

Financial Performance of the Cooperatives in the Central Provinces, Philippines

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ABSTRACT

This study examined the agility of cooperatives as being related to the innovations and financial strategies needs and business capacity to make a more viable result. The study covers productivity, return on equity, and financial stability as the three main indicators. Annual reports and financial statements such as the financial performance of cooperatives from 2020 to 2022 were retrieved and used to analyze and research financial ratios, trend analysis, cross-tabulation, and comparative analysis based on the available industry average. Results revealed that in terms of productivity, the cooperative in relation to total asset turnover is appealing and efficient when compared to the generated trend over the previous three years. The ROE increased gradually which indicates that provincial cooperatives generally performed well in 2022 and 2021. In terms of financial stability, it has been shown that most cooperative profitability ratios in 2022 have a higher value as compared to the same ratio based on the previous period, indicating that the cooperative performed well. There is a decreasing trend but still attractive in the financial performance in terms of productivity, while return on equity remains attractive, it is parallel to financial stability with a growing trend. Hence, the financial position and efficiency of cooperatives in terms of liquidity, profitability, solvency, and other indicators suggest measures and strategies to improve their financial position and performance that enable new paradigm shifts in business.

Keywords: Cooperatives, Productivity, Return on equity

