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# Leverage Moderation In The Influence Of Size, Financial Assets, Types, And Ownership On The Comprehensive Financial Performance Of BPR Se-Kediri Raya

**Pranola Sephiana Putri[1], Putri Awalina[2*]**
*[1,2]Universitas Islam Kadiri*
***Email:** putriawalina@uniska-kediri.ac.id

**ABSTRACT**

This study aims to analyze the Leverage Moderation in the Influence of Size, Financial Assets, Types, and Ownership on the Comprehensive Financial Performance of BPR in Kediri Raya for the 2018-2022 Period. Financial performance variables are proxied by ROA. The sampling technique in this study uses the purposive sampling method. The final sample obtained was 24 companies. This study uses secondary data obtained through the official OJK website. This study is a quantitative research using moderation regression analysis. The results showed that partially size had a significant effect on comprehensive financial performance, while financial assets, BPR types, and BPR ownership had no significant effect on comprehensive financial performance, leverage was able to moderate the relationship between size, and leverage was unable to moderate the relationship between financial assets, BPR types and BPR ownership in comprehensive financial performance.

## INTRODUCTION

People's Credit Bank (BPR) is a bank that carries out business activities conventionally, which in its activities does not provide services in its payments. BPR has business activities such as collecting funds from the community in the form of deposits in the form of time deposits, savings, and or other forms. In addition, BPR also has activities to provide credit to the community of Micro, Small and Medium Enterprises (MSMEs). One of the biggest sources of profit for BPR is obtained from the distribution of credit to the community. Sharia People's Credit Bank (BPRS) is a bank that carries out its business activities based on sharia principles, which in its activities do not provide services in its payments. BPRS has much narrower activities than conventional bank activities, because BPRS is prohibited from accepting current account deposits, reciprocal activities and insurance. The challenge faced by BPR and BPRS in addition to the Covid-19 Pandemic is the existence of Commercial Banks and Foreign Banks that. (Sofyan, 2021)

In general, the purpose of a company is to obtain profits and its long-term goal is for the survival of the company. In the banking industry, it is one of the important components in maintaining balance and economic progress. Financial statements are very important in assessing the financial performance of a company. This financial statement contains information about the company's financial position in relation to its business results, as well as how the company pays off its debts in order to increase the company's revenue and determine its capital for the next period to generate profits. To maintain the stability of the company's profit, every company must evaluate its financial performance.

Leverage is a ratio that compares total debt to total equity. The leverage ratio can be used to measure how much wealth a company has derived from debt or equity so that the ratio can determine the position and liabilities of a company. The pecking order theory states that profitable companies prefer to use internal funding rather than external funding. Companies that generate high profits will use relatively little external capital because they tend to use more internal capital.

One of the factors that determines the value of a company is the size of the company. The size of the company is considered to have the ability to influence the value of the company. The larger the size or scale of the business, the easier it is to obtain financial resources, both internal and external. The size of the company in this study can be determined by the number of assets it owns. (Susanti et al., n.d.)

Comprehensive financial performance is an overview of the financial condition of a company that is analyzed using financial analysis tools so that it can be known whether the company's financial condition reflects its performance in a certain period of time. Financial performance can be measured using Return On Equity (ROE) which reflects how much equity or net assets are able to generate profits (Kusuma, 2021). The comprehensive financial performance of BPR and BPRS during the Covid-19 pandemic must have decreased, because some of the customers and debtors of BPR and BPRS are business actors. If MSMEs are affected by the pandemic, it will affect credit payments at BPR.

## LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

### Size

The size of the company is a scale that can be calculated by the total level of assets and sales which can indicate the condition of the company where the larger company will have an advantage in the source of funds obtained to finance its investment in obtaining profits. The size of the company can be used to represent the financial characteristics of the company. Large companies that have been well stabilized will have an easier time obtaining capital in the capital market than small companies. Because the ease of access means that large companies have greater flexibility. The size of the company can be interpreted as a description of the company's success which is reflected in the total assets owned by the company. (Putri, 2019) stated that the size of the company is expressed in total assets, sales, and market capitalization. According to Basyaib (2007), company size is a scale where the size of the company can be classified according to various ways, including the size of revenue, total assets, and total capital. The larger the size of revenue, total assets, and total capital will reflect the stronger the company's state. Meanwhile, according to Torang (2012), company size is a context variable that measures the demands of an organization's services or products.

### Financial Assets

According to Wahyuni and Rifki (2020:03), an asset is an item that has economic value, commercial value, and exchange rate which must be owned by individuals, agencies, and business entities. According to Rudianto (2012:28) assets are resources or a means that have economic value, and are able to support the company in terms of acquisition price or achievement or fair value must be measured objectively. An asset is something of value or that can be sold and made money. Assets are also defined as economic resources that can provide business benefits. Meanwhile, financial assets are intangible assets. The value of this asset depends on the value of cash flows received in the future, the greater the value of cash flows received in the future, the higher the value of financial assets. According to Lestari (2022), financial assets have value because of legal claims for a number of benefits in the form of cash flows in the future. Financial assets have a role as a medium for transferring funds, financial assets can also transfer and from those who have excess funds to those who need funds. Financial assets also play a role as a medium for sharing risks, financial assets are able to share cash flow risks from physical assets that are inevitable.

**Types of BPR**

Bank Perkreditan Rakyar or commonly referred to as BPR has two types, namely Conventional BPR and Sharia BPR. Both have the same function and purpose, only that BPR Syariah carries out its activities based on sharia principles, in its activities it does not provide services in its payments. BPR Syariah is a financial institution whose main business is to provide financing that is adjusted to Islamic sharia principles based on the Qur'an and hadith. In the implementation of its gitti, BPR Syariah is prohibited from carrying out gharar, riba, dholim, and haram activities. Meanwhile, BPR Konvensional carries out its activities conventionally and based on sharia principles which in its activities do not provide services in payment traffic.

**BPR Ownership**

Based on Law Number 21 of 2011 regarding the Financial Services Authority, the regulation and supervision of BPR is carried out by the OJK. However, BPRs can only be established by Indonesian citizens, Indonesian legal entities whose owners are all Indonesian citizens, and local governments. The ownership of BPR is divided into 2, namely BPR owned by the Regional Government and BPR owned by the Private. BPRs whose ownership belongs to the local government, capital comes from the central and regional governments, while BPRs whose ownership is privately owned, capital comes from private parties other than the central or regional governments, private parties who become investors are usually entrepreneurs and bodies with Indonesian citizen status. BPRs whose ownership belongs to the local government have increased in average performance growth, the percentage of BPR growth in Pendam has become larger, while private BPRs have grown but a number of BPRs have slowed down.

**Comprehensive Financial Performance**

Comprehensive financial performance is one of the important things in a company, both internally and externally. A company's finances are a benchmark for a company to survive in the future. Financial performance is used to measure the achievements that a company has obtained as a whole in a period. Performance measurement as the basis for determining the company's strategy for the future. A company's financial performance can be measured through financial statements issued periodically that can provide an overview of its financial position. The financial information contained in the financial statements will be used by interested parties, such as investors, creditors, prospective creditors, employees, the government and the public for decision-making.

**Leverage**

Leverage is the level of a company's ability to use assets or capital that have fixed costs in order to realize the company's goal to maximize the company's value. According to Dewi (2021), leverage is a ratio used as a benchmark to the extent to which a company is financed with debt. The leverage ratio in this study was calculated using the Debt to Equity Ratio (DER) proxy. DER is a ratio used to show how much funding a company uses through debt. Leverage shows how much the need and the company is spending with debt. Leverage analysis has a role in improving financial performance because using the analysis the company can find out the extent to which the company is improving the company's financial performance. The higher the level of leverage, the greater the risk that the company must bear, and the greater the level of profit obtained by the company.

**The Effect Of Size On Comprehensive Financial Performance**

Company size is the size of a company which is shown or assessed by total assets, total sales, amount of profit, tax burden and so on. The size of a company is considered to be able to affect financial performance because it can describe the size of the company expressed in total assets or total net sales. The larger the total assets, the larger the size of the company, the larger the assets, the larger the invested capital. The results of the research by Murdiyanto & Kusuma, (2022) show that Bank Size has a positive effect on comprehensive financial performance.

**The Effect Of Financial Assets On Comprehensive Financial Performance**

Financial assets are intangible assets. The value of this asset depends on the value of cash flows received in the future, the greater the value of cash flows received in the future, the higher the value of financial assets. The results of the study conducted by Murdiyanto & Kusuma, (2022) stated that financial assets have a positive effect on comprehensive financial performance, this occurs because the higher the number of financial assets, the greater the adjustment of the recorded value of financial assets to fair value which has an impact on the greater comprehensive profit.

**The Effect Of BPR Type On Comprehensive Financial Performance**

Based on the results of research conducted by Harjanti & Hetika, (2021) it was explained that the comparison of the financial performance of conventional BPR and Islamic BPR there is a difference between the financial performance of Conventional BPR and Sharia BPR in terms of ROA ratio, there is a difference between the financial performance of Conventional BPR and BPR-Syariah in terms of NPL/NPF ratio, and there is no difference between the financial performance of BPR-Conventional and BPR-Sharia in terms of ratio LDR/FDR. The types of BPR are divided into 2, namely Conventional BPR and Sharia BPR. Judging from the functions and duties of these two types of BPR, the only difference is the principle. Sharia BPR uses sharia principles, there are also some Conventional BPR activities that are not used in Sharia BPR. Therefore, it is suspected that this type of BPR affects comprehensive financial performance.

**The Effect Of BPR Ownership On Comprehensive Financial Performance**

Based on research conducted by Kharisma Dwi & Pratama Yudhantara, (2022) the comparison of the financial performance of Regional Government-Owned BPRs and Private-Owned BPRs shows that there is a difference in financial performance between Regional Government-Owned BPRs and Privately Owned BPRs reviewed from the LDR and CR ratios, while from other ratios such as the KPMM, PPAP, NPL, ROA, and BOPO ratios, there is no difference in financial performance between Regional Government-Owned BPRs and Privately Owned BPRs. BPRs whose ownership belongs to the local government have increased in average performance growth, the percentage of BPR growth in Pendam has become larger, while private BPRs have grown but a number of BPRs have slowed down. Therefore, it is suspected that BPR ownership has an effect on comprehensive financial performance.

**The Effect Of Leverage In Moderating The Size Relationship On Comprehensive Financial Performance**

Based on the results of the hypothesis test, it can be explained that the size of the company affects comprehensive financial performance (Murdiyanto & Kusuma, 2022). In this case, the size of the company is the size of a company which is indicated or assessed by total assets, total sales, amount of profit, tax burden etc. Companies with larger sizes have greater access to sources of funding from various sources.

**The Effect Of Leverage In Moderating Financial Asset Relationships On Comprehensive Financial Performance**

Based on the results of hypothesis testing, it can be explained that financial assets affect comprehensive financial performance (Murdiyanto & Kusuma, 2022). Financial assets have a role as a medium for transferring funds, financial assets can also transfer and from those who have excess funds to those who need funds.

**The Effect Of Leverage In Moderating The Relationship Of BPR Types On Comprehensive Financial Performance**

Conventional BPR types carry out business activities, namely providing financing and placing funds based on sharia principles, in accordance with the provisions set by Bank Indonesia, also placing their funds in the form of Bank Indonesia Certificates (SBI), time deposits, certificates of deposit, etc. Meanwhile, sharia BPR collects funds from the community in the form of savings based on the principle of wadiah or mudharabah, time deposits based on the principle of mudharabah, and other forms that use the principle of wadiah or mudharabah. Therefore, it is suspected that Leverage is able to decode the influence of the type of BPR that has a psotic effect on comprehensive financial performance.

**The Effect Of Leverage In Moderating BPR Ownership Relations On Comprehensive Financial Performance**

The ownership of BPR owned by the local government is growing much faster than that of privately owned BPR. Therefore, this study suspects that leverage is able to decode the influence of BPR ownership on comprehensive financial performance.

## METHODS

The research is a quantitative type of research. The data used is secondary data, namely the financial statements of BPR throughout Kediri Raya in 2018-2020. The sampling technique used in this study is purposive sampling, with the following criteria:

1. BPR that publish financial statements on the website of the Financial Services Authority (OJK) for the period 2018 to 2022.
2. BPR that are still actively operating during the observation period are 2018 to 2022.
3. BPR that publish balance sheet reports, profit and loss statements, other information reports, asset quality reports, and ratio reports in full on the OJK website for the period 2018 to 2022.

The formula for moderation regression is:

Y = α0 + β1sz + β2fa + β3type+ β4ow

Y = α0 + β1sz + β2fa + β3type+ β4ow + β5lev + β6sz*lev + β7fa*lev + β8type*lev + β9 ow*lev + e

**Variable Measurement**

1) Size (Murdiyanto & Kusuma, 2022)
   Size = Ln(Total Assets)
2) Financial Assets (Murdiyanto & Kusuma, 2022)
   Financial Assets = Financial Assets /total assets
3) Type of BPR
   1 = Conventional BPR
   2 = BPR Sharia
4) Ownership of BPR
   1 = BPR owned by local government
   2 = BPR owned by Swata
5) The Comprehensive Financial Performance (Murdiyanto & Kusuma, 2022)
   The Comprehensive Financial Performance = Net Profit t + OCIt / Total Assetst
6) Leverge (Murdiyanto & Kusuma, 2022)
   Leverage = Total Debt / Total Assets

## RESULTS

### Descriptive Statistics

Descriptive statistics are methods related to the collection and presentation of data so that they can provide useful information. Descriptive statistics function to describe the picture of the object being studied through sample or population data (Sugiyono, 2007). The data presented in descriptive statistics is in the form of a measure of data centralization, the data centralization that is often used is the mean. In addition to being in the form of centralization, data can be presented in the form of pareto diagrams and tables.

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| *Size* | 120 | 2.70 | 2.94 | 2.8418 | .04935 |
| Finansial Assets | 120 | .00 | .89 | .4391 | .17243 |
| Type of BPR | 120 | 1.00 | 2.00 | 1.1250 | .33211 |
| Ownership BPR | 120 | 1.00 | 2.00 | 1.0833 | .27754 |

| | | | | | |
|---|---|---|---|---|---|
| *Leverage* | 120 | .03 | .95 | .6998 | .18655 |
| The Comprehensive Financial Performance | 120 | -14.83 | 11.81 | 2.5439 | 3.91393 |
| Valid N (listwise) | 120 | | | | |

**Normality Test**

According to Ghozali, (2016) the normality test aims to test whether the regression model, perturbrating variables or residual are normally distributed. In addition, the normality test also looks at whether the regression model used is good or not. A good regression model is normally distributed or close to normal. This study uses Kolmogorov-Smirnov statistical analysis on residual equations with the test criteria if the probability value > 0.05 then the data is normally distributed and if the probability value < 0.05 then the data is abnormally distributed. The results of the normality test can be seen in the following table:

| | | Unstandardized Residual |
|---|---|---|
| N | | 101 |
| Normal Parameters[a,b] | Mean | 0,0000000 |
| | Std. Deviation | 0,51322838 |
| Most Extreme Differences | Absolute | 0,080 |
| | Positive | 0,064 |
| | Negative | -0,080 |
| Test Statistic | | 0,080 |
| Asymp. Sig. (2-tailed) | | 0,115[c] |

Based on the table above, it is known that N = 101 due to the data transformation process. The Kolmogorov-Smrinov value is 0.080. The Kolmogorov-Smrinov sig value above shows a value of 0.115 which means it is greater than 0.05, so it can be concluded that the above data has been distributed normally.

**Multicollinearity Test**

According to Ghozali, (2016) the multicollinearity test aims to test whether the regression model finds a correlation between independent variables. A good regression model should not have correlations between independent variables. Testing for multicollinearity can be detected using tolerace value and variance inflation value (VIF). It is said that there is no multicollinearity if the VIF value is more than 10 and the tolerance value is more than 0.10. The results of the multicollinearity test can be seen in the following table:

| Model | Collinearity Statistics | |
|---|---|---|
| | Tolerance | VIF |
| (Constant) | | |
| *Size* | 0,557 | 1,796 |
| Finansial Assets | 0,582 | 1,718 |
| Type of BPR | 0,820 | 1,219 |
| Ownership BPR | 0,833 | 1,201 |
| *Leverage* | 0,592 | 1,688 |

Based on the results of the multicollinearity test in the table above, it shows that the tolerance value found in the variable (X1) size is 0.557 with a VIF value of 1.796, the tolerace value in the variable (X2) of financial assets is 0.582 with a VIF value of 1.718, the tolerace value in the variable (X3) of the BPR type is 0.820 with a VIF value of 1.219, the tolerace value in the variable (X4) is 0.833 with a VIF value of 1.201, the tolerace value on the variable (Z) was 0.592 with a VIF value of 1.688. Based on this information, it is known that the tolerance value value > 0.10 and the VIF value < 10, so the above data can be concluded that there is no multicollinearity between independent variables.

**Heteroscedasticity Test**

According to Ghozali, (2016) the heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residual of one observation to another. The results of the heteroscedasticity test can be seen in the following table:

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 3,356 | 2,089 | | 1,607 | 0,112 |
| | Size | -2,894 | 1,969 | -0,191 | -1,470 | 0,145 |
| | Finansial Assets | 0,008 | 0,059 | 0,018 | 0,137 | 0,892 |
| | Type of BPR | 0,040 | 0,112 | 0,039 | 0,356 | 0,723 |
| | Ownership BPR | -0,315 | 0,176 | -0,193 | -1,787 | 0,077 |
| | Leverage | 0,035 | 0,092 | 0,048 | 0,387 | 0,700 |

Judging from the table above, after transforming the data using Lon, there were no symptoms of heteroscedasticity because all variables had a sig value above 0.05. The size variable has a sig value of 0.145, the financial asset variable has a sig value of 0.892, the BPR type variable has a sig value of 0.723, the BPR ownership variable has a sig value of 0.077, and the leverage variable has a sig value of 0.700. All of the above variables show a sig value above 0.05, so in this equation it can be concluded that the regression model does not have heteroscedasticity.

**Autocorrelation Test**

The Autocorrelation Test in a model aims to find out whether there is a correlation between the perturbrating variable in a certain period and the previous variable. In detecting autocorrelation using Durbin Waston values with the criteria if:

1. dW < dL = there is a positive autocorrelation
2. dL < dW < dU = no conclusion
3. dU < dW < 4 – dU = no autocorrelation
4. 4 – dU < dW < 4 – dL = no conclusion
5. dW > 4 – dL = there is a negative autocorrelation

| Durbin-Waston | Durbin *Lower* | Criteria | Deskription |
|---|---|---|---|
| | | dW < dL | |
| 1,240 | 1,5736 | 1,240 < 1,5736 | There is a positive autocorrelation |

If viewed from the table above, a dW value of 1.240 is obtained, this value will then be compared with the value of the dW table which uses a significance value of 0.05. The number of samples is 101 with a free variable of 5 (k=5) so that in the Durbin-Waston table, the lower bound value (dL) of 1.5736 and the upper bound value (dU) of 1.7809 which means dW < dL, it can be concluded that there is a positive autocorrelation. To overcome the occurrence of autocorrelation, what is done is to transform the data using cochran orcutt. The following are the results of the autocorrelation test after transformation with cochran orcutt:

| Durbin *Upper* | Durbin-Waston | Criteria | Deskription |
|---|---|---|---|
| | | dU < dW < 4 - dU | |
| 1,7776 | 1,929 | 1,7776 < 1,802 < 2,2224 | No autocorrelation |

Based on the results of the autocorrelation test after the transformation using the cochran orcut, it can be seen that after the transformation was carried out, the dW value was 1.929, the lower limit value (dL) was 1.5736, and the upper limit value (dU) was 1.7809, which means that the dU < dW < 4 – dU, it can be concluded that after the data transformation using the cochran orcut data is no longer autocorrelation.

**Moderation regression analysis**

Moderated Regression Analysis (MRA) is a special analysis of linear multiple regression where the regression equation contains an element of interaction (multiplication of two or more independent variables). In this study, the interaction that occurred was the multiplication between size and leverage, financial assets with leverage, type of BPR with leverage, and BPR ownership with leverage. MRA aims to find out whether moderation can strengthen or weaken the relationship between independent variables and bound variables.

| | Tahap I | Tahap II | Deskription |
|---|---|---|---|
| | Y = Comprehensive Financial Performance | Y = Comprehensive Financial Performance | |
| Constanta | 0,014 | 0,009 | |
| *Size* | 0,000 | 0,001 | $H_{a5}$ : diterima |
| Finansial Assets | 0,124 | 0,104 | $H_{a6}$ : ditolak |
| Type of BPR | 0,301 | 0,072 | $H_{a7}$ : ditolak |
| Ownership BPR | 0,126 | 0,445 | $H_{a8}$ : ditolak |
| *Leverage* | - | 0,030 | |
| *Size* x *Leverage* | - | 0,007 | |
| Finansial Assets x *Leverage* | - | 0,080 | |

| | | | |
|---|---|---|---|
| Type of BPR x *Leverage* | - | 0,052 | |
| Ownership BPR x *Leverage* | - | 0,464 | |
| Adjusted $R^2$ | 0,394 | 0,460 | |

1. Ha5 accepted, leverage is able to moderate the relationship between size and comprehensive financial performance. The value of the sig size increased from 0.000 in equation 1 (before testing with moderation variables) to 0.001 in equation 2 (after testing with moderation variables) so that the leverage variable is the moderator variable of homologizer.
2. Ha6 was rejected, leverage was not able to moderate the relationship between financial assets and comprehensive financial performance. The sig value of financial assets decreased from 0.124 in equation 1 (before testing with moderation variables) to 0.104 in equation 2 (after testing with moderation variables) so that the leverage variable is a homologizer moderator variable.
3. Ha7 was rejected, leverage was not able to moderate the relationship between BPR types and comprehensive financial performance. The sig value of BPR type decreased from 0.301 in equation 1 (before testing with moderation variables) to 0.072 in equation 2 (after testing with moderation variables) so that the leverage variable was the moderator variable of homologizer.
4. Ha8 was rejected, leverage was not able to moderate the relationship between BPR ownership and comprehensive financial performance. The value of the sig of BPR ownership increased from 0.126 in equation 1 (before testing with moderation variables) to 0.445 in equation 2 (after testing with moderation variables) so that the leverage variable is a quasi-moderator variable.

**Test Results t**

The t-test is carried out to calculate the influence of each variable X on the variable Y. In this case, to find out partially or not the variables size, financial assets, type of BPR and BPR ownership whether or not they have a significant effect on comprehensive financial performance. This test uses a significance level of 0.05 with the criterion that if the significant value t > 0.05, then Ho is accepted and Ha is rejected, meaning that variable X is not partially significant to variable Y. If the significant value t < 0.05, then Ho is rejected and Ha is accepted, meaning that variable X partially has a significant effect on variable Y.

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -32,995 | 13,131 | | -2,513 | 0,014 |
| | *Size* | 20,332 | 5,433 | 0,340 | 3,742 | 0,000 |
| | Finansial Assets | -2,522 | 1,624 | -0,124 | -1,553 | 0,124 |
| | Type of BPR | 0,773 | 0,742 | 0,084 | 1,041 | 0,301 |
| | Ownership BPR | -1,720 | 1,114 | -0,130 | -1,544 | 0,126 |

Based on the results of the t-test in the table above, it can be described as follows:

1. Size is obtained with a calculation of 3.742 and a Sig value of 0.000. Where the value of Sig. < 0.05, Ha1 is accepted. So that the size partially has a significant effect.
2. Financial assets are obtained by -1.553 and the value of Sig. is 0.124. Where the value of Sig is > 0.05, then Ha2 is rejected. So that financial assets partially do not have a significant effect.
3. The type of BPR was obtained with a calculation of 1.041 and a Sig. value of 0.301. Where the value of Sig. > 0.05, Ha3 is rejected. So that the type of BPR partially does not have a significant effect.
4. BPR ownership was obtained by -1.544 and Sig. value of 0.126. Where the value of Sig. > 0.05, Ha4 is rejected. So that partial BPR ownership does not have a significant effect.

## DISCUSSION

### The Effect of Size on Comprehensive Financial Performance

Based on the hypothesis testing that has been carried out, the size variable is proxied with the natural logarithm of the total axel. The test results in this study showed a significant value of 0.000 < 0.05 which means that size affects the comprehensive financial performance of BPR in Kediri Raya. This shows that this study is in line with research conducted by (Murdiyanto & Kusuma, 2022), where the study stated that size has a positive and significant effect on comprehensive financial performance. Size is used as a criterion for investors to invest so that the larger the size of the company, the greater the opportunity for the company to get funds, the financial performance will also increase.

### The Influence of Financial Assets on Comprehensive Financial Performance

Based on the hypothesis testing that has been carried out, the financial asset variable shows a significant value of 0.562 > 0.05 which means that financial assets have no effect on the comprehensive performance of BPR in Kediri Raya. This is because the lower the number of financial assets, the smaller the value adjustment value recorded, which will have an impact on profit and financial performance. This study shows that the results of this study are not in line with the research (Murdiyanto & Kusuma, 2022), where the study states that financial assets have a positive effect on comprehensive financial performance.

### The Effect of BPR Type on Comprehensive Financial Performance

Based on the hypothesis testing that has been carried out, the BPR type variable shows a significant value of 0.647 > 0.05, which means that financial assets have no effect on the comprehensive performance of BPR in Kediri Raya. This is because the type of BPR is not able to increase financial performance because there are not as many activities as commercial banks and BPRs focus on rural communities, so BPRs have limitations to generate greater income.

### The Effect of BPR Ownership on Comprehensive Financial Performance

Based on the hypothesis testing that has been carried out, the BPR type variable shows a significant value of 0.647 > 0.05 which means that ownership has no effect on the performance of the comprehensive BPR in Kediri Raya. This is because the company's financial performance is not

**The Effect of Leverage in Moderating the Relationship of Size on Comprehensive Financial Performance**

Based on the hypothesis testing that has been carried out, it can be known that the results obtained where leverage moderation is able to moderate the influence of size on comprehensive financial performance with a significant increase in value where in equation 1 the significant value shows a value of 0.000 and in equation 2 the significant value becomes 0.001. So hypothesis 5, namely leverage is able to moderate, meaning that leverage strengthens the relationship of size to comprehensive financial performance. The results of this test are in line with research conducted by Murdiyanto & Kusuma (2022) in their research also said that leverage increases the influence of bank size on comprehensive financial performance. Leverage can moderate the size of the comprehensive financial performance depending on the size and economic condition of a company. Leverage has a positive effect, but with greater risk due to the higher interest expense. Companies with higher levels of leverage may have less flexibility in making financial decisions.

**The Effect of Leverage in Moderating Financial Asset Relationships on Comprehensive Financial Performance**

Based on the hypothesis testing that has been carried out, it can be known that the results obtained where leverage moderation is not able to moderate the influence of financial assets on comprehensive financial performance with a significant decrease in value where in equation 1 the significant value shows a value of 0.124 and in equation 2 shows a significant value of 0.104. Therefore, hypothesis 6, namely that leverage is not able to moderate, that is, weakens the relationship between financial assets and comprehensive financial performance. This is because because of the high level of leverage, financial assets will also decrease, because perhaps the financial assets owned will be reduced to cover their debts. The results of this test are not in line with the research conducted by Murdiyanto & Kusuma (2022) in their research also said that leverage increases the influence of financial assets on comprehensive financial performance.

**The Effect of Leverage in Moderating the Relationship of BPR Type on Comprehensive Financial Performance**

Based on the hypothesis testing that has been carried out, it can be known that leverage moderation is not able to moderate the influence of BPR type on comprehensive financial performance with a significant decrease in value where in equation 1 the significant value shows a value of 0.301 and in equation 2 shows a significant value of 0.072. So hypothesis 7, namely that leverage is not able to moderate, that is, weakens the relationship of BPR type to comprehensive financial performance. This is due to factors such as the lack of leverage in Conventional and Sharia BPR.

**CONCLUSION**

Based on the results of data analysis, hypothesis testing and discussion, it can be concluded from this study that Size has a significant effect on comprehensive financial performance in BPR throughout Kediri Raya. Financial assets have no effect on the comprehensive financial performance of BPR in Greater Kediri. The type of BPR has no effect on the comprehensive financial performance of BPRs throughout Greater Kediri. BPR ownership has no effect on the comprehensive financial performance of BPRs throughout Kediri Raya. Leverage is able to moderate the influence of size on comprehensive financial performance in BPR throughout Greater Kediri. Leverage is not able to moderate the influence of financial assets on the comprehensive financial performance of BPRs throughout Greater Kediri. Leverage is not able to moderate the influence of BPR types on comprehensive financial performance in BPRs throughout Kediri Raya. Leverage is not able to moderate the influence of BPR ownership on the comprehensive financial performance of BPRs in Greater Kediri.

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