

THE EFFECT OF ACCOUNTING INFORMATION ON DECISION MAKING OF MUDHARABAH AND MURABAHAH FINANCING WITH NON PERFORMING FINANCING POLICY AS MODERATING IN THE SHARIA SUMUT BANK

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Abstract: Islamic banks are special types of banks that have finance in a century. Although they are referred to as banks, Islamic banks are built on different principles such as religious ethics and jurisprudence. In addition, they are designed for different purposes such as achieving Islamic socio-economic goals. The purpose of this study is to analyze accounting information (Current Ratio, Short Term Mismatch Plus, Financing To Deposit Ratio, Debt To Equity Ratio, Return On Equity) with mudharabah and murabaha financing decisions. This research is a research that has been done by several researchers, in previous studies trying to test the relationship between accounting information and financial decision making is still not convincing. The subject of this research is accounting information that is used as a financial ratio measurement tool to see mudharabah and murabaha financing decisions at the North Sumatran Bank with 5 Branches examined, over a period of 6 years using secondary data. This study uses panel data by testing using the EViews 9 application. The results of the researchers after doing the test model, get a fixed test model, after doing the fixed test then do the classic assumption test, the results of the classic assumption test explain all normal tests. F test shows a significant value of 0,000 smaller than 0.05. The results of this F test indicate that the independent variables jointly (simultaneously) have a significant influence on the dependent variable mudharabah and murabaha financing. In terms of Current Ratio, Short Term Mismatch Plus, Financing To Deposit Ratio, it has a negative effect on mudharabah and murabaha financing but not significantly above > 0.05 . In contrast to the Debt To Equity Ratio ratio, a positive and significant effect on mudharabah and murabaha financing in the Sumut Syariah Bank $0.01 < 0.05$. Return On Equity is not a significant negative effect. Likewise, moderating Non Performing financing does not moderate one variable between (Current Ratio, Short Term Mismatch Plus, Financing To Deposit Ratio, Debt To Equity Ratio, Return On Equity).

Keywords: Current Ratio, Short Term Mismatch Plus, Financing To Deposit Ratio, Debt To Equity Ratio, Return On Equity Mudharabah and Murabahah Financing, Non Performing Financing.

1. INTRODUCTION

The growth of Islamic banking seems to have accelerated significantly in the last few years. It must be recognized that the issuance of Law No. 10 of 1998 concerning Islamic banking which is a refinement of Law No. 7 of 1992 has triggered the development of Islamic banking. The Shrimp Law which provides an

opportunity for the implementation of the dual banking system in the national banking system, has quickly led to the opening of the Islamic division in a number of Conventional Banks. Until now, in Indonesia there are 14 Sharia Commercial Banks, 21 Conventional Commercial Banks that have Sharia Business Units (UUS), and 165 Sharia Rural Financing Banks (BPRS) that operate on sharia principles. Financial Services Authority (2018).

BI Syariah Banking Bureau (2003) shows that the share of total assets increased from 0.11% to 0.33%, Third Party Funds from 0.07% to 0.30% and financing from 0.17% to 0, 81%. The increase in deposits was followed by a high increase in financing so that the ratio between financing and savings (financeng to deposit ratio, FDR) had reached 127% at the end of 2002. That figure shows the intermediary function of Islamic banking has been running well compared to conventional banks with Financing Deposit Ratio (FDR) rates only reaches 45%. The impressive growth in business activities was followed by a good performance in Islamic banking. This is reflected in the low quality of Sharia Banking Non Performing Financing (NPF), which is 4.3% compared to the national average of non-current credit at 11.4%.

Mudharabah is an agreement of a type of partnership, where the first party (shahib al'mal) provides funds and the second party (mudarib) is responsible for managing the business. Muhammad (2005). The results of the business are distributed in accordance with the agreed ratio (profit sharing portion) from the beginning. Whereas Murabaha is the sale and purchase of goods at the original price with additional agreed benefits. In murabaha financing, the seller must disclose the cost of the item he bought and determine a level of profit in addition. The type of murabaha financing is carried out in stages: the customer purchases goods on behalf of the bank, the bank sells the goods to the customer at the same price as the purchase price plus a certain level of profit for the bank. These two Islamic bank financing products are among the highest percentage of devotees compared to other financing products. Based on Bank Indonesia's data until the end, mudharabah financing reached a share of 14.02% and murabahah financing reached a share of around 72.35% of Indonesian Sharia Banking.

Agustianto said that wisdom for the development of sharia banking in Indonesia, where the needs of the community for sharia banking products or financial institutions that use profit-sharing based systems, had increased very rapidly, the growth of sharia banking assets from year to year showed an increase. Based on data from the Financial Services Authority, Sharia Banking does have very good quality financing, it can be seen from 2016 the total assets of sharia banking Rp. 254,184 billion in 2017 Rp. 288,027 billion and 2018 Rp. 311,401 billion, in a period of three years previous Sharia Banking Assets Continue to increase, last growing 11% per year. (Financial Services Authority, 2018).

Table 1
NPF of Sharia Banking and Joint Reports of Sharia Commercial Banks and Indonesian Sharia Business Units

YEAR	NPF	PROFITABILITAS(Miliar)
2016	4,42 %	Rp 2.096
2017	4,76 %	Rp 3.084
2018	3,26 %	Rp 5.119

Source: Financial Services Authority.

Explanation of the table above is the increase in the number of non-performing financing in 2017 and the decline in the NPF in 2018 faced by Islamic banking, especially in the three years above. However, by increasing the prudence and focus and intensity of financing risk management, by the end of 2018 the concentration of non-performing financing has dropped to a more controlled level as reflected in the NPF (gross) ratio of Islamic banking at 3.26%. In terms of profitability, in 2018 banks sharia was able to record a profit rate of Rp 5,119 billion, an increase of Rp 2,035 billion from the previous year.

Before making a decision to give or reject a loan request from a company, the bank needs to know in advance the financial position of the company concerned. Risk managers must have a comprehensive understanding of risk and measurement of risk exposure in order to effectively carry out the tasks entrusted to it. In addition, risk management serves as a tool to check whether the decisions made regarding risk are in accordance with business strategies and objectives. If the loan is short-term, the bank will pay particular attention to company liquidity, while if the loan is long-term, the bank will be more interested in the ability of cash flow to pay off debt in the long run. By analyzing the financial statements, the bank will be able to measure the company's ability to pay its debts, also to find out whether the credit to be given is sufficiently guaranteed by the company described or seen in the company's ability to benefit in the future Rim (2014).

Non Performing Financing (NPF) is the ratio between problematic financing and total financing channeled by Islamic banks. Based on the criteria set by Bank Indonesia the categories included in the NPF are current financing, special attention, substandard, doubtful and loss. The decision to provide financing is then viewed from the NPF level that occurred in the previous year if the NPF is above 5%, banks are required to report to Bank Indonesia to be analyzed for refinancing. One source of information in the provision of mudharabah and murabaha financing facilities is accounting information which includes the balance sheet, income statement, cash flow statement and financial ratios.

In line with the increasing years of the Medan Sumut Syariah Bank in Medan, its business development began to increase as seen from the growth of assets, financing mudharabah and murabaha financing launched as shown in the table below:

Table 2
Financial Information for Bank Sumut Syariah in 10 Years

Year	Total assets	Mudharabah (Million)	Murabah (Million)	NPF
2009	Rp.644.696.940	Rp. 544.697	Rp. 140.830	8.79%
2010	Rp. 707.407.222	Rp. 549.977	Rp. 142.195	8.41%
2011	Rp. 714.764.294	Rp. 555.813	Rp. 143.704	7.49%
2012	Rp. 744.483.441	Rp. 561.201	Rp. 145.097	8.32%
2013	Rp. 794.182.549	Rp. 567.156	Rp. 146.636	7.72%
2014	Rp. 827.203.824	Rp. 572.654	Rp. 148.058	8.41%
2015	Rp. 835.981.631	Rp. 578.731	Rp. 149.629	8.41%
2016	Rp. 844.852.583	Rp. 584.872	Rp. 151.217	8.08%
2017	Rp.1.087.766.264	Rp. 2.838	Rp. 149.408	11.89%
2018	RP. 997.723.871	Rp. 7.609	Rp. 133.951	8.54%

Source: Sumut Syariah Bank's NPF report

From Table 2 can be seen at the end of 2009 the growth of assets has decreased compared to 2010, as well as mudharabah financing and murabahah bank Sumut slightly under pressure due to strong fund collectors showed mudharabah growth of Rp 544,697 decreased compared to mudharabah financing in 2010 Rp. 549,977 as well as murabaha financing in 2009 decreased by Rp.142,195,212. compared to 2011 Rp 143,704,105. But from year to year the North Sumatra bank of North Sumatra continued to experience a significant increase in total assets and mudharabah and murabahah financing, when the acceleration increased, the NPF also experienced an unexpected increase in financing provided, resulting in NPF with the lowest percentage of 10 years 7.49% and the highest reaches 11.89%. So that the Medan Branch of North Sumatra Sharia Bank experienced problems with the return of Mudharabah and Murabahah financing. Bank Indonesia has set a NPF limit to be able to provide refinancing if the NPF is below 5%, if it is above 5% Banks must reapply to Bank Indonesia for refinancing. From the above table, Medan Sumut Syariah Bank Medan Branch is required to report NPF because it has reached the limits of Bank Indonesia Regulations.

2. LITERATURE REVIEW AND HYPOTHESIS

2.1 Mudharabah

Mudharabah is a partnership agreement between business fund providers (called shahibul maal / rabulmal) and fund managers / business management (referred to as mudharib) to obtain business results by dividing the results of operations according to the portion (ratio) agreed at the beginning. (Harahap et al, 2005)

Mudharabah comes from the word dharb which means to hit or rather the process of a person hitting his feet on a business trip. The mudaraba of the law may be based on the Qur'an, the Word of God: He knows that there will be among you people who walk the earth looking for some of God's gifts, and other people who are fighting in the way of Allah. (Surah Al-Muzzammil: 20) And His word: O you who believe! The contracts are full ... (QS.Al-Maidah: 1). And the word of God: Then,

if some of you believe in others, let those who believe fulfill their mandate and let them fear Allah their Lord ... (Surat al-Baqarah: 283).

2.2 Murabahah

Murabaha is a sale of goods transaction by stating the acquisition price and profit (margin) agreed by the seller and buyer. The word Murabaha is taken from Arabic from the word ar-ribhu which means excess and tambhan (profit). Meanwhile, according to the term Murabaha is one form of buying and selling goods at the original price with additional agreed benefits. In another sense Murabaha is a transaction of sale of goods by stating the acquisition price and profit agreed by the seller and buyer. Payment for Murabahah sale and purchase agreements can be made in cash or credit. This is what distinguishes Murabaha from other buying and selling, which is the seller must notify the buyer the price of the basic goods they sell as well as the amount of profits obtained.

2.3 Accounting Information

The Accounting Principle Board (1970) defines accounting as a service activity whose function is to provide quantitative information, generally in terms of money, regarding an economic entity intended for use in economic decision making or as a basis for choosing among several alternatives. Accounting information is the result of a quantitative data processing in the size of money, sourced from transactions of operating activities of a business entity or organizational unit which can be in the form of financial statements of the business entity or organizational unit, to be submitted to those who need it and can be used by the parties who are interested in choosing various alternative economic decisions.

2.4 Current Ratio

Current Ratio is the ratio between current assets and current debt. This ratio illustrates the company's ability to pay off short-term debt that is due with funds embedded in current assets. Current ratio is the ratio to measure the ability of companies to pay short-term obligations or debt that are due immediately when billed as a whole. In other words, how much current assets are available to cover short-term liabilities that are immediately due. The current ratio can also be said as a form of measuring the level of safety (margin of safety) of a company Kasmir (2014: 134).

2.5 Short Term Mismatch Plus (STMP)

Warren, Reeve, Fess (2006) "Current ratios and fast ratios are the most useful when analyzed simultaneously and compared with previous periods and compared with other companies in similar industries". If you look closely, it will be seen that the STMP ratio where this ratio is commonly used and specifically noticed by short-term creditors. The purpose of the STMP itself is to measure the ability of banks to meet short-term obligations by using short-term assets, cash, and secondary reserves.

2.6 Financing To Deposit Ratio (FDR)

Amir (2010) banks must have sufficient funds or sources of liquid funds to pay current accounts, deposits and savings that will be withdrawn by customers. Banks that are not able to quickly pay current accounts, deposits and savings belonging to customers, the bank will reduce the reputation of the bank's business and reduce the level of public confidence to use the bank, so each bank must carefully maintain their financial liquidity. Because there is no credit in Islamic

banking, the Loan to Deposits Ratio (LDR) ratio in Islamic banks is called Financing to Deposits Ratio (FDR).

2.7 Total debt to equity ratio

Total debt to equity ratio is a ratio to measure the composition of capital in a bank to pay off all debts. This ratio has a negative influence on murabaha financing. The bigger the value of this ratio, shows the composition of total debt is bigger than the total own capital, so that the bigger the impact of the company's burden on external parties (creditors). So that Islamic banks will limit the amount of murabaha financing. Debt to equity ratio is a debt ratio used to measure the ratio between total debt to total assets.

2.8 Return on Equity (ROE)

Return on Equity measures the ability of a company to obtain available profits for its shareholders. This ratio is also influenced by the size of the company's debt if the proportion of debt is bigger then this ratio will also be even bigger. The bigger the ROE, the bigger the level of profits achieved by banks so that the possibility of a bank in a problematic condition is smaller.

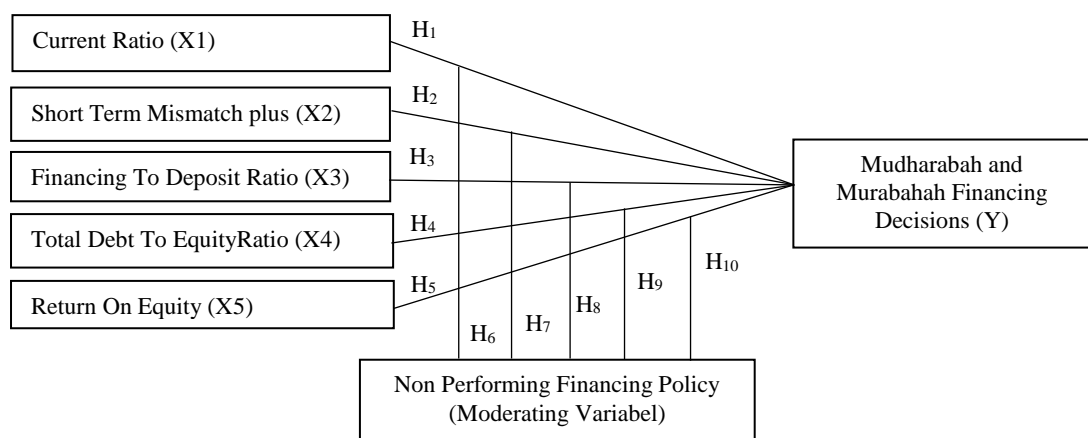
2.9 Non Performing Financing

Funding according to quality is essentially based on the risk of the possibility of the conditions and compliance of financing customers in fulfilling their obligations to pay profit sharing, and to pay off their financing. So the main element in determining the quality is the time of profit-sharing payments, installment payments and payment of principal financing.

According to Rukiah (2010) Non-performing financing is loans that have difficulty paying off due to intentional factors and/or due to external factors beyond the borrower's customer control ability. net non-performing loans (NPL) or net non-performing loans (NPF) more than 5% (five percent) of total loans or total financing.

2.10 Conceptual Framework and Hypothesis

The conceptual framework in this study is as follows:



A measuring instrument for several rupiahs of each current asset is funded by current debt or shows current assets in covering short-term liabilities / debt. The measurement scale of the variable used is the ratio. Compensation for

developer companies is usually dominated by a sufficient supply of liquid land. So that the high current ratio does not actually show business liquidity. So that the high current ratio does not actually show business liquidity. Based on the description above, a hypothesis can be taken:

Hypothesis 1: Current Ratio has a positive influence on Mudharabah and Murabahah financing at the North Sumatran Bank.

Short Term Mismatch Plus (STMP) is a ratio used to measure the ability of banks to meet short-term obligations by using short-term assets, cash, and secondary reserve. Short-term assets are liquid assets of less than three months other than cash, Bank Indonesia Syariah Sharia (SBIS) and State Sharia Securities (SBSN) in maturity profile reports as referred to in Sharia Commercial Bank Periodic Reports. Based on the description above, a hypothesis can be taken:

Hypothesis 2: Short Term Mismatch Plus, has a positive influence on Mudharabah and Murabahah financing at the North Sumatran Bank

Financing to Deposit Ratio (FDR) is the ratio between financing provided and total third party funds. FDR measures the ability of Islamic banks to fulfill all their short-term obligations when they expire. Sharia banks are said to be liquid if they are able to return depositors' funds when billed and are able to meet financing needs to external parties. So, if a high FDR indicates that the company is included in the liquid category, Muhammad (2005) Based on the description above, a hypothesis can be drawn:

Hypothesis 3: Financing To Deposit Ratio has a positive influence on Mudharabah and Murabahah financing at the North Sumatra Syariah Bank.

Ratio to measure the composition of existing capital in a bank to pay off all debts. This ratio has a negative influence on murabahah financing. The bigger the value of this ratio, shows the composition of total debt is bigger than the total own capital, so that the bigger the impact of the company's burden on external parties (creditors). So that Islamic banks will limit the amount of financing.

Hypothesis 4: Debt to Equity Ratio has a positive influence on Mudharabah and Murabahah financing at Bank Sumut Syraiah

Return on equity is a ratio that shows the ratio between earnings (after tax) and bank capital (core capital), this ratio shows the level of percentage that can be generated. ROE is an indicator of the ability of banks to manage available capital to obtain net income. ROE can be obtained by calculating the ratio of profit after tax to total equity (Net Income divided by Total Equity)

Hypothesis 5: Return On Equity has a positive influence on Mudharabah and Murabahah financing at the North Sumatra Syraiah Bank

Non Performing Financing (NPF) is the ratio between problematic financing and total financing channeled by Islamic banks. Based on the criteria set by Bank Indonesia the categories included in the NPF are current financing, special

attention, substandard, doubtful and loss. The decision to grant financing is then looked at from the NPF level that occurred in the previous year if the NPF is above 5%, banks are required to report to Bank Indonesia to be analyzed for refinancing.

Hypothesis 6: Nonperforming Financing can moderate the effect of Current Ratio on Mudharabah and Murabahah financing at the North Sumatran Bank.

Hypothesis 7: Non Performing Financing can moderate Short Term Mismatch Plus to Mudharabah and Murabahah financing at Sumut Syariah Bank.

Hypothesis 8: Non-performing financing can moderate the influence of Financing To Deposit Ratio on Mudharabah and Murabahah financing at the Sumut Syariah Bank.

Hypothesis 9: Non Performing Financing can moderate the influence of Debt To Equity Ratio on Mudharabah and Murabahah financing at the North Sumatra Syariaiah Bank.

Hypothesis 10: Non Performing Financing can moderate the effect of Return On Equity on Mudharabah and Murabahah financing at the Sumut Syariah Bank.

3. RESEARCH METHODS

This research is a causal relationship research, in which the data and facts obtained will be empirically proven the influence of a variable on other variables. The design of predictor variables (variables that affect) or called the independent variables used in this research are Accounting Information and Non-Pervorming Financing Moderating. Accounting information variables are measured through 4 indicator variables, including: Current Ratio, Short Term Mismatch, Financing To Deposit Ratio , Total Debt To Equity Ratio, Return On Equity. While the variables that are influenced by accounting information or called the dependent variable are Mudharabah and Murabahah financing decisions at the North Sumatra Sharia Bank.

The data is processed using the Eviews program while for the data analysis method, researchers use 2 data analysis methods to test the hypothesis including multiple regression analysis and interaction testing. By using the multiple regression analysis method in model 1 and the moderating test in model 2, the following equation is obtained:

1. Multiple regression analysis, the equation is:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + e$$

2. Moderating Test, the equation is:

$$Y = \alpha + \beta_6X_1.Z + \beta_7X_2.Z + \beta_8X_3.Z + \beta_9X_4.Z + \beta_{10}X_5.Z + e$$

4. RESULTS AND DISCUSSIONS

4.1 Results

Determination Coefficient Test

Cross-section Fixed		
1	R-squared	0.929
2	Adjusted R-squared	0.891

Based on the results of data processing can be seen Adjusted R-square determination coefficient of 0.929 or (92.9%), meaning that the current ratio, short term mismatch plus, financing to deposit ratio, debt to equity ratio and retron on equity have an influence on mudharabah and murabaha financing decisions amounted to 0.929 or 92.9% .7%. While the rest (7.1%) is influenced by other variables outside the model not included in this study.

Statistical Test F (Simultaneous)

F test results show a significant value of 0,000 smaller than 0.05. The results of this F test indicate that the independent variables together (simultaneously) have a significant influence on the dependent variable, namely mudharabah and murabaha financing.

Table 3
Statistical t Test (Partial)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
CR	-0.062255	0.170088	-0.366019	0.7184
STMP	-0.143731	0.127860	-1.124129	0.2750
FDR	-0.243714	0.271110	-0.898948	0.3799
TDER	0.236150	0.084578	2.792101	0.0116
ROE	-0.002971	0.072893	-0.040759	0.9679

Based on the above table, the results of the regression analysis state that the current ratio partially (individually) has no significant effect on mudharabah and murabaha financing. Likewise for the variable short term mismatch plus, financing to deposit ratio, in contrast to the variable total debt to equity ratio has a significant effect and retron on equity has no significant effect. Each variable tested is one variable that is partially seen to have a significant effect on mudharabah and murabaha financing.

Table 4
Moderating Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob
CR_NPF	-1697.010	5551.871	-0.305664	0.7644
STMP_NPF	7165.390	15835.25	0.452496	0.6578
FDR_NPF	-1485.713	7385.527	-0.201165	0.8435
TDER_NPF	2914.631	2114.178	1.378612	0.1896
ROE_NPF	5015.227	13501.86	0.371447	0.7159

Based on the table above, it can be seen that each interaction between the moderating variables is Non Performing Financing with each independent variable namely the current ratio, short term mismatch plus, financing to deposit ratio, debt to equity ratio and retron on equity. But based on these results it can be concluded that all moderating variable interactions do not have a significant effect on firm value because the significance value is bigger than 0.05

4.2 Discussions

The Influence of Current Ratio on Easyrabah and Murabahah financing at the North Sumatra Syraiah Bank

The first hypothesis in this study states that the current ratio has a negative effect on mudharabah and murabaha financing in sharia bank sumut. The test results in this study indicate that the current ratio partially has a negative but not significant effect on mudharabah and murabaha financing in sharia bank sumut. With these results, H1 was rejected.

Theoretically, the current ratio is a ratio to measure the ability of companies to pay short-term liabilities or debt that are due soon when billed as a whole. In other words, how much current assets are available to cover short-term liabilities that are immediately due. The current ratio can also be said as a form of measuring the level of safety (margin of safety) of a company.

The Influence of Short Term Mismatch Plus on Mudharabah and Murabahah financing at the North Sumatran Bank.

The second hypothesis in this study states that short term mismatch plus, has a negative effect on mudharabah and murabahah financing at the North Sumatran Bank. The test results in this study indicate that short-term mismatch plus, partially has a negative but not significant effect on mudharabah and murabaha financing in the North Sumatra bank. With these results, H2 is rejected.

Theoretically Dhekra (2012) Islamic banks carry out the work required to identify operational risks. Analyzing liquidity risk management shows that Islamic banks strengthen their liquidity risk management and use several liquid instruments, especially short term mismatch plus. At Bank Sumut Syariah itself short term mismatch plus measures the ability of banks to meet short-term obligations by using short-term activities, cash and secondary reserves.

The Influence of Financing To Deposit Ratio on Mudharabah and Murabahah financing at the North Sumatran Bank.

The third hypothesis in this study states that financing to deposit ratio has a negative effect on mudharabah and murabaha financing in sharia bank sumut. The test results in this study indicate that the financing to deposit ratio partially has a negative and insignificant effect on Mudharabah and Murabahah financing at the North Sumatra Sharia Bank. With these results, H3 is rejected. Theoretically, FDR is the total amount of funds channeled to the public, these funds are mostly obtained from Third Party Funds. The higher the funds disbursed, the better the bank intermediation function, this can be seen from the bank's FDR (finance to deposit ratio). FDR is the ratio between the amount of funds channeled with the funds collected.

The Influence of Debt To Equity Ratio on Mudharabah and Murabahah financing at the North Sumatra Syraiah Bank

The fourth hypothesis in this study states that the total debt to equity ratio has a positive effect on mudharbah and murabaha financing in sharia bank

sumut. The test results in this study indicate that the total debt to equity ratio partially has a positive and significant effect on mudharabah and murabaha financing at the North Sumatra syraiah bank. With these results, H4 is accepted. Theoretically, Bank Sumut Syariah measures the composition of capital available in a bank to pay off all debts. This ratio has a negative influence on murabaha financing. The bigger the value of this ratio, shows the composition of total debt is bigger than the total own capital, so that the bigger the company's burden on external parties (creditors). So that Islamic banks will limit the amount of murabaha financing. Debt to equity ratio is a debt ratio used to measure the ratio between total debt to total assets. In other words, how much the company's assets are financed by debt or how much the company's debt affects the management of assets. Kashmir (2010).

The effect of Retrun on equity has on mudharabah and murabaha financing in the bank of North Sumatra syraiah

The fifth hypothesis in this study states that return on equity has a negative effect on mudharbah and murabaha financing on sharia bank sumut. The test results in this study indicate that return on equity partially has a negative but not significant effect on Mudharabah and Murabahah financing at the North Sumatra Syraiah Bank. With these results, H5 was rejected. Theoretically, the ratio shows the ratio between profit (after tax) and bank capital (core capital), this ratio shows the level of percentage that can be generated. ROE is an indicator of the ability of banks to manage available capital to obtain net income. ROE can be obtained by calculating the ratio of profit after tax to total equity (Net Income divided by Total Equity).

Non Performing Financing cannot moderate the effect of the current ratio on Mudharabah and Murabahah financing at the Sumut Syariah Bank.

The sixth hypothesis in this study states that non-performing financing can moderate the effect of the current ratio on mudharabah and murabaha financing on the North Sumatra syraiah bank. The test results in this study indicate that the interaction between non-performing financing and current ratio does not have a significant effect on mudharabah and murabah financing because the significance value is bigger than 0.05. With these results, H6 is rejected. Theoretically, NPF is the ratio between problematic financing and total financing channeled by Islamic banks. Based on the criteria set by Bank Indonesia the categories included in the NPF are current financing, special attention, substandard, doubtful and loss. The decision to provide financing is then viewed from the NPF level that occurred in the previous year if the NPF is above 5%, banks are required to report to Bank Indonesia to be analyzed for refinancing.

Non Performing Financing cannot moderate Short Term Mismatch Plus to Mudharabah and Murabahah financing at the Sumut Syariah Bank.

The seventh hypothesis in this study states that non-performing financing can moderate the effect of short-term mismatch plus on mudharabah and

murabaha financing in sharia bank sumut. The test results in this study indicate that the interaction between non-performing financing and short-term mismatch plus does not have a significant effect on mudharabah and murabaha financing because the significance value is bigger than 0.05. With these results, H7 was rejected. In the provision of financing facilities which include mudharabah and murabahah financing must be adjusted to the standard standards set in the Islamic Bank. The standard is made to eliminate the risk of financing facilities to prospective borrowers, so that the financing facilities that have been disbursed will be able to return in accordance with the contract agreed between the debtor and the creditor. Based on BI Regulation Number 8/21/PBI/2006, Article 9 regarding financing states that the quality of earning assets in the form of financing is assessed based on the business prospects, customer performance and ability to pay (Bank Indonesia, 2006).

Non Performing Financing cannot moderate the influence of Financing To Deposit Ratio on Mudharabah and Murabahah financing at the Sumut Syariah Bank

The eighth hypothesis in this study states that non-performing financing can moderate the influence of financing to deposit on mudharabah and murabahah financing on the North Sumatra bank. The test results in this study indicate that the interaction between non-performing financing and financing to deposit does not have a significant effect on mudharabah and murabaha financing because the significance value is bigger than 0.05. With these results, H8 was rejected. The financing ratio itself is reflected in the Financing to Deposit (FDR) ratio which is the ratio between the amount of funds channeled in the form of financing with the amount of public funds and own capital used. Controlling the FDR ratio is still a dilemma problem for the banking world. A high FDR means that the Bank has maximized its function as an intermediary where the ability to channel funds is higher compared to raising funds, but this situation means reducing the level of bank liquidity and heightening the risk of problem financing.

Non Performing Financing cannot moderate the influence of Debt To Equity Ratio on Mudharabah and Murabahah financing at the North Sumatra Syariaiah Bank.

The ninth hypothesis in this study states that non-performing financing can moderate the effect of the total debt to equity ratio on mudharabah and murabaha financing on the North Sumatra bank syraiah. The test results in this study indicate that the interaction between non-performing financing and total debt to equity ratio does not have a significant effect on mudharabah and murabaha financing because the significance value is bigger than 0.05. With these results, H9 was rejected. At the North Sumatran Bank itself the largest source of funds comes from public funds in addition to other sources of funds that come from their own capital loans. Sources of third party funds such as demand deposits, savings and deposits are also commonly referred to as traditional sources. Whereas loans through the money market by issuing debt instruments are called

non-traditional sources.

Non Performing Financing cannot moderate the effect of Return On Equity on Mudharabah and Murabahah financing at the Sumut Syariah Bank.

The tenth hypothesis in this study states that non-performing financing can moderate the effect of return on equity on mudharabah and murabaha financing on the North Sumatra syraiah bank. The test results in this study indicate that the interaction between non-performing financing and return on equity does not have a significant effect on mudharabah and murabaha financing because the significance value is bigger than 0.05. With these results, H10 was rejected. Return on Equity measures the ability of a company to obtain available profits for its shareholders. This ratio is also influenced by the size of the company's debt if the proportion of debt is bigger then this ratio will also be even bigger. The bigger the ROE, the bigger the level of profits achieved by banks so that the possibility of a bank in a problematic condition is smaller.

5. CONCLUSSIONS AND SUGGESTIONS

5.1 Conclussions

Based on the results of research and discussion in the previous chapter, several conclusions can be drawn as follows:

1. Current Ratio has an insignificant negative effect on the Easyrabah and Murabahah financing at the North Sumatran Bank.
2. short term mismatch plus, has an insignificant negative effect on Mudharabah and Murabahah financing at the Sumut Syariah Bank.
3. financing to deposit ratio has a negative and not significant effect on Mudharabah and Murabahah financing at the Sumut Syariah Bank.
4. debt to equity ratio has a positive and significant impact on Mudharabah and Murabahah financing at the North Sumatra Syraiah Bank.
5. retrun on equity has a negative and insignificant influence on Mudharabah and Murabahah financing at the North Sumatra Syraiah Bank.
6. Non-performing financing cannot moderate the effect of the current ratio on Mudharabah and Murabahah financing at the North Sumatran Bank.
7. Non-performing financing cannot moderate short term mismatch plus to Mudharabah and Murabahah financing at the Sumut Syariah Bank.
8. Non-performing financing cannot moderate the effect of financing to deposit ratio on Mudharabah and Murabahah financing at the Sumut Syariah Bank.
9. Non-performing financing cannot moderate the effect of debt to equity ratio on Mudharabah and Murabahah financing at the North Sumatran Bank.
10. Non-performing financing cannot moderate the effect of return on equity on Mudharabah and Murabahah financing at the Sumut Syariah Bank.

5.2 Suggestions

Based on the conclusions in this study, a number of suggestions can be made which are as follows:

1. The author recommends Bank Sumut Syariah to look more in terms of the financing needed by the customer and in terms of the return of financing carried out by the customer so that the NPF does not occur which results in obstruction of financing provided to other customers.
2. Future studies are expected to further researchers to examine the effect of other variables that can affect mudharabah and murabahah financing at the North Sumatran Bank. Some variables that can be examined include leverage, BOPO and so on.

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