

**FUND MANAGEMENT AND FINANCIAL SUSTAINABILITY
OF COOPERATIVES IN SELECTED AREAS OF CAVITE**

THESIS

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ABSTRACT

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The study was conducted to determine the fund management and financial sustainability of cooperatives in selected areas of Cavite. Specifically, the study aimed to determine the profile of cooperatives in terms of type, sources of fund and allocation of fund; determine the level of fund management in terms of fund utilization and fund mobilization; determine the financial sustainability of cooperatives in selected areas of Cavite using CAMELS' ratio analysis; analyze the relationship between profile and fund management; analyze the relationship between profile and financial sustainability and; ascertain the relationship between fund management and financial sustainability of cooperatives in Cavite.

The study used descriptive and correlation methods. Descriptive method was used to explain information and provide insights about the variables of the study including the profile, fund management and financial sustainability of cooperatives in selected areas of Cavite. Correlation method was used to find out the relationship between the fund management and sources and allocation of fund, and financial sustainability and sources and allocation of fund. Data were gathered from 48 cooperatives in Cavite with the aid of a prepared survey questionnaire.

The findings revealed that most cooperatives in Cavite were registered multi-purpose cooperative followed by credit and transport cooperative. Most cooperatives

preferred internal sources of funds (80%). They also followed the proper fund allocation that CDA mandated. They truly utilized their fund, and fund mobilization was very fast.

Based on the CAMEL ratio analysis, the cooperatives perceived a marginal rating in terms of capital adequacy, a fair rating in management and earnings ratio, a fair standing in asset quality and a strong rating in terms of liquidity ratios. Overall, the cooperatives manifested a fair standing in the CAMEL ratio analysis of financial sustainability.

The relationship between the profile of cooperatives, which are the sources of fund and allocation of fund, to fund management, which is fund utilization and fund mobilization, was not significant. Only interest on share capital and cooperative training/education were found to have a significant relationship with fund mobilization.

The study revealed that between fund management and financial sustainability, there was no significant relationship found. This indicated that allocation and sources of cooperatives, had no effect on their financial sustainability.

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