

## ABSTRACT

Atik Rahmatika, 2012 SKRIPSI. Title: Performance Analysis of Local Government Finance, Year of 2008-2010 (Case Study in the Department of Industry, Trade and Market, Malang Regency).

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The implementation of government affairs under the authority of the region which is funded from and by the expense of Budget Revenue and Expenditure (Regional Budget), which is served as the basis of region financial management within one budget year. Financial ratio analysis of the Regional Budget is done by comparing the results achieved by an area from one period to the earlier periods, in order to know how the trend is happening.

This study aims at analyzing the performance of Department of Industry, Trade and Market of Malang Regency in the Budget Year of 2008-2010 in managing local finances using financial ratio analysis. The method of analysis used is a qualitative descriptive analysis method. While the data analysis techniques was conducted by interviewing the staff of Disperindag Financial Markets and also using the data of Budget Realization Report. The ratio which is used as an analytical tool is Independence Regional Ratio, Regional Dependency Ratio, Degree of Decentralization, PAD Effectiveness and Efficiency Ratio, Effectiveness and Efficiency Ratio of Local Taxes, degree of contribution of local enterprises, DSCR, Debt Ratio to Revenue and Expenditure Efficiency Ratio.

Based on the results of the data analysis, it is known that the financial performance of the Department of Industry, Trade and Market of Malang Regency in the Budget Year of 2008-2010 overall is included as good category. This is demonstrated by the achievement of each period which relatively meets the optimal size of each ratio is used.