficiência, índice de crescimento, índice de compatibilidade, índice de liquidez, índice de solvência.

RESUMEN
El objetivo de esta investigación es analizar los ratios de los informes financieros del gobierno provincial de Aceh. El análisis de los ratios financieros es útil para determinar la salud financiera de los gobiernos locales tanto ahora como en el futuro. Los ratios utilizados son el ratio de eficacia, el ratio de eficiencia, el ratio de crecimiento, el ratio de independencia, el ratio de compatibilidad, el ratio de liquidez y el ratio de solvencia. Esta investigación utiliza datos secundarios extraídos de la página web, concretamente tomando el informe financiero del gobierno provincial de Aceh 2018-2022. Los resultados muestran que el ratio de independencia es muy bajo, el ratio de eficacia es muy bueno, el ratio de eficiencia es bueno, el ratio de crecimiento sigue siendo fluctuante, el ratio de compatibilidad puede decirse que es bueno, el ratio de liquidez es muy bueno, el ratio de solvencia menos que bueno.

Palabras clave: Informes financieros, ratio de independencia, ratio de eficacia, ratio de eficiencia, ratio de crecimiento, ratio de compatibilidad, ratio de liquidez, ratio de solvencia.

1 INTRODUCTION
Every regional government, whether at the provincial, district and city level, has an obligation to submit regular regional financial accountability reports. This financial responsibility report is prepared in accordance with applicable regulations to assess whether they are successful or not in carrying out their duties. Financial report analysis is one of the media or methods intended to view and assess the performance of local governments in managing their finances (Dachi, 2020). Where financial report analysis is an activity to interpret the numbers in financial reports in order to assess financial performance, the results of the analysis will be used as a basis for making economic, social or political decisions. This financial report analysis focuses on financial reports
that utilize analytical techniques to find out and understand existing issues and opportunities so that it will be very useful in making decisions (Evionita, 2020).

Financial reporting aims to provide a number of data and information that is useful for interested people and society in general in encouraging accountability principles such as information about the amount of financial resources used in reporting activities and the results obtained. Apart from that, it is also useful in the decision-making process in the social, political and economic fields because it can provide various information regarding the source, allocation and use of financial resources (Rina, 2015). While the aim of measuring Regional Government Financial Management Performance is to improve government performance, performance measurement should help the government focus on the goals and objectives of work programs so that it will ultimately increase the efficiency of providing public services, allocating resources and making decisions, and to realize public accountability and improve institutional communication (Zeff, 2013).

To determine the government's financial performance, it is necessary to carry out an analysis of the regional government's financial performance in managing regional finances. One tool for analyzing government performance in managing regional finances is to carry out financial ratio analysis. The results of this financial ratio analysis are then used as a benchmark for assessing the government's financial independence in financing regional administration, measuring effectiveness in realizing income, measuring spending efficiency, and measuring the extent of financial performance from the growth of income and expenditure each year. The government's financial performance is an important point. as well as interesting topics to research. This is because, by examining the government's financial performance, we can find out the results of the programs and activities implemented by the government, whether the government has properly carried out its duties and functions as mandated by its people to achieve prosperity (Zainudin et al, 2016).

Government performance is something that is the focus of attention in regional financial management (Mardiasmo, 2007). This means that financial performance can show the government's financial condition and the government's ability to obtain and use funds for regional development. Therefore, government performance needs to be done to measure the extent of progress achieved by the government carry out their duties (progress report).
2 LITERATURE REVIEW

2.1 FINANCIAL REPORTING

2.1.1 The Role of Financial Reports

Financial reports are used to compare the realization of income, expenditure, transfers and financing with a predetermined budget, assess financial conditions, evaluate the effectiveness and efficiency of a reporting entity, and help determine its compliance with statutory regulations. The reporting entity is obliged to report the efforts that have been made and the results achieved in carrying out activities in a systematic and structured manner in a reporting period for the purposes of (Pumphrey et al. 2008, Hasan et al., 2019).

(a) Accountability: Taking responsibility for the management of resources and implementation of policies entrusted to the reporting entity in achieving goals that have been determined periodically.

(b) Management: Helping users to evaluate the implementation of the activities of a reporting entity in the reporting period so as to facilitate planning, management and control functions over all assets, liabilities and equity of government funds for the benefit of the community.

(c) Transparency: Providing open and honest financial information to the public based on the consideration that the public has the right to know openly and thoroughly the responsibilities of local governments in managing the resources entrusted to them and their compliance with statutory regulations.

(d) Intergenerational Equity: Helps users determine the adequacy of local government revenues in the reporting period to finance all allocated expenditure and whether future generations are assumed to share the burden of these expenditures.

2.1.2 Objectives of Financial Reports

Regional Government financial reporting provides information for users to assess accountability and make decisions. Both economic, social and political decisions with:

(a) Provide information regarding the adequacy of current period revenues to finance all expenditure.

(b) Provide information regarding the suitability of the method of obtaining economic resources and their allocation with the established budget and statutory regulations.
(c) Provide information regarding the amount of economic resources used by the reporting entity's activities and the results that have been achieved.

(d) Provide information about how the reporting entity funds all its activities and meets its cash needs.

(e) Provide information regarding the financial position and condition of the reporting entity relating to its sources of revenue, both short and long term, including those originating from tax levies and loans.

(f) Provide information regarding changes in the reporting entity's financial position, whether they have increased or decreased, as a result of activities carried out during the reporting period.

To fulfill these objectives, financial reports provide information regarding income, expenditure, transfers, reserve funds, financing, assets, liabilities, equity funds, and cash flows of a reporting entity (Purba et al, 2018).

2.1.3 Reporting Entity

A reporting entity is a government unit consisting of one or more accounting entities which, according to statutory regulations, is required to submit an accountability report in the form of a financial report (Rifqi, 2020). The reporting entity is the Regional Government or an organizational unit within the Regional Government or other organization if according to statutory regulations the organizational unit in question is required to present financial reports.

In determining a reporting entity, it is necessary to consider the requirements for management, control and control of a reporting entity over certain assets, jurisdiction, duties and missions, with separate forms of responsibility and authority from other reporting entities.

2.1.4 Legal Basis for Financial Reporting

Regional Government financial reporting is carried out based on statutory regulations governing regional finance, including:

(a) The Constitution of the Republic of Indonesia, especially the part that regulates regional finances;
(b) Law Number 17 of 2003 concerning Regional Finance;
(c) Law Number 1 of 2004 concerning Regional Treasury;
(d) Law Number 15 of 2004 concerning Examination of Regional Financial Management and Responsibility;
(e) Law Number 32 of 2004 concerning Regional Government;
(f) Law Number 33 of 2004 concerning Financial Balance between Regional and Regional Governments;
(g) Government Regulation Number 24 of 2005 concerning Government Accounting Standards;
(h) Government Regulation no. 58 of 2005 concerning Regional Financial Management;
(i) Government Regulation Number 8 of 2006 concerning Financial Reporting and Performance of Government Agencies;
(j) West Kutai Regency Regional Regulation Number 20 of 2007 concerning Principles of Regional Financial Management;
(k) Minister of Home Affairs Regulation Number 59 of 2007 concerning Amendments to Minister of Home Affairs Regulation Number 13 of 2006 concerning Guidelines for Regional Financial Management.

2.2 RATIO ANALYSIS OF ACEH REGIONAL GOVERNMENT FINANCIAL REPORTS

2.2.1 Effectiveness ratio

where this type of ratio emphasizes the capability of local governments to be able to realize PAD related to targets that have previously been planned and set. Of course, this target is based on considering the real potential and capabilities of the area. The calculation of the effectiveness ratio for PAD is carried out by comparing the realized PAD income with the PAD income that reaches the target (Mahmudi, 2016). The Effectiveness Ratio is formulated as follows: (Mardiasmo, 2007).

\[
\text{Effectiveness Ratio} = \frac{\text{Realization of Local Own-source Revenue}}{\text{Local Own-source Revenue budget}} \times 100\%
\]

1) If the value obtained is less than 100\% (x < 100\%) it means it is not effective
2) If the value obtained is equal to 100\% (x = 100\%) it means that the effectiveness is balanced.
3) If the value obtained is more than 100\% (x > 100\%) it means it is effective.
2.2.2 Compatibility Ratio

The Compatibility Ratio describes how local governments prioritize the allocation of funds to Routine Expenditures and Development Expenditures optimally. The higher the percentage of funds allocated for routine expenditure means the percentage of investment expenditure (development expenditure) used to provide economic facilities and infrastructure for the community tends to be smaller. There are two calculations in this Compatibility Ratio, namely: Operating Expenditure Ratio and Capital Expenditure Ratio (Nissim et al, 2001).

The Operational Expenditure Ratio is a comparison between total Operational Expenditure and Total Regional Expenditure. This ratio informs report readers regarding the portion of regional expenditure allocated to operational expenditure. Operational Expenditures are expenditures whose benefits are consumed within one budget year, so they are short term in nature and in certain cases are routine and recurring in nature. In general, the proportion of operating expenditure dominates total regional expenditure, namely between 60-90%. Regional governments with high levels of income tend to have a higher portion of operating expenditure than regional governments with low levels of income (Mahmudi, 2010). The operating expenditure ratio is formulated as follows: (Mardiasmo, 2007).

\[
\frac{\text{total operating expenditure}}{\text{total regional expenditure}} \times 100\% \tag{2}
\]

The Capital Expenditure Ratio is a comparison between total realized capital expenditure and total regional expenditure. Based on this ratio, report readers can find out the portion of regional expenditure allocated for investment in the form of capital expenditure in the relevant fiscal year. Capital expenditures provide medium and long term benefits and are also routine. In general, the proportion of spending (Laitinen, 2018). The capital expenditure ratio is formulated as follows:

\[
\frac{\text{total capital expenditure}}{\text{total regional expenditure}} \times 100\% \tag{3}
\]
2.2.3 Growth Ratio

The Growth Ratio is useful for knowing whether the regional government in the relevant budget year or over several budget periods experienced positive or negative growth in revenue or expenditure (Mahmudi, 2010). This ratio measures how much the regional government's ability to maintain and improve the success it has achieved from one period to the next. By knowing the growth for each component of income and expenditure sources, it can be used to evaluate which potentials need attention (Halim, 2007). The formula for calculating the Growth Ratio is as follows:

\[ r = \frac{(P_n - P_0)}{P_0} \times 100\% \]  

\( r \) = Growth Ratio  
\( P_n \) = Total Regional Income/PAD/Capital Expenditure/Operational Expenditure calculated in the nth year  
\( P_0 \) = Total Regional Income/PAD/Capital Expenditure/Operational Expenditure calculated in year 0 (year before n)

The Growth Ratio functions to evaluate regional potentials that need attention. The higher the value of Total Regional Income, PAD and Capital Expenditures followed by the lower the Operational Expenditures, the growth is positive. This means that the region concerned has been able to maintain and increase its growth from one period to the next. If the higher the value of Total Regional Income, PAD and Operational Expenditure is followed by lower Capital Expenditure, then the growth is negative. This means that the regions have not been able to increase their regional growth.

2.2.4 Efficiency Ratio

The third is the PAD efficiency ratio, where this ratio is a ratio that reflects the relationship between the amount produced to earn income and the achievement of the income obtained. Regional government performance in the profit and loss report can be categorized as effective if the ratio obtained is less than 100% or less than one. The smaller the efficiency ratio, the better the performance of local government. The Efficiency Ratio formula is as follows: (Mardiasmo, 2007).

\[ \frac{\text{regional budget}}{\text{Realization of Local Own-source Revenue}} \times 100\% \]  

(5)
2.2.5 Independence Ratio Analysis

The independence of regional finances indicates that the regional government has the capacity and capability to manage and administer its own programs, activities and services to the community (Fauriza, 2018). Regional financial independence can be seen from the amount of Local Own-source Revenue (PAD), also related to other sources such as assistance or loans from the government at the central level (Halim, 2007).

The way to calculate a comparison of regional financial independence is by dividing the amount of Local Own-source Revenue (PAD) by the amount of income originating from central and provincial government transfers and regional loans. The higher the number of comparisons, the more it shows that the region has independent financial management (Mahmudi, 2016). The Independence Ratio is formulated as follows:

\[
\text{Independence Ratio} = \frac{\text{Local Own-source Revenue}}{\text{Transfer Revenue}} \times 100\% \tag{6}
\]

2.2.6 Liquidity Ratio Analysis

The liquidity ratio shows the government's ability to meet its short-term obligations or to see the government's ability to fund needs. Even though the government has prepared a cash budget, liquidity analysis will be more useful for management than if it is only based on the cash budget (Mahmudi, 2007). Liquidity analysis can be seen from the current ratio. The current ratio is a standard measure for assessing an organization's financial health. The current ratio describes whether the government has sufficient assets to pay off its debts (Khaldun et al., 2014). The formula for calculating the liquidity ratio is:

\[
\text{Liquidity Ratio} = \frac{\text{Current Assets}}{\text{Current Debt}} \tag{7}
\]

2.2.7 Solvency Ratio Analysis

The solvency ratio is used to see the government's ability to fulfill all government obligations, both long-term and short-term obligations. Kasmir (2008) defines that the solvency ratio is a ratio used to measure the extent to which a company's assets are
financed with debt. This means how much debt the company bears compared to its assets (Octaverina et al, 2022). The formula for calculating the solvency ratio is:

\[
\frac{\text{total debt}}{\text{total Asset}}
\]  

(8)

3 METHODS

In this research, the author used a quantitative research method, namely a research method using numbers and statistics in collecting and analyzing measurable data. This research was conducted within the Aceh provincial government by analyzing the ratios of its financial reports from 2018-2022. The data that researchers use is secondary data obtained from the Information and Documentation Management Officer (PPID) website. The data the researchers took was financial report data from 2018-2022 which we measured using ratio analysis.

4 RESULTS & DISCUSSION

4.1 EFFECTIVENESS RATIO

Table 1. Effectiveness Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>PAD Budget</th>
<th>Realization of PAD</th>
<th>Effectiveness Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>IDR 2,324,662,431,200</td>
<td>IDR 2,359,385,393,646</td>
<td>101.49%</td>
</tr>
<tr>
<td>2019</td>
<td>IDR 2,589,284,044,683</td>
<td>IDR 2,698,912,471,144</td>
<td>104.23%</td>
</tr>
<tr>
<td>2020</td>
<td>IDR 2,184,607,197,048</td>
<td>IDR 2,570,775,877,183</td>
<td>117.68%</td>
</tr>
<tr>
<td>2021</td>
<td>IDR 2,401,682,455,965</td>
<td>IDR 2,505,887,909,031</td>
<td>104.34%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 2,572,750,100,699</td>
<td>IDR 2,917,145,003,051</td>
<td>113.39%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023).

The effectiveness ratio shows that the entire year from 2018-2022 obtained a score of more than 100%, which means that the regional government's ability to mobilize PAD revenues according to the target is effective.

Table 2. Capital Expenditure Matching Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>Capital Expenditures</th>
<th>Total Shopping</th>
<th>Capital Expenditure Matching Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>IDR 2,503,941,129,737</td>
<td>IDR 11,558,772,545,230</td>
<td>21.66%</td>
</tr>
<tr>
<td>2019</td>
<td>IDR 3,162,088,165,983</td>
<td>IDR 12,449,621,461,071</td>
<td>25.40%</td>
</tr>
<tr>
<td>2020</td>
<td>IDR 1,755,472,079,286</td>
<td>IDR 9,899,914,199,650</td>
<td>17.73%</td>
</tr>
<tr>
<td>2021</td>
<td>Rp. 2,199,333,370,929</td>
<td>IDR 10,849,062,582,677</td>
<td>20.27%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 2,868,705,757,385</td>
<td>Rp. 12,726,436,523,632</td>
<td>22.54%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023).
The capital expenditure compatibility ratio shows that throughout the year it obtained a value of <25% except in 2019 which obtained a value of more than 25.4%. For the capital expenditure ratio there is no benchmark regarding the ideal size of the Ratio of Operational and Capital Expenditures to the APBD, because it is greatly influenced by dynamics development activities and the amount of investment needed to achieve targeted growth. In general, the proportion of capital expenditure to regional expenditure is between 5-25%

### Table 3. Operating Expenditure Matching Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>Operational Expenditures</th>
<th>Total Shopping</th>
<th>Operating Expenditure Matching Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>IDR 9,054,782,711,093</td>
<td>IDR 11,558,772,545,230</td>
<td>78.34%</td>
</tr>
<tr>
<td>2019</td>
<td>IDR 9,282,694,398,477</td>
<td>IDR 12,449,621,461,071</td>
<td>74.56%</td>
</tr>
<tr>
<td>2020</td>
<td>Rp. 7,985,982,044,904</td>
<td>IDR 9,899,914,199,650</td>
<td>80.67%</td>
</tr>
<tr>
<td>2021</td>
<td>Rp. 8,649,317,139,858</td>
<td>IDR 10,849,062,582,677</td>
<td>79.72%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 9,853,395,736,247</td>
<td>Rp. 12,726,436,523,632</td>
<td>77.42%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023).

The Operating Expenditure Ratio shows that throughout the year the score was above 75%, the same is true for the capital expenditure ratio which does not yet have a benchmark regarding the expected ratio. However, in general the proportion of operating expenditure ranges from 60-90%

### Table 4. PAD Growth Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>PAD</th>
<th>PAD Growth Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>IDR 2,324,662,431,200</td>
<td>2.12%</td>
</tr>
<tr>
<td>2019</td>
<td>IDR 2,698,912,471,144</td>
<td>16.10%</td>
</tr>
<tr>
<td>2020</td>
<td>IDR 2,570,775,877,183</td>
<td>-4.75%</td>
</tr>
<tr>
<td>2021</td>
<td>IDR 2,505,887,909,031</td>
<td>-2.52%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 2,917,145,003,051</td>
<td>16.41%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023).

### Table 5. Revenue Growth Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>Total income</th>
<th>Revenue Growth Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Rp. 14,427,783,075,799</td>
<td>0.54%</td>
</tr>
<tr>
<td>2019</td>
<td>Rp. 15,752,800,901,652</td>
<td>9.18%</td>
</tr>
<tr>
<td>2020</td>
<td>Rp. 14,439,920,557,021</td>
<td>-8.33%</td>
</tr>
<tr>
<td>2021</td>
<td>Rp. 13,948,388,273,436</td>
<td>-3.40%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 13,713,584,703,596</td>
<td>-1.68%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023).
The PAD growth ratio shows that there was an increase and decrease in each year, where in 2018 there was growth from the previous year as well as in 2019, but in 2020 and 2021 there was a decrease and increased again in 2022. The income growth The ratio shows that there was an increase in income in 2022, 2018 and 2019 but there was a decline from 2020-2022. The capital expenditure growth ratio shows that there was an increase in capital expenditure growth in 2018, 2019, 2021 and 2022, only in 2020 the capital expenditure ratio experienced a decline. This shows that this growth analysis will illustrate how much local government is able to maintain and improve the success that has been achieved from one period to the next.
The independence ratio shows the level of a region's ability to finance its own government activities, development and services to the community who have paid taxes and levies as a source of income needed by the region. The results show that in 2018-2021 the percentage obtained was less than 25%, which means that the instructive or financial capacity was very low. And in 2022 the figure will be 27%, which means they are consultative or have low financial capacity.

### Table 9. Liquidity Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>Current assets</th>
<th>Current Debt</th>
<th>Liquidity Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>IDR 4,536,491,179,707</td>
<td>IDR 3,355,903,121,372</td>
<td>135.18%</td>
</tr>
<tr>
<td>2019</td>
<td>IDR 4,086,981,599,831</td>
<td>IDR 2,721,184,402,566</td>
<td>150.19%</td>
</tr>
<tr>
<td>2020</td>
<td>IDR 4,703,174,170,476</td>
<td>IDR 3,037,487,998,856</td>
<td>154.84%</td>
</tr>
<tr>
<td>2021</td>
<td>Rp. 4,845,944,935,313</td>
<td>IDR 519,675,649,404</td>
<td>932.49%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 2,079,249,759,476</td>
<td>IDR 595,981,306,943</td>
<td>348.88%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023)

The liquidity ratio is said to be good if the company has a ratio above 1.0 or 100%. On the other hand, if the nominal liquidity ratio is below 100%, then the provincial government experiences liquidity or is constrained in terms of fulfilling its obligations. The liquidity ratio shows that the overall 2018-2022 figure exceeds 100%, which means that the liquidity ratio of the Aceh provincial government can be said to be good. The highest level of liquidity ratio was in 2021, namely 932% and the lowest liquidity was in 2018 at 135%

### Table 10. Solvency Ratio

<table>
<thead>
<tr>
<th>Description</th>
<th>Total Assets</th>
<th>Total Debt</th>
<th>Solvency ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Rp. 24,072,598,327,198</td>
<td>IDR 3,379,737,047,420</td>
<td>14.04%</td>
</tr>
<tr>
<td>2019</td>
<td>IDR 28,454,501,537,455</td>
<td>IDR 2,745,018,328,614</td>
<td>9.65%</td>
</tr>
<tr>
<td>2020</td>
<td>IDR 30,293,837,027,323</td>
<td>IDR 3,037,487,998,856</td>
<td>10.03%</td>
</tr>
<tr>
<td>2021</td>
<td>IDR 31,850,790,344,624</td>
<td>IDR 519,675,649,404</td>
<td>1.63%</td>
</tr>
<tr>
<td>2022</td>
<td>IDR 34,101,352,240,031</td>
<td>IDR 595,981,306,943</td>
<td>1.75%</td>
</tr>
</tbody>
</table>

Sources: The Information and Documentation Management Officer (PPID) (2023)

The solvency ratio will be considered financially strong to bear long-term obligations if the solvency ratio value reaches 20% or more. The Aceh provincial government's financial report shows that the overall figure for 2018-2022 is below 20%, which means that the solvency ratio of the Aceh provincial government can be said to be less than good. The highest level of solvency ratio was in 2018, namely 14.04% and the lowest solvency was in 2021, amounting to 1.63%
5 CONCLUSION

- The Regional Financial Performance of Aceh Province seen from the Regional Financial Independence Ratio throughout 2018-2022 is still classified as very low with an instructive relationship pattern.
- The Regional Financial Performance of Aceh Province seen from the overall Effectiveness Ratio throughout 2018-2022 has an effective average with quite good ratio development, namely above 100%.
- The Regional Financial Performance of Aceh Province seen from the Regional Financial Efficiency Ratio is efficient, overall throughout 2018-2022 the average percentage is below 100%, which means it is efficient with good ratio development.
- The Regional Financial Performance of Aceh Province seen from the Growth Ratio of PAD Income, Income, Capital Expenditures and Operational Expenditures) throughout 2018-2022 has fluctuating growth. This means that the Aceh Provincial government has not been able to maintain or increase its income growth ratio from year to year.
- The Regional Financial Performance of Aceh Province seen from the Regional Financial Compability Ratio is good, overall throughout 2018-2022 the average percentage is 5-25%, which means it is good at prioritizing the allocation of funds.
- The Regional Financial Performance of Aceh Province seen from the liquidity ratio throughout 2018-2022 is very good because the whole year reached >100%. This means that the Aceh Provincial government is very good at managing the fulfillment of its obligations.
- The Regional Financial Performance of Aceh Province seen from the solvency ratio throughout 2018-2022 is not good because the whole year reached <20%. This means that the Aceh Provincial government is said to be bad in its ability to pay all its obligations.
REFERENCES


Website; https://ppid.acehprov.go.id/
