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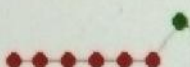
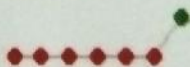
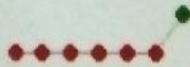
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MUK PUBLICATIONS

INDONESIA'S MEMBERSHIP OF ASIA-PACIFIC SPACE COOPERATION ORGANIZATION (APSCO): ORGANIZATIONAL PERFORMANCE

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ABSTRAK

Penelitian ini bertujuan untuk menentukan keputusan strategis dalam hal diratifikasi atau tidaknya konvensi APSCO. Pendekatan yang digunakan adalah dengan melihat kinerja keuangan Organisasi yang diukur dengan menggunakan alat analisis trend, common size dan gabungan kedua alat analisis tersebut. Metodologi Penelitian menggunakan (1) analisis kuantitatif dengan melakukan perhitungan menggunakan alat ukur berupa analisa trend, common size dan keduanya untuk mengukur kinerja keuangan APSCO; (2) analisa kualitatif dengan menganalisa kinerja APSCO berdasarkan hasil perhitungan. Jenis data menggunakan data sekunder berupa laporan keuangan APSCO tahun 2012-2014. Hasil analisis menunjukkan bahwa APSCO memiliki kinerja keuangan yang baik. Ditunjukkan dari tingginya realisasi basic activity, hal ini menunjukkan bahwa negara anggota memanfaatkan budget yang ada dengan maksimal dan APSCO concern terhadap peningkatan program-program melalui pelaksanaan kegiatan-kegiatannya. APSCO memiliki komitmen yang tinggi terhadap capaian output organisasi, akan tetapi APSCO harus tetap membuat strategi perencanaan manajemen terkait dengan struktur expenditures, mengurangi administration expenditures dan staff salary demi mempertahankan dan memperbaiki kinerja keuangannya. Hasil menunjukkan sebaiknya Indonesia meratifikasi Konvensi APSCO dan harus dapat memanfaatkan dengan maksimal program-program yang ditawarkan APSCO.

Kata-kata kunci: APSCO, Analisa Tren, Analisa Common Size, Kinerja Keuangan.

ABSTRACT

This research aims to formulate a policy about Indonesia's membership status in APSCO. The approach used in this research is to examine organization's financial performance measured by trend analysis tool, common size, and combination of both analysis tools. The research methods would be (1) Quantitative analysis by doing calculation using measuring instrument i.e. trend analysis, common size, and both, to measure APSCO's financial performance; (2) Qualitative Analysis (descriptive) by analyzing APSCO's performance from quantitative calculation result. Types of data is secondary data which is APSCO's financial report of 2012-2014. The result of analysis shows that APSCO has an excellent financial performance. It can be seen from its high realization of basic activity. It means that member states utilize the budgeted maximally and APSCO's concern towards programs improvement through the implementation of its activities. However, APSCO should make a management planning strategy related to expenditures structure to maintain and repair its financial performance. Result shows that it would be better for Indonesia to sign as a full-membership of APSCO and should utilize maximally the programs or activities offered by APSCO.

Keywords: APSCO, Trend Analysis, Common Size Analysis, Financial Performance

I. INTRODUCTION

A. Background Of The Study

Asia-Pacific Space Cooperation Organization (APSCO) is an inter-

governmental organization beyond United Nation (UN) system for Asia-Pacific region, initiated by People Republic of China. APSCO aims at peacefully explore and exploit space science and technology and

their applications for promotion of sustainable socio-economic development by strengthening multilateral cooperation for human benefit of the Asia-Pacific regions. APSCO was officially inaugurated in 2008.

On 28th October 2005, APSCO's convention was signed by 8 nations including Bangladesh, China, Indonesia, Iran, Mongolia, Pakistan, Peru, and Thailand. Turkey becomes the 9th nation to sign APSCO convention on 1st June 2006 (Siddiqi, 2010). Until today, those nations of APSCO founder have become full-member of APSCO, except Indonesia. APSCO committee intensively approach Indonesia's government to be APSCO's full-member.

At this moment, bilateral strategic relationship between Republic of Indonesia and develops quite well especially in the area of space cooperation. The fact that China is the main sponsor for APSCO is the main factor for Indonesia to become the full-member of APSCO. Therefore, Indonesian Ministry of Foreign Affairs suggests to review Indonesian position which previously as an observer and becoming APSCO's full-member. Another criterion stated in The LAW of the Republic of Indonesia No. 21 of 2013 on Space Activities in Chapter IX Article 73 Section 1 which stated that the Government of Indonesia may conduct international cooperation in the field of space activities with Government of other states, entities or international organizations in accordance with the prevailing laws and regulation. Further more in Article 74 Section 1 of this law stated that the Government of Indonesia must actively participate as a member of space international organization to enhance international cooperation. In addition to these, regulation governing about international cooperation is set in Presidential Decree No.64 of 1999 about Indonesian Membership and Government's contribution on International Organizations.

The decision about becoming or not becoming a full-member of APSCO, of course, will depend on many factors. One of many crucial factors to consider is by looking at APSCO's financial performance as a non-profit entity. According to Financial Accounting Standard's statement No.45 (PSAK No.45) of non-profit organization, it is visible that APSCO characteristic suit the PSAK No.45. These characteristics are as follows:

1. APSCO's financial sources come from the member countries that do not expect for re-payment at the amount of given contributions;
2. APSCO provides advantages such as activities or programmes without aiming to foster profit, and no such profit is distributed to the member states;
3. Unlike general business entity, there is no ownership in APSCO. It means that ownership in non-profit entity cannot be sold, transferred, or redeemed. In other words, the ownership does not reflect the proportion of non-profit entity's resource sharing upon liquidation or dissolution of business entities.

Overall performance of non-profit organization can be evaluated using financial performance process, politic, merit, and other performance decisions (Duan, 2010). Financial performance is a general performance from various organizations. A bad financial quality of organizations or non-profit entities will affect benefits quality (activities or programs) offered (Lulu Meutia, 2012). There is a strong relationship between financial condition of non-profit organizations and its ability in accomplishing it missions (Lee, 2010).

Generally, an organization has a specific purpose to be achieved through its activities for fulfilling the need of the members. Appraisal of achievement or performance of an organization can be used

as a basis for decision-making, both by internal and external parties. Internal party means the organization's member while external party is outsider. Internal party needs performance analysis to see achievement of activities or programs while external party needs it for decision-making of joining the organization or not.

With regard to APSCO, Republic of Indonesia, represented by National Institute of Aeronautics and Space (LAPAN) as the focal point in space activities, is considered as an external party. In this case, LAPAN needs to establish strategic policy in order to recommend the ratification of APSCO convention. Such strategic policy will be based on APSCO's financial performance.

B. Research Question

Be based the background of study, research problems in this research is, what kind of strategic decision should be established by Indonesia regarding its membership status of APSCO by using APSCO financial performance measurement approach through trend analysis, common size, and combination of both analysis?

C. Research Objectives

This research aims at providing a tool for Indonesia (LAPAN) as part of its strategic policy to formulate a policy of Indonesia's membership in APSCO by using financial performance of APSCO measurement approach through trend analysis, common size, and combination of both analysis.

D. Research Contributions

This research giving contributions for scholars in applying conceptual framework in PSAK number 45 (nonprofit entity's financial report) and technical analysis theory application of financial report in formulating a policy. For Government, in helping to formulate the taken policy whether or not ratifying the convention in an international organization.

II. LITERATURE REVIEW

A. Asia-Pacific Space Cooperation Organization

APSCO is an inter-governmental organization, which was officially inaugurated in 2008 with objectives to peacefully explore and exploit space science and technology and their applications for promotion of sustainable socio-economic development by strengthening multilateral cooperation for human benefit of the Asia-Pacific Region (APSCO Document). The main purpose of APSCO is to enable development of Member States' Space capabilities by harnessing joint resources to benefit the people of this region in particular and in the world in general. APSCO's objectives are as follows:

1. Promoting and strengthening the development of collaborative space programs among it Member States by establishing the basis of cooperation in peaceful applications of space science and technology;
2. Taking effective actions to assist the Member States in such areas as space technological research and development, applications and training by elaborating and implementing space development policies;
3. Promoting cooperation, joint development, and to share achievements among the Member States in space technology and its applications as well as in space science research by tapping the cooperative potential of the region;
4. Enhancing cooperation among relevant enterprises and institutions of the Member States and promoting the industrialization of space technology and its applications;
5. Contribute to the peaceful uses of outer space in the international cooperative activities in space technology and its applications.

APSCO's establishment was based on convention aims to improve space coordination between member states, including the coordination's improvement between companies and institutions related to aerospace from member states and promote space technology industrialization and its applications (Susilawati, 2015). Another purposive goals are stated in APSCO's convention Article 4 of 2005, as follows:

1. Improve and strengthen space coordination program across member states by establishing basis for cooperation in space science and technology application for peaceful purposes;
2. Do effective action to help member states in areas such as research and development of space technology, application and training by formulating and implementing space developmental policy;
3. Improve cooperation, joint development, and profit sharing across

member states in space technology and its application. Also, space science research by integrating working-cooperation potential in the region;

4. Improve cooperation between companies and institutions related to member states and increase space technology industrialization and its application;
5. Play role in using space peacefully in any international cooperative activities in the field of space technology and its applications.

APSCO consists of council led by chairman and a committee led by Secretary General. Council is the highest decision maker, which members consist of ministers or deputy ministerial level from national space agency's member's nation. Each member states should propose one conchellor or ministry representative to be delegation on the council. Below is APSCO's organization structure (Figure 1):

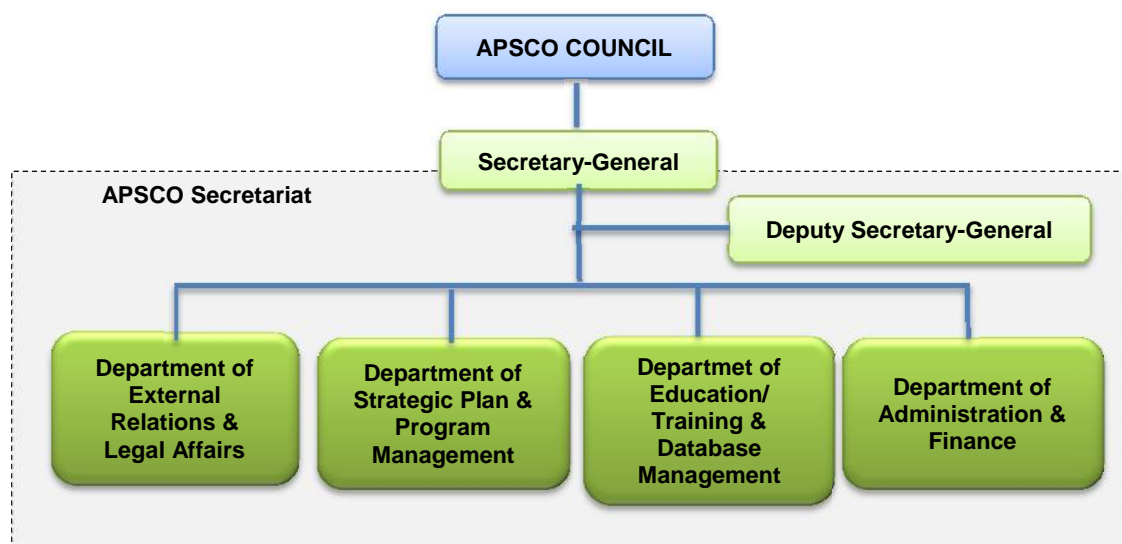


Figure 1. APSCO's Organizational Structure

Source: APSCO Presentation in APRSAF-22, Bali, 2015

B. Organization Performance

According to Corina Gavrea, Liviu Ilies, and Roxana Stegorean (2011), organizations have an important role in our daily lives. Successful organizations represent a key element for developing nations. Many economists consider organizations and institutions similar to an engine in determining the economic, social and political progress. Continuous performance is the focus of any organization because only through performance, organizations are able to grow and make progress. Thus, organizational performance is one of the most important variables in the management research and perhaps the most important indicator of the organizational performance.

Appraisal of organization performance as a result of management decision process, consider as a complex issue, because it concerns about capital efficiency and effective use from organizational events regarding the value and security from various demands arising against the organization. According to Meutia (2012), organization performance should be a result that can be measured by describing the condition of an organization. "Report from PSAK No.45 presents the report to the organization board, donors, assisted group, and public regarding organization performance referring to the amount of funds received and type of activities performed." (Halim and Kusufi, 2012: 420)

Lebans and Euske (2006: p. 71) provide a set of definitions to illustrate the concept of organizational performance:

1. Performance is a set of financial and nonfinancial indicators which offer information on the degree of achievement of objectives and results (Lebans & Euske 2006 after Kaplan & Norton, 1992);
2. Performance is dynamic, requiring judgment and interpretation;

3. Performance may be illustrated by using a causal model that describes how current actions may affect future results;
4. Performance may be understood differently depending on the person involved in the assessment of the organizational performance (e.g. performance can be understood differently from a person within the organization compared to one from outside);
5. To define the concept of performance is necessary to know its elements characteristic to each area of responsibility;
6. To report an organization's performance level, it is necessary to be able to quantify the results.

APSCO in accordance with characteristic and purpose of its establishment can be categorized as non-profit organizations. For non-profit organizations, performance measurement can be very beneficial for work program's growth in the future. By doing performance measurement as one of organization management tools, not only it can increase operational efficiency and social credibility, but also will support economic growth by interaction between profit-oriented government and company (Duan, 2010)

As for non-profit organization's stakeholder, performance measurement can be used as evaluation of organization's internal and external accountability (Meutia, 2012). As stated by Duan (2010), that performance measurement of non-profit organization can be measured by financial performance. It has a significance determination of specific sizes which can measure the success of a company in generating income (Sucipto, 2013). So does the non-profit organization, as stated in PSAK No. 45 scope No.7, that performance measurement used in order to evaluate merits (program) given by non-profit

entities and its skill to continue giving services (program), management manners (in this case APSCO) in taking responsibilities and other aspects from the performance.

Lee (2010), to understand whether an organization is financially vulnerable or not, an organization should know its current financial performance. Douglas (1987) and Weisbrod (1988) in Lee (2010) pointed out, nonprofit organizations play an important role in satisfying the minority's demands for public goods and services. During the economic crisis, the minority such as the elderly, the disabled, and the poor, will go through underprovided public services, as well as economic hardship, when financial vulnerability makes nonprofit organizations decide to reduce their service offerings. Based on Lee (2010), financial performance of non-profit organizations can be measured based on financial analysis. Financial analysis uses financial statements and other sources of information that show the financial condition of an organization. By looking at financial report of an organization, organizational activities can be described. Therefore, organization's financial report is a result of an accounting process which can be used as a communication tools and also as organization performance measuring tools.

Benefits of financial report according to Farida Efriyanti, Retno Anggraini, Yunus Fiscal (2012) are, (1) to measure achievement accomplished by an organization in certain period which reflects activities' implementation level of success; (2) used to assess contribution of a portion in accomplishing overall corporate objectives; (3) used as a basis of determining company's strategy for the future; (4) Give clues in decision making and organizational events generally, and division or organizational parts specifically; (5) as a basis of investment policy's determination

to increase company's efficiency and productivity.

Financial performance is a description of organization's financial condition which analyzed using financial analysis tools, so the good and bad financial conditions of an organization can be determined to see the achievement/works/activities/ program on certain period. It is important for having an optimal use of resources. Way of knowing both the poor of financial performance in a company or organization can be known by analyzing the relations from various posts in a financial report (Farida Efriyanti, Retno Anggraini, Yunus Fiscal, 2012). The financial analysis is conducted for several purposes, one of them us it can be used as early screening in choosing investment alternative.

Type of analysis which can be conducted are (1) **Horizontal Analysis** is a financial data growth analysis and company operational data year by year to determine financial strength and weakness of related companies. This analysis consists of Comparative Statements, and Index Number Series; (2) **Vertical Analysis** is a limited financial report, only on one accounting period. This analysis consists of Common Size Financial Statement and Ratio Analysis. Several financial report analysis technique are mentioned as follows:

1. Comparative Analysis

Comparative analysis is a financial report analysis technique conducted by presenting financial report horizontally and compare between one another by showing financial information or other data either rupiah or in unit

2. Trend Analysis

It aims to determine situation's tendency or inclination of a company in the future, both tendencies increase, decrease or remain.

3. Common Size

Common size technique used a pattern or number simplifying technique in financial report. Financial report analysis using this technique needs a basic numbers as calculation base conversion. The balance usually use total assets or liabilities as a basis by the number of 100%

4. Financial Ration Analysis

Ratio analysis is an analysis method to determine the relations of certain posts in a balance or income statement individually or combination of both report.

III. METHODOLOGY

A. Research Subject

Research subject of this study is APSCO, cooperation organizations beyond UN system for Asia-Pacific initiated by RRC.

B. Research Design

Quantitative analysis is an analysis conducted by calculating using provided data from companies or organizations (Efriyanti, et.al. 2012). This research is conducted using calculation with trend analysis as measuring instrument, common size, and both, to measure APSCO's financial performance. Data is in form of APSCO's annual report of 3 years period (2012-2014). Annual report of 2015 not yet available for use as an input in analyzing APSCO's financial performance, since it is only a draft which do not pass the validity test.

Qualitative analysis (descriptive) is a method which aims to give description about research subject based on derived data by variable from group of subjects studied. This research conducted by analyzing APSCO's performance be based on calculation result using trend analysis technique, common size, and combination of both. The analysis, until the stipulation of strategic moves from LAPAN is in a form of

decision, whether yes or not to join as a full member of APSCO.

C. Data Resources and Types

Types of data used in this research is secondary data be in form of literary study, which is derived from APSCO's annual report documents of 2012-2014, journals, and oter references. Another secondary data, either directly written by related policy makers to this article and also direct observation of the issues regarding this case. Data derived from annual report of 2012-2014 used in this research uses the income statement and expenditures.

In this research, measurement of financial performance is more focused on framework or expenditures' structure. Likewise one of recommendation given by Lee (2010), that "Non-profit organization may need to make strategic management plan for its expenditure structure and need to create an effective management strategy in program expenses. All organizations need to invite board members who have some financial institution background to discuss the management strategy for improving its financial performance. They should do efficient management of program expenses to decrease their operating expenses. Basically, the costs to deliver public services increase as the demand of public services increases during economic crisis era (Tuckman and Channg 1991 in Lee (2010)."

D. Data Analysis Method

Instruments used in analyzing are as follows:

1. Trend Analysis

Trend financial analysis report is a horizontal analysis method. This analysis uses comparison of company's financial ratios over the years approach to see the extent of company's financial performance. Whether it is improved or otherwise decline? If the *trend* improved, it is inferred

that company's financial performance is relatively good, and vice versa. This analysis needs electoral base years for the entire post, usually given index numbers of 100. Since the base year becomes a reference to all comparison, best choice is a year with normal business condition (Subramanyam, 2010).

The year used as trend calculation in this research is 2012 base year. So, in the period of 2012 for expenditures account on staff salary, basic activity and administration have a percentage of 100%. Meanwhile, percentage of 2013 and 2014 is a result of all absolute expenditures numbers of 2013 and 2014 divided by 2012 base year.

2. Common Size

Common size financial report analysis is known as vertical analysis method, that is by analyzing financial report for one period by comparing one another posts. Common size technique uses pattern or simplified figures technique in financial report. According to Subramanyan (2010), common size' financial report analysis is a knowledge of group's proportion or sub-group which formed a specific post where posts inside the group expressed as a percentage of total relevant, so the total posts is 100%. Therefore in this research, total expenditures is stated in 100% and each absolute expenditures figures divided by total expenditures. The calculation result aims to discover contribution's proportion of each expenditures towards total expenditures, so the funding of organization can be known.

3. Combination of common size and trend analysis

This is a kind of combination analysis of both vertical and horizontal method. Calculation result using common size analysis then being analyzed by seeing trend calculation result. Subramanyan (2010) stated that time comparison over company or organizations common size report is beneficial to reveal post

proportional changes inside group costs and other categories. In this case, interested parties in financial reports can see the development or increase or decrease tendency of each expenditures' contribution, which goals is to assess financial performance of the organization.

According to Dunn (2003), researchers used model in answering the rising formulation is a model with prospective approach. "Prospective model is a policy analysis that leads its study to policy's consequences 'before' it is implemented. This model can be referred to as predictive model, since it frequently involves forecasting techniques to predict possibilities arising from proposed policy". It is because this study considers as a study which can be used before a policy is implemented by considering policy analysis' form that leads its study to policy's consequences 'before' its implementation. Its predictive nature because of the upcoming used analysis would be future predictions by using financial techniques premised on historical data.

IV. RESULTS AND DISCUSSION

APSCO's financial structure contains of Income and Expenditures. Income constitutes the revenue for APSCO. APSCO's income consists of contribution from member states, optional project management fee, and other income such as interest and tax. Contribution of member states comes from paid contributions by APSCO's member states calculated based on each GDP rates. While optional project management fee derived from optional activity, if a member state propose an activity. Other income comes from interest and tax. APSCO's income can be seen in Figure 2 below:

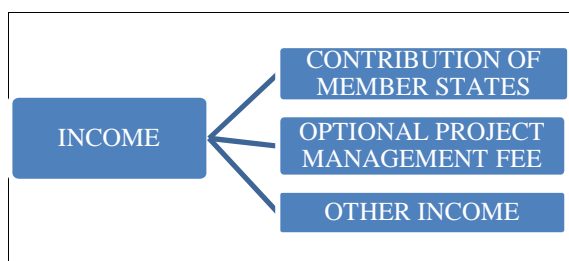


Figure 2. APSCO's Income

Source : Data Processed

APSCO's provisions stated that if a nation ratifies APSCO's Convention, then it should give annual fee to fund APSCO's events. Based on APSCO's calculation for 2015-2017, each APSCO's member contribution is shown in Table 1:

Table 1. Member States 'Contribution And Its Estimation Of 2015-2017 If Indonesia Becomes The Member

Member States		Average 3 Years GDP (2011-2013)	GDP (%)	50% GDP	Average 3 Years GDP Per-Capita (2011-2013)	GDP Per-Capita (%)	50% GDP Per-Capita	Total (%) (5)+(8)	Kont r (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	Bangladesh	119.265.372.121	1,06	0,53	770,466	1,75	0,83	1,41	3,00
2.	China	8.263.884.145.587	73,14	35,57	6.115.841	13,93	6,97	43,54	18,00
3.	Iran	466.686.574.918	4,13	2,07	6.115.841	13,93	6,97	9,03	9,03
4.	Mongolia	10.199.934.549	0,09	0,05	3.642.852	8,30	4,16	4,19	4,19
5.	Pakistan	225.063.672.652	1,99	1,00	1.255.763	2,86	1,43	2,43	3,00
6.	Peru	188.498.547.995	1,67	0,83	6.281.007	14,31	7,15	7,99	7,99
7.	Thailand	366.296.737.409	3,24	1,62	5.483.619	12,49	6,35	7,87	7,87
8.	Turkey	794.608.139.869	7,03	3,52	10.737.068	24,46	12,23	15,75	15,75
9.	Indonesia	863.665.546.159	7,64	3,82	3.498.809	7,97	3,98	7,81	7,81
Total		11.298.168.671.558	100	50,00	43.901.248	100,00	50,00	100,00	76,63

Source: APSCO

APSCO's calculation as shown in Table 1 shows Indonesian contribution for 2015-2017 at average of 7.81%. If converted to rupiah with 1 USD exchange rate = Rp. 13.033,- while APSCO's budget for 2015-2017 is USD 4.763.075; USD 4.878.756; and USD 4.990.301, so Indonesia's contribution for each period of the year are Rp 4.848.225.921,-; Rp 4.965.974.985,-; and Rp 5.079.514.108,-.

Expenditures are spending for

APSCO to finance every APSCO's activities or programs, so obtaining benefits that can be received by member states can be seen in this funding framework. Expenditures used to fund APSCO's events can be divided into 3 categories, namely: (1) staff salary: international official, local staff, personnel documents management; (2) Basic Activities: Activities & Development Plan, Fundamental Research, Extending Applications, Education & Training,

Membership Expansion, and Network Management and; (3) Administration (Meeting, Traveling Expenses, Communication, Office Furniture/Equipment, Vehicle Maintenance, Headquarter/Building Maintenance, Public Relation/Publications, Miscellaneous).

While APSCO's programs or events in detail can be seen in basic activities category where the details of each sub-group events are as follows: (1) Activities & Development Plan (Investigation & Research); (2) Fundamental Research (Rules & Regulations, Space Science, Space Technology, Space Applications); (3) Extending Applications (Infrastructure Construction, Database Depreciation, Other); (4) Education & Training (Short Training Course, Degree Education Program, Distance Education International, International Symposium, Space Education Program, Education Cross-country platform Development Program,

International Education Cooperation development program, Exchange of Scientist/Technologists, Maintenance of Relative Space and Organization Network Systems, Maintenance of Data platform and network, Others related to the activities); (5) Membership Expansion (Investigation & Research, Exhibition, Reception, and Others), and Network Management (Maintenance of Data Platform). Figure 3 shows APSCO's expenditures framework.

Figure 2 and 3 describes APSCO's financial structure, which consists of income and expenditures. From the financial structural we can see the overview of APSCO's events or programs. Contribution from member states will be used as financial support in every APSCO's events or programs. Based on Development Plan of space activities of asia-pacific space cooperation organization (2011-2020), APSCO's scope of events stated in Development of space activities for 2011-2020, period, are as follows:

Table 2.
Development Plan of Space Activities APSCO

Space Technology Application	Space Technology Develop-ment	Space science	Education and training	Space policies, law and regulation	Capacity building
1. Earth observa-tion application 2. Navigation and positioning application 3. Weather forecasting application 4. Communi-cation application 5. Experimen-tal technolo-gies and applications	1. Earth observa-tion satellite systems 2. Communica-ti-on satellit systems 3. Navigati-on satellite systems 4. Metrologi-cal satellite systems 5. Scientific experimenta l satellite 6. Spaceport 7. Space lunch	1. Space enviromenta l and solar physics 2. Study on exploration of deep space 3. Study on space life and microgravit y	1. Short training 2. Degree education 3. Distance education 4. Space education 5. Education resources cross country platform developme nt 6. Internation al cooperatio	1. Space policy 2. Space law 3. Space regulati-on 4. Space law research center	1. Data and information sharing and service capability 2. Mission planning and implementatio n capability 3. Infrastruktur contruction and management capacity 4. Standardizatio n and policy coordination caacity

Space Technology Application	Space Technology Development	Space science	Education and training	Space policies, law and regulation	Capacity building
	8. Deep space mission		n for education		5. Space education and training capacity

Source: APSCO

Project plans of 2011-2020, based on agreement of first and second council meeting, from 40 project list suggested by member states, and council, has agreed to 6 projects specifically as follows:

1. Spatial data sharing services platform and its application pilot project (DSSPAP)

2. APSCO applied high resolution satellite (APRS)

3. Asia-Pacific Ground Based optical Satellite Observation System (APOSOS)

4. Application on Compatible navigation terminal System (ACNTS)

5. Research on Atmospheric Effects (RAE)

6. Education and training
(Activity report PUSJIGAN, LAPAN. 2009)

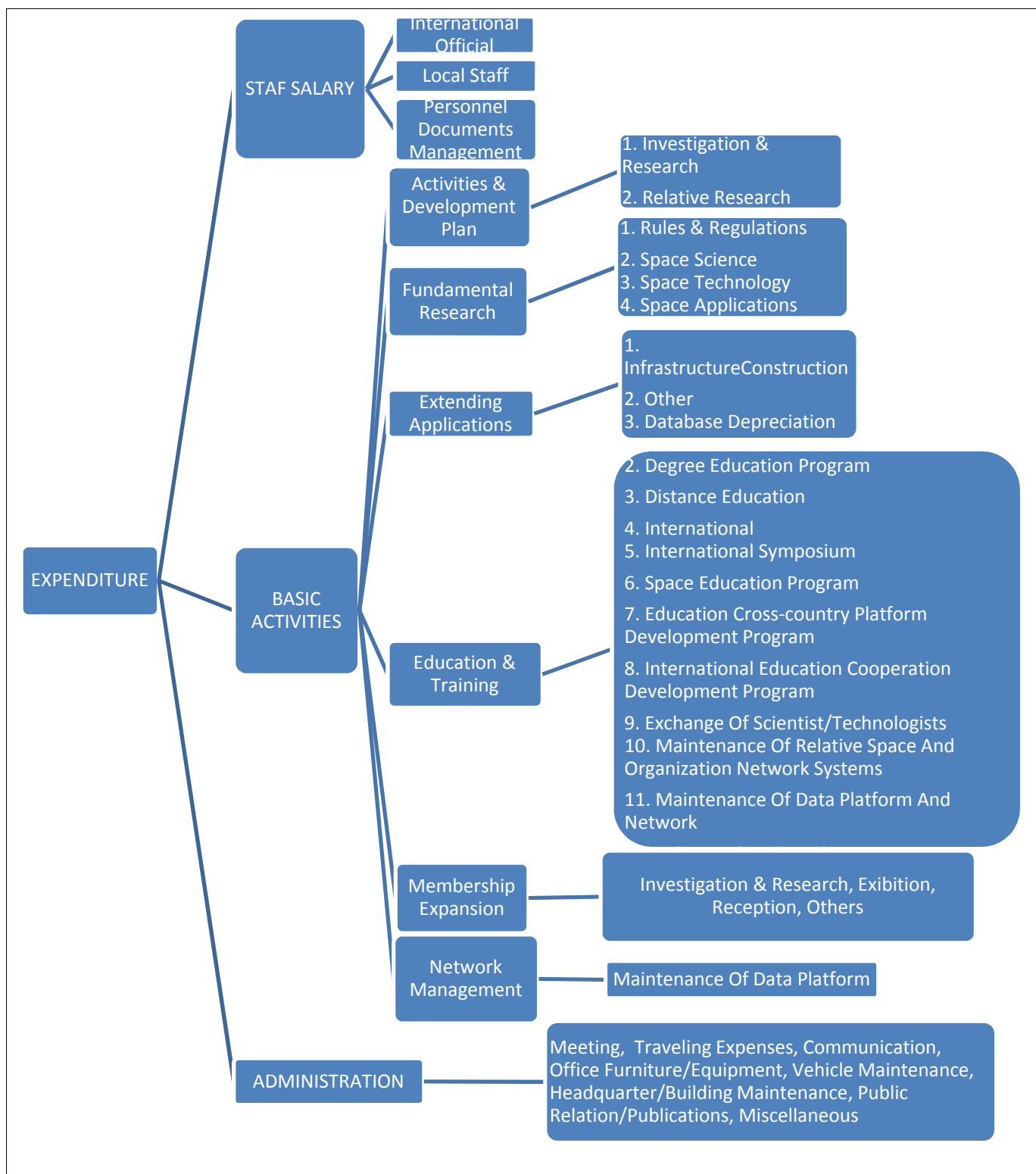


Figure 3. APSCO's Expenditures
Source : Data Processed

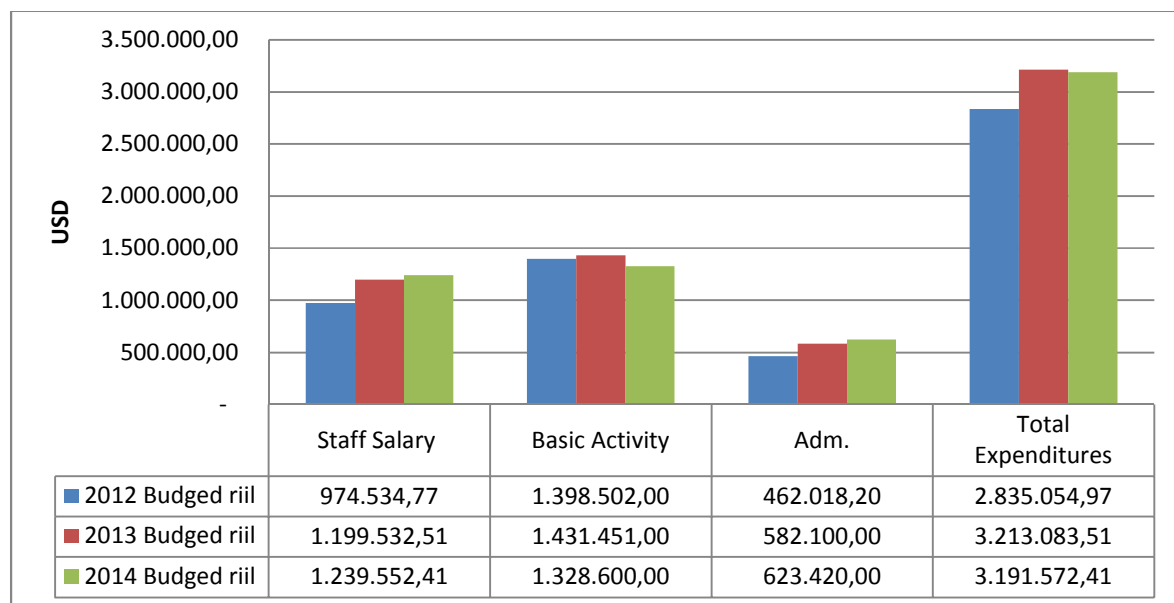
Moreover, to assess the good or poor financial performance of the organization, can be conducted by using trend and common size analysis or combination of both techniques. The focus of such analysis

is on expenditures' framework. Table 3 and Graph 1 below show the calculation results of such analysis based on APSCO's Planned Budgeted Expenditures for the period of 2012-2014:

Table 3. Trend and Common Size Analysis of Planned Budgeted Expenditures (2012 - 2014)

Description	Planned Budgeted Expenditures (USD)			Trend (%)			Common Size (%)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Staff Salary	974,534.77	1,199,532.51	1,239,552.41	100	123	127	34	37	39
Basic Activity	1,398,502.00	1,431,451.00	1,328,600.00	100	102	95	49	45	42
Administration	462,018.20	582,100.00	623,420.00	100	126	135	16	18	20
Total Expenditures	2,835,054.97	3,213,083.51	3,191,572.41	100	113.3	112.6	100	100	100

Source : Data Processed



Graph 1. Planned Budgeted Expenditures (2012 – 2014)

Source: Data Processed

From Table 3 and Graph 1 we can see that based on trend analysis total expenditure of APSCO increased by 13.3% in 2013 and 12.6% in 2014. These due to an increase of staff salary by 23% in 2013 and by 27% in 2014, and for administration increased by

26% and 35% respectively in 2013 and 2014. However, for the basic activity only experience an increase by 2% in 2013 and a decrease by 5% in 2014.

Based on common size analysis we found that the expenditure for staff salary

increased by 34%, 37%, and 39% respectively for 2012, 2013 and 2014. The expenditure for Basic Activity decreased every year by 49%, 45%, and 42%. While for administration the expenditure also increased by 16%, 18%, and 20% in 2012, 2013.

The above analysis shows that the expenditure of staff salary and administration increased every year. In contrast, the expenditure of basic activities decreases every year for the period of 2012-2014. It means that the number of participants involves and basic activities declined every year. However, the total

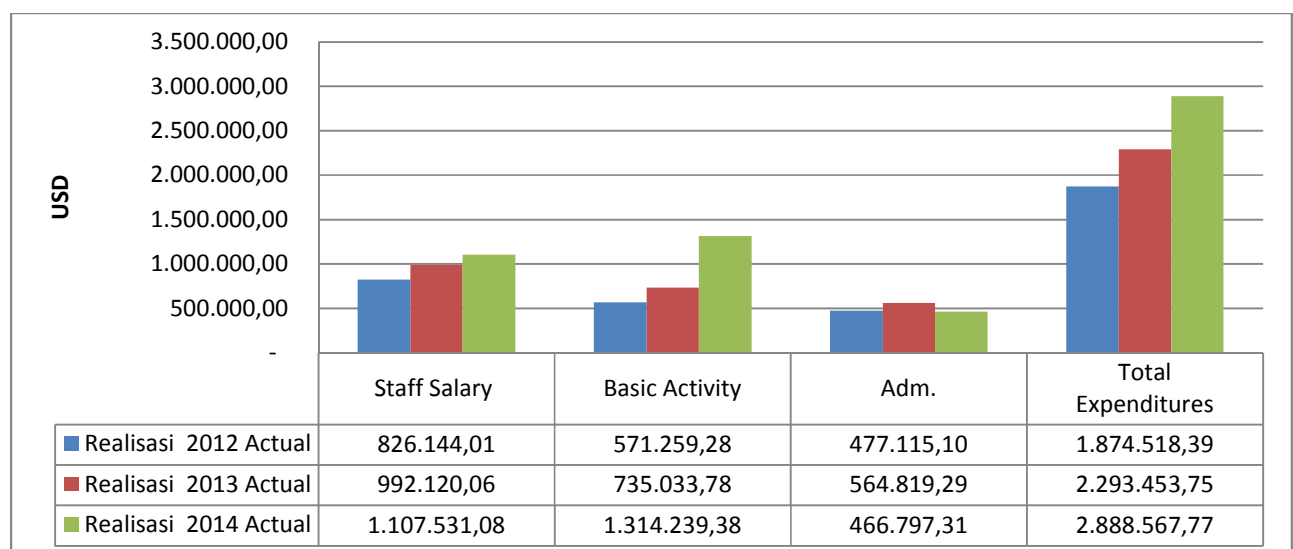
budget allocated for basic activities remain higher compare to total budget allocated for staff salary and administration.

Budged allocation, which has been planned and become APSCO's program then used in the fiscal year. Table 4 shows the real expenditure during 2012 – 2014. This Table also shows calculation results, which can be used to measure financial performance of APSCO using trend analysis and common size, or combination of both analyses. The following are the trend calculation or tendency and common size from each expenditure:

Table 4. Trend Analysis and Common Size of Real Expenditures (2012 – 2014)

Description	Real Expenditure (USD)			Trend (%)			Common Size (%)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Staff Salary	826,144.01	992,120.06	1,107,531.08	100	120	134	44	43	38
Basic Activity	571,259.28	735,033.78	1,314,239.38	100	129	230	30	32	45
Administration	477,115.10	564,819.29	466,797.31	100	118	98	26	25	16
Donation Expenditure	-	1,480.62	-	-	-	-	-	0	-
Total Expenditures	1,874,518.39	2,293,453.75	2,888,567.77	100	122	154	100	100	100

Source: Data Processed



Graph 2. Trend Real Expenditure (2012 - 2014)

Source: Data Processed

As shown in Table 4, there was real expenditure apart from staff salary, basic activity, and administration, namely Donation Expenditure at the amount of \$ 1,480.62 in 2013. Total real expenditures during 2012-2014 increased by 22% in 2013 and 54% in 2014. Real expenditure for staff salary and basic activity increased by 20% and 34% and by 29 and 130% respectively in 2013 and 2014. Real expenditure for administration increased by 18% in 2013 and then experienced a decline by 2% in 2014.

Based on common size calculation I found that the average percentage of contribution for staff salary reach 42%, for basic activities as much as 36% and for administration at the amount of 22%. Nevertheless, if we look at the trend percentage of contribution, I found that the real APSCO's expenditures for basic activity increased significantly from 2012 to 2014. Real expenditure in 2012 at the amount of 30%, in 2013 reach 32%, and in 2014 equals 45%. On the other hand the contribution

percentage for staff salary in 2012, 2013, and 2014 decreased year by year at the amount of 44%, 43%, and 38%, and for administration the real expenditure in 2012 at the amount of 26%, in 2013 equals 25% and decreased to 16% in 2014.

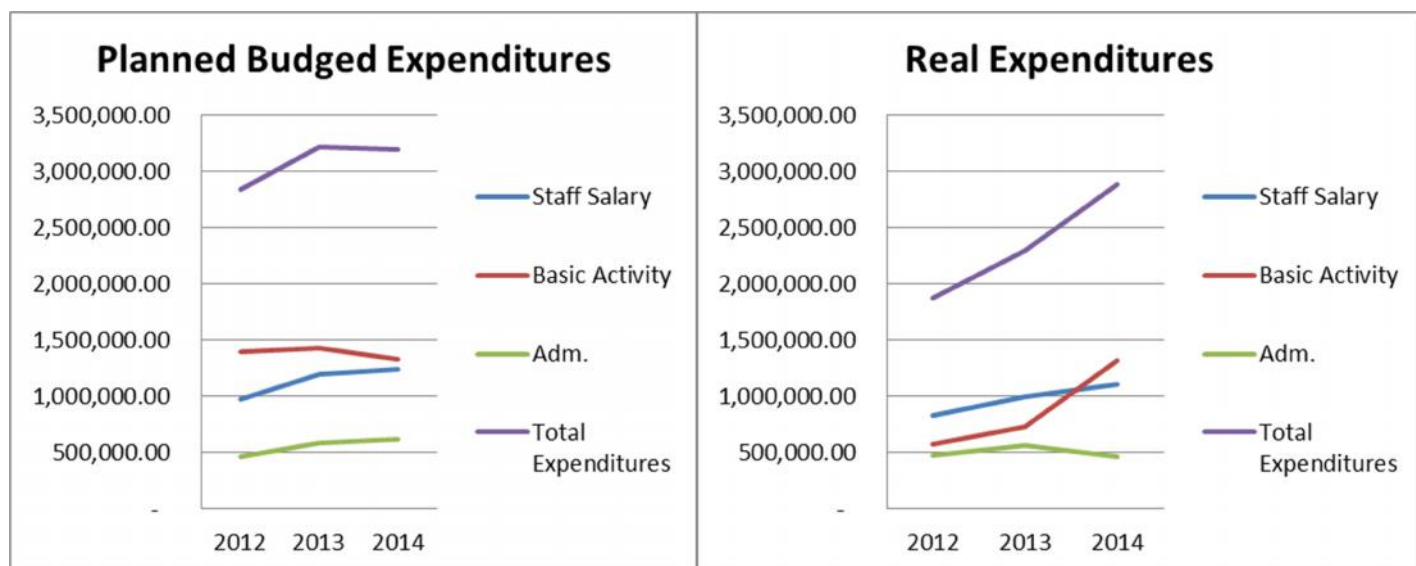
Based on the trend of contribution I found specifically (1) increasing trend for contribution percentage of basic activity and decreasing trend for both administration and staff salary; (2) In 2014, the highest contribution percentage lies on basic activity's component. This indicates that member states maximized the utilization of the allocated budget coming from APSCO's annual contribution paid by member states.

The performance analysis using trend analysis or common size, and combination of trend and common size on planned and real expenditure provide a comprehensive description of APSCO's financial performance. The following tables and graphs show the direct comparison between planned and real expenditure for the period of 2012-2014:

Table 5. Planned and Real Expenditure (2012 - 2014)

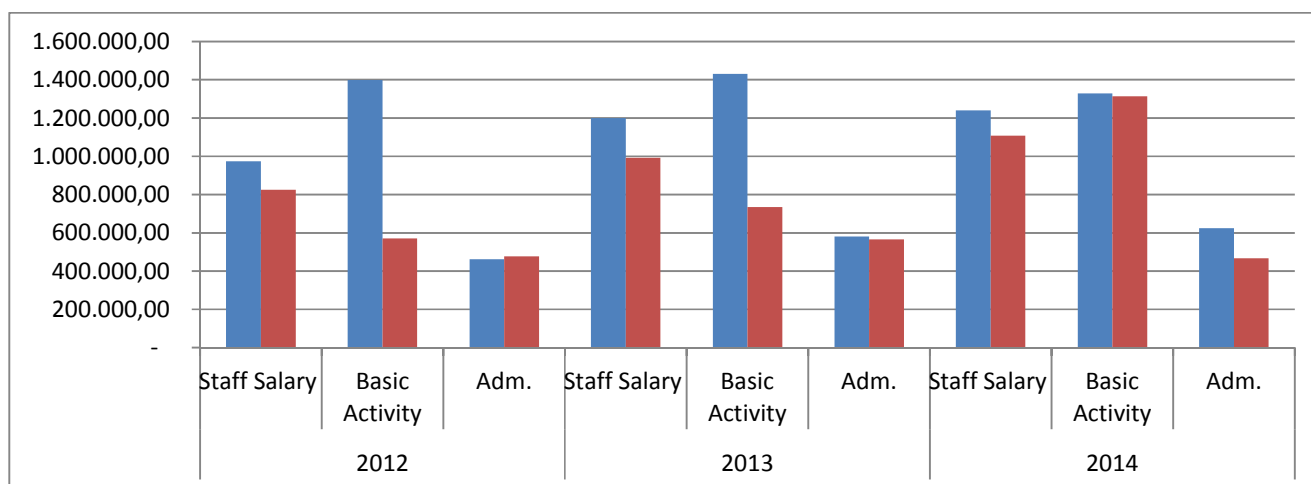
Description	Planned Expenditure (USD)			Real Expenditure (USD)		
	2012	2013	2014	2012	2013	2014
Staff Salary	974,534.77	1,199,532.51	1,239,552.41	826,144.01	992,120.06	1,107,531.08
Basic Activity	1,398,502.00	1,431,451.00	1,328,600.00	571,259.28	735,033.78	1,314,239.38
Adm.	462,018.20	582,100.00	623,420.00	477,115.10	564,819.29	466,797.31
Donation Expenditure	-	-	-	-	1,480.62	-
Total Expenditures	2,835,054.97	3,213,083.51	3,191,572.41	1,874,518.39	2,293,453.75	2,888,567.77

Source : Data Processed



Graph 3. Planned and Real Expenditure (2012 – 2014)

Source : Data Processed



Graph 4. Planned and Real Expenditure For Staff Salary, Basic Activity and Administration Data (2012 – 2014)

Source: Data Processed

Table 6. Trend Analysis for Planned and Real Budgeted (2012 – 2014)

Description	TREND Analysis					
	Planned Expenditure (%)			Real Expenditure (%)		
	2012	2013	2014	2012	2013	2014
Staff Salary	100	123	127	100	120	134
Basic Activity	100	102	95	100	129	230

Administration	100	126	135	100	118	98
Total Expenditures	100	113.3	112.6	100	122	154

Source: Data Processed

Table 7. Common Size for Planned and Real Budget (2012 – 2014)

Expenditure	COMMON SIZE					
	Planned Budget (%)			Real Budget (%)		
	2012	2013	2014	2012	2013	2014
Staff Salary	34	37	39	44	43	38
Basic Activity	49	45	42	30	32	45
Administration	16	18	20	25	25	16
Total Expenditures	100	100	100	100	100	100

Source: Data Processed

In Table 6, we can see the trend of increase for real expenditure is higher than real expenditure. In 2012 to 2013, planned expenditure increased by 13.3% and then decreased by 12.6%, meanwhile real expenditure increased continuously and significantly with trend increase by 22% and 54%. The trend per component of planned expenditure for basic activity decreased while staff salary and administration increased year by year. In contrast the trend realization per component which shows significant trend increasing for basic activity up to 130% in 2014, and then followed by increasing trend of staff salary by 34% in 2014 and decreasing trend for administration.

Table 7 shows contribution for each expenditures' components on total expenditures. The highest contribution for planned expenditure was the basic activity account and the lowest contribution was administration component. However, the basic activity's contribution has a decreasing trend while the staff salary and administration increased. On the other hand, for real expenditure I found that the highest contribution was the staff salary, and followed by basic activity, and administration. However, there is a positive signal that basic activity for real

expenditure has an increasing trend when staff salary and administration's trend decreased. In fact, at the end of 2014, the highest expenditure was the basic activity.

V. CONCLUSIONS

From analysis' result based on final calculation using common size, trend, and combination of both financial report analysis, shows that APSCO has a good financial performance. It can be concluded according to the increasing of trend realization in basic activity, while staff salary and administration trend realization decreased. The result of common size also shows that basic activity's contribution realization in the end of the year becomes the highest contribution with increasing contribution's trend.

High realization on basic activity shows that member state maximize the using of allocated APSCO's annual contribution paid by member state. This also shows that APSCO has a serious concern on the improvement of organization's performance. By the high realization of basic activity components, means that APSCO concerns on program's improvement through its activities' implementation. This, strengthen the

previous analysis that mention about APSCO's high com

Analysis based on final calculation also shows allocation structure of budged riil, funds allocation to achieve programs with decreasing trend even if basic activity has the biggest contribution (allocated most), but the trend shows a decrease. This condition is contrary to staff salary and administration, where contribution is lower

On the above is in accordance with the basis contained in PSAK No.45 which stated that performance measurement used in order to assess services (program) given by non-profit organizations and its ability to continue giving those services (program), how the management (APSCO) carries out the responsibilities and other aspects from its performance. And also, Lee (2010) statement, to understand whether an organization is financially vulnerable or not, an organization should know its current financial performance. Douglas (1987) and Weisbrod (1988) in Lee (2010) pointed out, nonprofit organizations play an important role in satisfying the minority's demands for public goods and services.

Using the premise above, it is better for Indonesia to join as a full member of APSCO and need to utilize maximally the programs or activities offered by APSCO.

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than basic activity, but an increasing trend. Moreover, allocated funds for staff salary is almost similar to basic activity's allocated funds at the end of the year. By seeing the structure of budged riil's funds allocation, APSCO must create strategic management plan for its expenditure structure, reducing administrative costs and staff salary to maintain and improve its financial performance.

Another premise is corresponding to Law Number 21 of 2013 concerning Aero-Space and Presidential Decree Number 64 of 1999. In allocation structure of real-budged which has decreasing trend even though its contribution is the highest, hence, by Indonesia ratifies APSCO's convention, Indonesia can place a minimum of one person to have positions in APSCO organization who can contribute in creating strategic management plan for its expenditure structure.

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