

An Analysis of Financial Report in Measuring Financial Performance of Companies at PT. Pupuk Sriwidjaja in the Year of 2011-2019*Injen Pardamean Butarbutar¹***Abstract**

This study discusses the analysis of financial statements in measuring the company's financial performance at PT. Pupuk Sriwidjaja 2010-2019. The goal is to see the company's financial statements PT. Pupuk Sriwidjaja in terms of liquidity ratios, solvency ratios, activity ratios and profitability ratios in 2010-2019. The amount of data determined is 10 periods from the company's financial statement data. The type of data used in this study uses secondary data obtained from the official website of the company PT. Pupuk Sriwidjaja. The research approach used is a quantitative approach. The results of this study partially indicate that the liquidity ratio of the company's financial performance is in good condition, when viewed from the current ratio of 5.86 times, the quick ratio of 4.73 times, the cash ratio of 420.34%, the cash turnover ratio of 1.426.54% and INWC ratio 18,808.48%. In the solvency ratio, the company's financial performance is in good condition, when viewed from the ratio of total assets to debt of 66.58% and debt to equity ratio of 199.28%. In the activity ratio, the company's financial performance is in poor condition in carrying out daily activities and is less able to balance between sales and various elements of other assets such as inventories, fixed assets and other assets, when viewed from the fixed asset turnover of 19.75% and the ratio total asset turnover 1.14 times. In terms of profitability ratios, the company's financial performance is not in a good condition in obtaining profits on the effectiveness of a company's management if it is seen from the net profit margin ratio of 21.87%, the return on investment ratio of 19% and the return on equity ratio of 24.61%.

Keywords: Financial Report Analysis, Financial Ratios and Company Financial Performance.



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I. Introduction

The financial condition of a company can be seen from the analysis conducted on the company's financial statements. Because the most important output in the application of the accounting system is the reporting of financial conditions which consists of a profit and loss statement, a statement of changes in capital, a balance sheet, and a cash flow statement. From the results of the analysis, the company can make strategic decisions and policies according to the company's goals and plans. One of the factors that can be used as an indicator of whether it is good or not is the analysis of financial statements.

Financial ratio analysis is used to evaluate the company's financial condition and performance. The results of this financial ratio analysis are used to assess the company's performance in a period whether it reaches the set targets. Then the company's ability to effectively utilize company resources can also be assessed.

This paper discusses the financial statements of PT. Pupuk Sriwidjaja (Pusri). so that it is expected to provide an overview of the company that is relevant and useful for the management in assessing the financial condition and results of business operations. The main activity of PT. Pupuk Sriwidjaja is a fertilizer industry company that produces and distributes directly to suppliers and consumers.

The following is the data on the financial position of PT. Pupuk Sriwidjaja

Table 1. Financial Report Position at PT. Pupuk Sriwidjaja
Year: 2010-2019 (Million Rupiahs)

Description	Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Current assets	3.362.057	4.822.118	5.285.493	5.867.972	6.145.693	6.344.294	7.774.216	7.826.103	7.891.248	7.205.725
Non-Current Assets	13.459.078	1.067.146	1.675.816	3.479.697	8.785.503	11.795.884	21.574.440	21.310.457	20.928.880	21.289.805
Total Assets	16.821.135	5.889.264	6.961.309	9.347.669	14.931.196	18.140.178	29.348.656	29.136.560	28.820.128	28.495.530
Short-term liabilities	1.038.069	826.629	901.491	1.707.936	3.594.056	4.299.415	7.184.281	7.090.266	3.240.116	4.060.573
Long-Term Liabilities	5.173.060	1.157.852	795.014	2.084.973	5.709.513	7.779.497	8.177.169	7.976.832	11.215.803	9.317.391
Equity	10.610.006	3.904.782	5.264.804	5.554.760	5.627.627	6.061.266	13.987.206	14.069.462	14.364.209	15.117.566
Total Equity and Liabilities	16.821.135	5.889.264	6.961.309	9.347.669	14.931.196	18.140.178	29.348.656	29.136.560	28.820.128	28.495.530

(Source: PT. Pupuk Sriwidjaja)

Table 1 describes the statement of financial position of PT. Pupuk Sriwidjaja (Pusri) 2010-2019. The company's total assets in 2011 decreased to Rp 5,889,264, compared to 2012 the

company's total assets of PT. Pusri experienced a high increase to Rp 6,821,135. Meanwhile, the total equity and liabilities of PT. Pupuk Sriwidjaja in 2014-2019 also experienced insignificant movements but fluctuated every year. This shows that the company's activities are not conducive to carrying out its business activities. Statement of financial position of PT. Pupuk Sriwidjaja in 2010-2019 did not move forward significantly but experienced ups and downs from year to year or fluctuated. According to PT. Pupuk Sriwidjaja this is due to an increase or decrease in the price of products such as seeds or seedlings, fertilizers and various products that are able to increase agricultural production and this decrease is due to a decrease in the value of subsidy receivables to the Indonesian government, the value of urea fertilizer supplies that have not been distributed to distributors. 2019 was a year full of challenges for Pusri, but Pusri's company continued to maximize its efforts to produce quite good achievements. For the next year, Pusri will be more optimistic to move forward so that competitiveness will also increase every year. The phenomenon of financial statements that often occurs in companies is that there are errors in recording and reconciling reports, not seeing financial statements as a company tool, wanting to handle everything themselves, mixing personal accounts and company accounts, not keeping receipts and notes, mathematical errors in counting, only focus on the short term.

A phenomenon that often occurs within companies, especially during the COVID-19 pandemic, is that many entrepreneurs are experiencing problems in the companies they live in, both in the form of a declining economic level, increasingly difficult to get new projects, increasing operational costs and The cost of raw materials for production is increasing.

**Table 2. Income (Profit and Loss) Report PT. Pusri
Year: 2010-2019 (Millions Rupiah)**

Description	Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net Sales	6.538.877	6.741.894	5.924.000	7.325.617	8.486.082	8.568.734	8.415.717	9.970.848	11.068.131	9.743.239
Cost of Good Sold	(5.032.323)	4.836.092)	3.869.000)	5.733.935)	6.913.599)	7.116.191)	6.732.730)	8.029.104)	(8.827.551)	7.735.073)
Gross Profit	1.506.553	1.905.802	2.055.000	1.591.682	1.572.483	1.452.543	1.682.987	1.941.744	2.240.580	2.008.166
Operating Expense	(979.325)	(684.273)	646.000	-	-	(743.527)	(560.948)	(554.844)	(691.699)	(548.659)
Operating Profit	527.227	1.221.529	1.409.000	917.997	846.587	709.016	1.122.039	1.386.900	1.548.881	1.459.507
Other Income (Expense)-Net	205.752	167.112	204.000	-	-	(102.821)	(394.623)	(710.863)	(832.598)	(824.365)
Profit (Loss) Before Tax	732.980	1.388.641	1.613.000	1.081.321	877.832	606.195	727.416	676.037	716.283	635.142
Tax Expense	(240.539)	(270.959)	(317.000)	(198.538)	(176.794)	(105.514)	(134.831)	(155.657)	(164.571)	(132.172)
Profit (Loss) For The	493.867	1.117.682	1.295.744	882.783	701.038	500.681	592.585	520.380	551.712	502.970

Description	Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Year										
omprehensive Loss	-	-	55.000	(69.459)	(185.273)	158.913	7.633.760	(88.918)	(53.768)	416.361
omprehensive Profit (Loss)	493.867	1.117.682	1.351.000	813.324	515.765	659.594	8.226.345	431.462	497.944	919.331

(Source: PT. Pupuk Sriwidjaja)

Data table 2 describes the income statement in 2010-2019. Gross profit received by PT. Pupuk Sriwidjaja experienced an unstable increase. And in 2013-2014 PT. Pupuk Sriwidjaja does not record operating expenses and other income received by the Pupuk Sriwidjaja company. However, when viewed from net sales in 2014 PT. Pupuk Sriwidjaja realized Rp 8,486,082 an increase of Rp 1,160,465 compared to 2013 which was Rp 7,325,617. In 2019, net sales at PT. Pusri amounted to Rp. 9,743,239, decreased by Rp. 1,324,892 compared to Rp. 11,068,131 in 2018 and in 2015, net sales of Rp. 8,568,734 decreased by Rp. 153,017 compared to Rp. 8,415,717 in 2016.

Based on the financial reports that occurred at PT. Pupuk Sriwidjaja, still needs to assess the financial performance and assess the company's performance in the interpretation of various ratios that can provide a better view of the company's financial condition and performance. The company's financial performance assessment generally uses analysis of liquidity, solvency, activity and profitability. The advantage of using this method is that it is easy to calculate as long as historical data are available.

According to Kasmir (2008:67) that the analysis of financial statements needs to be done carefully by using the right analytical methods and techniques so that the expected results are really right too. The results of these calculations are analyzed and interpreted so that the real financial position is known. Financial report analysis can help management to identify existing deficiencies or weaknesses and then make rational decisions to improve company performance in order to achieve company goals. Financial report analysis is also useful for investors and creditors in making investment and credit decisions. The analysis of financial statements is intended to add to the information contained in a financial report. By analyzing financial statements, the raw information that is read from financial statements will become wider and deeper. The relationship between one post and another will be an indicator of the company's financial position and achievement.

According to Hery (2019:114), the general objectives of financial report analysis are: (1) To find out the company's financial position in a certain period, both assets, liabilities, equity, and operating results that have been achieved for several periods. (2) To find out the weaknesses

that become the company's shortcomings. (3) To find out the strengths that become the company's advantages, (4) To determine the corrective steps that need to be taken in the future, especially those related to the company's current financial position. (5) To conduct management performance appraisal. (6) As a comparison with similar companies, especially regarding the results that have been achieved.

Financial performance

The company's financial performance is seen from the financial statements owned by the company/business entity concerned and it is reflected in the information obtained on the balance sheet, income statement, and cash flow statement as well as other supporting things as a reinforcement of the company's performance assessment. Fahmi (2018:2) states that financial performance is an analysis carried out to see how far a company has implemented using financial implementation rules properly and correctly. Van Horne and Wachowiicz, Jr. (1995) in Fahmi (2018: 46) explained that "To evaluate the financial condition and performance of a firm, the financial analyst needs certain yardstick. The yardstick frequently used is a ratio, index relating two pieces of financial data of to each other". Then Gitman (2000) in Fahmi (2018:46) said "Ratio analysis involves the methods of calculating and interpreting financial ratios to assess the firm's performance. The basic inputs to ratio analysis are the firm's income statement and balance sheet". From the opinion above, it can be understood that financial ratios and company performance have a close relationship. There are many financial ratios and each ratio has its own use.

II. Research Method

A. Financial Ratio Analysis

According to Harahap (2012:297), financial ratios are numbers obtained from the comparison of a financial statement post with other posts that have a relevant and significant relationship.

B. Liquidity Ratio

According to Sudana (2011:21), the liquidity ratio is a ratio that measures the company's ability to measure the company's ability to meet short-term financial obligations. According to Kasmir (2008: 110), there are five types of ratios that are included in the type of liquidity ratio, namely the Current Ratio, Quick Ratio, Cash Ratio, Cash Turnover Ratio, and Cash Turnover Ratio. Inventory to Net Working Capital.

C. Solvency Ratio

According to Kasmir (2008:151), the solvency ratio is a ratio used to measure the extent to which the company's assets are financed by debt. This means how much debt the company bears compared to its assets. The types of ratios that exist in the solvency ratio include Debt to

Asset Ratio (DAR), Debt to Equity Ratio (DER), Long Term Debt to Equity Ratio (LTDtER), Time Interest Earned (TIE), and Fixed Charge Covarege (FCC). .

D. Activity Ratio

According to Kasmir (2008:114), the activity ratio is a ratio used to measure the efficiency level of the company's resource utilization (sales, inventory, receivables collection, and others) or a ratio to assess the company's ability to carry out daily activities. Kasmir (2008:175), there are several activity ratios including Fixed Assets Turn Over, Total Assets Turn Over.

E. Profitability Ratio

According to Kasmir (2008:114) profitability ratio is a ratio to assess the company's ability to achieve profits. The level of effectiveness of a company in managing the company's management is a manifestation of the profitability ratio. According to Sudana (2011:22) there are several ways to measure the level of profitability, namely by using the ratio of Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin Ratio (NPM).

F. Liquidity and Solvency in Financial Performance Perspective

Understanding liquidity and solvency is a measure that is always used by investors in recognizing the company's financial situation and condition to resolve problems quickly and well. According to Fahmi (2018: 87), in this issue of liquidity and solvency, in the investor's perspective there are four forms of relationship between liquidity (liquid) and solvency (solvability) that can be used as a measure to see the risk of a company, namely; (a) Liquid and solvable, (b) Liquid and insolvable, (c) Illiquid and Solvable, (d) Illiquid and Insovable. Liquid and Solvable is where a company is declared healthy and in good condition, because it is able to pay off its short-term obligations and is also able to pay off its maturing debts on time. In this position, the company's shares are seen as being in good condition or constantly growing. This means that financially the company is considered not to have any constraints or problems.

III. Data Analysis and Findings

a) Overview of the Company's Liquidity 2010-2019

1) Current Ratio

Table 3. Calculations (Current Ratio)

Year	Current Assets	Current Debt	Current Ratio
2010	Rp 3.362.057	Rp 1.038.069	3,24 times

2011	Rp 4.822.118	Rp 826.629	5,83 times
2012	Rp 5.285.493	Rp 901.491	5,86 times
2013	Rp 5.867.972	Rp 1.707.936	3,43 times
2014	Rp 6.145.693	Rp 3.594.056	1,70 times
2015	Rp 6.344.294	Rp 4.299.415	1,48 times
2016	Rp 7.774.216	Rp 7.184.281	1,09 times
2017	Rp 7.826.103	Rp 7.090.266	1,10 times
2018	Rp 7.891.248	Rp 3.240.116	2,43 times
2019	Rp 7.205.725	Rp 4.060.573	1,77 times

(Source: Data Processing Results, 2021)

Based on Table 3, it can be seen that the company's current ratio in 2012 was the highest number of 5.86 times. The greater this ratio, the better the financial performance of this company.

Current ratio of PT. Pupuk Sriwidjaja in 2012 experienced a significant increase of 5.86 times. This means that in 2012 there was an increase in the current ratio of 0.03 times. This condition is due to the receipt of total current assets of Rp 463,375 and the company's current liabilities of Rp 74,826.

The current ratio in 2016 decreased by 1.09 times. When compared to 2015 the current ratio was 1.48 times. This means that in 2016 there was a decrease in the current ratio of 0.39 times. This decrease was due to the current debt in 2016 which was greater than in 2016 of Rp. 7,184,281 while in 2015 the current debt was Rp. 4,299,415. This condition was due to an increase in current liabilities of Rp 2,884,866 when compared to 2015 but current assets received increased by Rp 1,429,922 when compared to 2015.

So it can be seen that the current ratio in 2012 is the highest compared to 2010, 2011, 2013, 2014, 2015, 2016, 2017, 2018 and 2019. The company's financial performance can be categorized as good because in 2010, 2011, 2012, 2013, 2018 above the industry average standard but in 2014, 2015, 2016, 2017 and 2019 below the industry average standard.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the company's current assets and current liabilities. And when viewed from the time series analysis, this company experiences fluctuations because the assets received are not stable every year but this company is still able to pay obligations with the assets owned by the company.

2) Quick Ratio

Table 4. Quick Ratio Calculation

Year	Current Assets	Inventory	Current Debt	Quick Ratio
2012	R p 5.285.493	Rp 1.017.000	Rp 901.491	4,73 times
2013	R p 5.867.972	Rp 1.030.000	Rp 1.707.936	2,83 times
2014	R p 6.145.693	Rp 438.482	Rp 3.594.056	1,58 times
2015	R p 6.344.294	Rp 635.451	Rp 4.299.415	1,32 times
2016	R p 7.774.216	Rp 1.438.744	Rp 7.184.281	0,88 times
2017	R p 7.826.103	Rp 1.408.206	Rp 7.090.266	0,90 times
2018	R p 7.891.248	Rp 1.701.311	Rp 3.240.116	1,91 times
2019	R p 7.205.725	Rp 2.616.567	Rp 4.060.573	1,13 times

Based on Table 4, it can be seen that the company's quick ratio in 2012 was the highest at 4.73 times. The greater this ratio, the better the financial performance of this company. The year 2012 has the highest Quick Ratio, due to the receipt of current assets in 2012 amounting to Rp 5,285,493, inventories amounting to Rp 1,071,000 and having a small current debt compared to other years amounting to Rp 901,491. Fast ratio PT. Pupuk Sriwidjaja in 2016 was 0.88 times which decreased compared to 2015 which was 1.32 times. This means that in 2016 there was a rapid decline in the ratio of 0.44 times. This decrease was due to the current debt in 2016 being greater than in 2015 amounting to Rp. 7,184,281 while in 2015 the current debt was Rp. 4,299,415. This condition was due to an increase in current liabilities of Rp 2,884,866 when compared to 2015 but current assets received increased by 1,429,922 when compared to 2015. So it can be seen that the quick ratio in 2012 was the highest compared to 2010, 2011, 2013, 2014, 2015, 2016, 2017, 2018 and 2019. The company's financial performance can be categorized as good because in 2010, 2011, 2012, 2013, 2014, and 2018 it was above the industry average standard but in 2015, 2016, 2017 and 2019 were below the industry average. When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the company's ability to pay liabilities with current assets without breaking down the existing inventory. And when viewed from the time series analysis, this company has increased every year when viewed from the current assets of this company. So this company is able to pay their obligations with current assets owned by this company without having to reduce the company's inventory.

3) Cash Ratio

Table 5. Cash Ratio Calculations

Year	Cash	Current Debt	Ratio Cash
2010	Rp 1.070.634	Rp 1.038.069	103,13 %
2011	Rp 3.474.709	Rp 826.629	420,34 %
2012	Rp 3.405.000	Rp 901.491	377,70 %
2013	Rp 2.217.715	Rp 1.707.936	129,84 %
2014	Rp 564.505	Rp 3.594.056	15,70 %
2015	Rp 467.575	Rp 4.299.415	10,87 %
2016	Rp 750.651	Rp 7.184.281	10,44 %
2017	Rp 1.393.903	Rp 7.090.266	19,65 %
2018	Rp 2.027.789	Rp 3.240.116	62,58 %
2019	Rp 2.002.420	Rp 4.060.573	49,31 %

Based on Table 5, it can be seen that the company's cash ratio in 2011 was the highest amount of 420.34 %. The greater this ratio, the better the company's financial performance. PT. Pupuk Sriwidjaja in 2011 experienced a significant increase of 420.34 %. This means that in 2011 there was an increase in the cash ratio of 317.21%. This condition was caused by an increase in cash receipts of Rp. 2,404,075 compared to 2010 and a decrease in current liabilities of Rp. 211,440 when compared to 2010. Cash ratio of PT. Pupuk Sriwidjaja in 2016 was 10.44% which decreased compared to 2015 which was 10.87%. This means that in 2016 there was a decrease in the cash ratio of 0.47%. This decrease was due to cash receipts amounting to Rp 283,076 and current debt in 2016 greater than in 2015. Current debt in 2016 was Rp 7,184,281 while in 2015 current debt was Rp 4,299,415.

So it can be seen that the cash ratio in 2011 was the highest compared to 2010, 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019. The company's financial performance can be categorized as good because in 2010, 2011, 2012, 2013, 2018 above the industry average standard but in 2014, 2015, 2016, 2017 and 2019 below the industry average standard.

When viewed from the company's financial performance, it can be said that it is not good. When viewed from the financial statement data, it appears that it is based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements it is also good because the existing calculations come from conditions carried out by PT. Pupuk Sriwidjaja is seen from the company's cash and current liabilities. And when viewed from the time series analysis, this company experienced fluctuations because the cash received was unstable every year even in 2014 to 2019 the cash owned by the company was unable to pay the company's current debt.

4) Cash Turnover Ratio

Table 6. Cash Turnover Ratio Calculations

Year	Net Sales	Net Working Capital	sh Turnover Ratio
2010	Rp 6.538.877	Rp 2.323.988	281,36 %
2011	Rp 6.741.894	Rp 3.995.489	168,73 %
2012	Rp 5.924.000	Rp 4.384.002	135,12 %
2013	Rp 7.325.617	Rp 4.160.036	176,09 %
2014	Rp 8.486.082	Rp 2.551.636	332,57 %
2015	Rp 8.568.734	Rp 2.044.879	419,03 %
2016	Rp 8.415.717	Rp 589.935	1.426,54 %
2017	Rp 9.970.848	Rp 735.837	1.355,03 %
2018	Rp 11.068.131	Rp 4.651.133	238 %
2019	Rp 9.743.239	Rp 3.145.152	309,78%

Based on Table 6, it can be seen that the cash turnover ratio of PT. Pupuk Sriwidjaja in 2016 was the highest amount of 1,426.54%. The greater this ratio, the better the company's financial performance. PT. Pupuk Sriwidjaja in 2012 was the lowest ratio compared to other years, which was 135.12%, which was a decrease compared to 2011 which was 168.73%. This means that in 2012 there was a decrease in the cash turnover ratio of 33.61%. This decrease was due to net working capital in 2012 which was greater than in 2011 of Rp. 387,513 and net sales in 2012 decreased by Rp. 817,894 when compared to 2011. While the cash turnover ratio of PT. Pupuk Sriwidjaja in 2016 experienced a fairly high increase of 1,426.54%. This means that in 2016 there was an increase in the cash turnover ratio of 1.007.51%.

So it can be seen that the cash turnover ratio in 2016 was the highest compared to 2010, 2011, 2012, 2013, 2014, 2015, 2017, 2018 and 2019. The company's financial performance can be categorized as good because this ratio is above the industry standard of 10%.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the net sales and net working capital of the company. And when viewed from the time series analysis, this company has increased because the net sales received have increased every year,

but when compared between 2018 and 2019 in these two years the company experienced a drastic decline. Net working capital is obtained from current assets less current liabilities. So the company's net working capital is still able to pay the company's obligations.

5) Inventory for Net Working Capital (INWC)

Table 7. Inventory for Net Working Capital Calculations

Year	Stock	Current Asset	Current Debt	INWC
2011	Rp 751.491.052	Rp 4.822.118	Rp 826.629	18.808,48 %
2012	Rp 1.017.000	Rp 5.285.493	Rp 901.491	23,19 %
2013	Rp 1.030.000	Rp 5.867.972	Rp 1.707.936	24,75 %
2014	Rp 438.482	Rp 6.145.693	Rp 3.594.056	17,18%
2015	Rp 635.451	Rp 6.344.294	Rp 4.299.415	31,07 %
2016	Rp 1.438.744	Rp 7.774.216	Rp 7.184.281	243,88 %
2017	Rp 1.408.206	Rp 7.826.103	Rp 7.090.266	191,37 %
2018	Rp 1.701.311	Rp 7.891.248	Rp 3.240.116	36,57 %
2019	Rp 2.616.567	Rp 7.205.725	Rp 4.060.573	8,193 %

Based on Table 7, it can be seen that the Inventory to Net Working Capital of PT. Pupuk Sriwidjaja in 2011 was the highest amount of 18,808.48%. The greater this ratio, the better the company's financial performance.

In 2011 Inventory to Net Working Capital was Rp 18,808.48 %. This ratio is the highest ratio compared to other years, because the current debt in this company has a small amount compared to other years of Rp. 826,629, and the value of inventories received is also quite high at Rp. 751,491,052 and revenue current assets in 2011 amounted to Rp 4,822,118.

While in 2019 Inventory to Net Working Capital PT. Pupuk Sriwidjaja decreased by 8.193 % when compared to 2018 which was 36.57 %. This means that in 2019 there was a decrease in Inventory to Net Working Capital by 28.377%. This condition is due to the receipt of total current liabilities of Rp. 820,457 when compared to 2018 while the amount of inventory is Rp. 909,256 and receipt of current assets is Rp. 685,523 when compared to 2018. So it can be seen that the Inventory to Net Working Capital ratio shows that the company's financial performance is in a good category because this ratio is above the industry standard, which is 12%, only in 2019 the Inventory to Net Working Capital ratio is below the industry average standard.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of

accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the inventory, current assets and current liabilities of the company. And when viewed from the time series analysis, this company experiences fluctuations because the inventory received is unstable every year. This ratio is used to compare the amount of inventory with the company's net working capital.

b) Overview of the Company's Solvency in 2010-2019

1) Debt to Asset Ratio

Table 8. Debt to Asset Ratio Calculation

Year	Total Debt	Total Assets	Debt Ratio
2010	Rp 1.178.546	Rp 16.821.135	7 %
2011	Rp 1.271.536	Rp 5.889.264	21,6 %
2012	Rp 1.696.505	Rp 6.961.309	24,37 %
2013	Rp 3.792.909	Rp 9.347.669	40,57 %
2014	Rp 9.303.569	Rp 14.931.196	62,30 %
2015	Rp 12.078.912	Rp 18.140.178	66,58 %
2016	Rp 15.361.450	Rp 29.348.656	52,34 %
2017	Rp 15.067.098	Rp 29.136.560	51,71 %
2018	Rp 14.455.919	Rp 28.820.128	50,15 %
2019	Rp 13.377.964	Rp 28.495.530	47 %

Based on Table 8, it can be seen that the Debt to Asset Ratio of PT. Pupuk Sriwidjaja in 2015 was the highest amount of 66.58%. The greater this ratio, the better the company's financial performance.

In 2010 the Debt to Asset Ratio decreased quite drastically when compared to other years of 7%. This is seen from the total assets received are not proportional to the total debt. In 2010 total debt was Rp 1,178,546 while total assets was Rp 16,821,135.

While the Debt to Asset Ratio of PT. Pupuk Sriwidjaja in 2015 experienced a significant increase of 66.58%. This means that in 2015 there was an increase in the debt ratio of 4.28%. This condition was caused by an increase in total debt of Rp 2,775,343 compared to 2014 and an increase in total assets of Rp 3,208,982.

So judging by the Debt to Asset Ratio the company's financial performance in 2010 to 2019 is

good because it meets the industry standard of 35%

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the total debt and total assets owned by the company. And when viewed from the time series analysis, this company experiences fluctuations because the assets received are unstable every year but the company is still able to pay their debts with the assets received by the company. And the existing debt in the company does not have a big effect on the company's assets.

2) Debt to Equity Ratio

Table 9. Debt to Equity Ratio Calculations

Year	Total Debt	Equity	bt to Equity Ratio
2010	Rp 1.178.546	Rp 15.642.589	7,5 %
2011	Rp 1.271.536	Rp 4.617.727	27,53%
2012	Rp 1.696.505	Rp 5.264.804	32,22%
2013	Rp 3.792.909	Rp 5.554.760	68,28%
2014	Rp 9.303.569	Rp 5.627.627	165,31%
2015	Rp 12.078.912	Rp 6.061.266	199,28%
2016	Rp 15.361.450	Rp 13.987.206	109,82%
2017	Rp 15.067.098	Rp 14.069.462	107,10%
2018	Rp 14.455.919	Rp 14.364.209	100,63%
2019	Rp 13.377.964	Rp 15.117.566	88,50 %

Based on Table 9, it can be seen the Debt to Equity Ratio of PT. Pupuk Sriwidjaja in 2015 was the highest amount of 199.28%. The greater this ratio, the better the company's financial performance.

Debt to equity ratio of PT. Pupuk Sriwidjaja in 2015 experienced a significant increase of 199.28%. This means that in 2015 there was an increase in the debt to equity ratio of 33.97%. This condition was due to an increase in total debt of Rp 2,775,343 compared to 2014 and total equity receipts of Rp 433,639.

So judging by the debt-to-equity ratio, the company's financial performance in 2010-2019 is good because the industry standard is 90%.

When viewed from the company's financial performance, it can be said to be good because the visible financial statement data is based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements it is also good because that comes from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the total debt and equity owned by the company. And when viewed from the time series analysis, the company experienced an increase because the equity received by the company increased every year so that they were able to pay their debts with the equity received by the company. And the existing debt in the company does not have a big effect on the company's assets.

c) Overview of the Company's Activity Ratio in 2010-2019

1) Fixed Assets Turnover

Table 10. Fixed Assets Turn Over Calculations

Year	Sales	Total Fixed Assets	Fixed Assets Turn Over
2010	Rp 6.538.877	Rp 331.001	19,75times
2011	Rp 6.741.894	Rp 396.812	17 times
2012	Rp 5.924.000	Rp 1.174.109	5,04 times
2013	Rp 7.325.617	Rp 3.116.600	2,35 times
2014	Rp 8.486.082	Rp 8.014.948	1,05 times
2015	Rp 8.568.734	Rp 11.101.612	0,8 times
2016	Rp 8.415.717	Rp 20.796.159	0,40 times
2017	Rp 9.970.848	Rp 20.960.318	0,48 times
2018	Rp 11.068.131	Rp 20.639.499	0,53 times
2019	Rp 9.743.239	Rp 20.979.784	0,46 times

Based on Table 10, it can be seen that the fixed asset turnover (Fixed Assets Turn Over) of PT. Pupuk Sriwidjaja in 2010 was the highest number of 19.75 times. The greater this ratio, the better the financial performance of this company.

In 2010 Fixed Assets Turn Over was the highest number compared to other years at 19.75 times. The year 2010 met the industry standard due to sales revenue of Rp 6,538,877 and total fixed assets in 2010 of Rp 331,001.

Meanwhile, in 2016 the Fixed Assets Turn Over of PT. Pupuk Sriwidjaja by 0.40 times which decreased compared to 2015 which was 0.8 times. This means that in 2016 there was a decrease in Fixed Assets Turn Over of 0.4 times. This condition was caused by the sale receipt of

Rp 153,017 and fixed asset receipt of Rp 9,694,547.

So seen from the fixed asset turnover (Fixed Assets Turn Over) has decreased every year. The company's financial performance is still not good because it is still below the industry standard by 5 times.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the sales and total fixed assets of the company. And when viewed from the time series analysis, this company has increased so that it can be said to be in good condition because the fixed assets received have increased every year and the company's sales have also increased every year. So that the funds invested in fixed assets increase every period.

2) Total Assets Turn Over

Table 11. Total Assets Turn Over Calculations

Year	Sales	Total Assets	Total Asset Turnover
2010	Rp 6.538.877	Rp 16.821.135	0,40 times
2011	Rp 6.741.894	Rp 5.889.264	1,14 times
2012	Rp 5.924.000	Rp 6.961.309	0,85 times
2013	Rp 7.325.617	Rp 9.347.669	0,80 times
2014	Rp 8.486.082	Rp 14.931.196	0,60 times
2015	Rp 8.568.734	Rp 18.140.178	0,48 times
2016	Rp 8.415.717	Rp 29.348.656	0,28 times
2017	Rp 9.970.848	Rp 29.136.560	0,34 times
2018	Rp 11.068.131	Rp 28.820.128	0,38 times
2019	Rp 9.743.239	Rp 28.495.530	0,34 times

Based on Table 11, it can be seen that the Total Assets Turn Over of PT. Pupuk Sriwidjaja in 2011 was the highest number of 1.14 times. The greater this ratio, the better the company's financial performance.

Total Assets Turn Over (Total Assets Turn Over) PT. Pupuk Sriwidjaja in 2011 experienced a significant increase of 1.14 times. This means that in 2011 there was an increase in Total Assets Turn Over of 0.74 times. This condition was caused by an increase in sales of Rp. 203,017 compared to 2010 and the receipt of total assets of Rp. 10,931,871.

Total Assets Turn Over (Total Assets Turn Over) PT. Pupuk Sriwidjaja in 2016 was 0.28 times which decreased compared to 2015 which was 0.48 times. This means that in 2016 there was a decrease in Total Assets Turn Over of 0.2 times. This condition is caused by the receipt of sales of Rp. 153,017 and receipt of total assets of Rp. 11,208,478.

So seen from the Total Assets Turn Over fluctuates every year. Analysis of the company's financial statements when viewed from the ratio is still not good because it is still below the industry standard by 2 times.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the sales and total assets of the company. And when viewed from the time series analysis, this company has increased because the fixed assets received have increased every year and the company's sales have also increased every year. So that the funds invested in assets have increased every period.

d) Overview of the Company's Profitability Ratio in 2010-2019

1) Net Profit Margin

Table 12. Net Profit Margin Calculations

Year	Profit After Tax	Sales	Net Profit Margin
2010	Rp 493.867	Rp 6.538.877	7,55 %
2011	Rp 1.117.682	Rp 6.741.894	16,58 %
2012	Rp 1.295.744	Rp 5.924.000	21,87 %
2013	Rp 882.783	Rp 7.325.617	12,05 %
2014	Rp 701.038	Rp 8.486.082	8,2 %
2015	Rp 500.681	Rp 8.568.734	5,8 %
2016	Rp 592.585	Rp 8.415.717	7,04 %
2017	Rp 520.380	Rp 9.970.848	5,21 %
2018	Rp 551.712	Rp 11.068.131	5 %
2019	Rp 502.970	Rp 9.743.239	5,16 %

Based on Table 12, it can be seen that the Net Profit Margin of PT. Pupuk Sriwidjaja in 2012 was the highest amount of 21.87%. The greater this ratio, the better the company's financial

performance.

Net Profit Margin at PT. Pupuk Sriwidjaja in 2012 experienced a significant increase of 21.87%. This means that in 2012 there was an increase in the Net Profit Margin of 5.29%. This condition was caused by an increase in profit after tax of Rp. 178,062 compared to 2011 and sales of Rp. 817,894.

Net Profit Margin at PT. Pupuk Sriwidjaja in 2018 is 5%, which has decreased compared to 2017 which was 5.21%. This means that in 2018 there was a decrease in Net Profit Margin of 0.21%. This condition is caused by the receipt of total profit after tax of Rp. 31,332 and sales of Rp. 1,097,283.

So it is seen from the Net Profit Margin has decreased every year. The company's financial performance is not good. This is due to the fact that the contribution of net sales to net income each year tends to be very poor because the ratio is still far below the industry average. In this case, it is important for the company to make efficiency in operating expenses and other expenses that are too large.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the profit after tax and company sales. And when viewed from the time series analysis, this company has increased because the net sales received have increased every year so that the income received by the company has also increased because the sales made by the company have increased.

2) Return on Investment (ROI)

Table 13. Return on Investment Calculations

Year	Profit After Tax	Total Asset	ROI
2010	Rp 493.867	Rp 16.821.135	3 %
2011	Rp 1.117.682	Rp 5.889.264	19 %
2012	Rp 1.295.744	Rp 6.961.309	18,61 %
2013	Rp 882.783	Rp 9.347.669	9,44 %
2014	Rp 701.038	Rp 14.931.196	4,7 %
2015	Rp 500.681	Rp 18.140.178	2,76 %
2016	Rp 592.585	Rp 29.348.656	2,01 %
2017	Rp 520.380	Rp 29.136.560	1,78 %

Year	Profit After Tax	Total Asset	ROI
2018	Rp 551.712	Rp 28.828.128	2 %
2019	Rp 502.979	Rp 28.495.530	1,76 %

Based on Table 13, it can be seen that the Return on Investment of PT. Sriwidjaja fertilizer in 2011 was the highest amount of 19%. The greater this ratio, the better the company's financial performance.

Return on Investment at PT. Pupuk Sriwidjaja in 2011 experienced a significant increase of 19%. This means that in 2011 there was an increase in Return on Investment by 16%. This condition was caused by an increase in profit after tax of Rp. 623,815 compared to 2010 and the receipt of total assets of Rp. 10,931,871.

While the Return on Investment at PT. Pupuk Sriwidjaja in 2019 experienced a decrease of 1.76% when compared to 2018 of 2%. This means that in 2019 there was a decrease in Return on Investment by 0.24%. This condition is caused by the total profit after tax of Rp 48,733 and total asset receipts of Rp 332,598.

So it means Return on Investment has decreased every year. Analysis of the company's financial statements seen from the ratio is not good because it is below the industry average standard.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the profit after tax and the company's total assets. And when viewed from the time series analysis, this company has increased because the total assets received have increased every year so that management activities in managing their investments have been optimal, and the use of capital to create sales has been maximized.

3) Return on Equity (ROE)

Table 14. Calculation of Return on Equity

Year	Profit After Tax	Quity	ROE
2010	Rp 493.867	Rp 15.642.589	3,15 %
2011	Rp 1.117.682	Rp 4.617.727	24,20 %
2012	Rp 1.295.744	Rp 5.264.804	24,61 %
2013	Rp 882.783	Rp 5.554.760	15,9 %
2014	Rp 701.038	Rp 5.627.627	12,45 %

Year	Profit After Tax	Quity	ROE
2015	Rp 500.681	Rp 6.061.266	8,26 %
2016	Rp 592.585	Rp 13.987.206	4,23 %
2017	Rp 520.380	Rp 14.069.462	3,7 %
2018	Rp 551.712	Rp 14.364.209	3,84 %
2019	Rp 502.970	Rp 15.117.566	3,32 %

Based on Table 14, it can be seen that the Return on Equity of PT. Sriwidjaja fertilizer in 2012 was the highest amount of 24.61%. The greater this ratio, the better the company's financial performance.

Return on Equity of PT. Pupuk Sriwidjaja in 2012 experienced a significant increase of 24.61%. This means that in 2012 there was an increase in Return on Equity of 0.41%. This condition was due to an increase in profit after tax of Rp. 178,062 compared to 2011 and equity receipts of Rp. 647,077.

So it means that the results of the return on equity has decreased every year. The company's financial performance is not good because it is below the industry average standard. This is because the contribution of equity to net income every year tends to be not good because the ratio is still far below the industry average. This is due to sales activities that have not been optimal, the use of capital to create sales has not been maximized and the operating expenses and other expenses are too large.

When viewed from the company's financial performance, it can be said to be good because the financial report data that appears to be based on the rules that apply in the world of accounting, when viewed in the calculation of the financial statements is also good because the existing calculations come from the conditions carried out by PT. Pupuk Sriwidjaja is seen from the profit after tax and company equity. And when viewed from the time series analysis, this company has increased because the equity received has increased every year so that the equity received by the company can be compared with the net profit received by the company.

IV. Discussion

1. Liquidity Ratio

- a) If viewed from the current ratio, the company can be categorized as good because of industry standard data. Current ratio of PT. Pupuk Sriwidjaja in 2012 was the highest number of 5.86 times. And the company's financial performance is in good condition because the company's financial data is neatly arranged and the assets owned by the company are still able to pay obligations that are due.
- b) If viewed from the quick ratio, the company can be categorized as good because it is above the industry standard. Fast ratio PT. Pupuk Sriwidjaja in 2012 was the highest number of 4.73 times. And the company's financial performance is in good condition

- because from the company's financial data seen from the assets owned by the company, it is still able to pay obligations that are due without having to affect the existing inventory.
- c) If viewed from the cash ratio, the company can be categorized as good because it is above the industry standard. PT. Pupuk Sriwidjaja in 2011 was the highest amount of 420.34 %. This is because the cash owned by PT. Pupuk Sriwidjaja in 2011 had the highest cash amounting to Rp 3,474,709 and debt to be paid amounting to Rp 826,629. And the company's financial performance is in poor condition because the company is still unable to pay obligations that are due by using the existing cash in the company.
 - d) If viewed from the cash turnover ratio, the company can be categorized as good because it is above the industry standard of 10%. PT. Pupuk Sriwidjaja in 2016 was the highest number of 1,426.54% times. This is due to current assets less current liabilities of PT. Pupuk Sriwidjaja amounted to Rp 589,935 and net sales of urea and ammonia fertilizers amounted to Rp 8,415,717. And the company's financial performance is in good condition because the company's financial data is neatly arranged and the net working capital owned by the company is still able to pay obligations that are due. When viewed from the Inventory to Net Working Capital ratio, the company can be categorized as good because it is above the industry standard of 12%. Inventory to Net Working Capital Ratio PT. Pupuk Sriwidjaja in 2011 was the highest amount of 18,808.48%. This is because the current debt that must be paid is Rp. 826,629. when compared with 2012 to 2019, only a small amount of current debt was obtained. And in the company's financial performance when viewed from time series analysis, this company experiences fluctuations because the inventory received is unstable every year. This ratio is used to compare the amount of inventory with the company's net working capital.

2. Solvency Ratio

- a) When viewed from the ratio of total assets to debt, the company's financial performance is categorized as good because it is above the industry standard by 35%. The ratio of total assets to debt at PT. Sriwidjaja fertilizer in 2015 was the highest amount of 66.58%. This ratio shows that 66.58% of the company's funding is financed with debt for 2015. This means that for every Rp. 100.00 of company funding, Rp. 66.58 is financed by debt and Rp. 33.42 is provided by shareholders. In terms of financial performance, the company can still be said to be good but when viewed from the time series analysis, this company experiences fluctuations because the assets received are unstable every year but the company is still able to pay their debts with the assets received by the company. And the existing debt in the company does not have a big effect on the company's assets.
- b) When viewed from the debt to equity ratio, the company's financial performance is categorized as good because it is above the industry standard of 90%. Debt to equity ratio at PT. Pupuk Sriwidjaja in 2015 was the highest amount of 199.28%. This ratio shows that creditors provided Rp 199.28 in 2015 for every year Rp 100 provided by shareholders. Or the company is financed by debt as much as 199.28%. Similarly, for the year 2014 amounted to 165.31%. And the company's financial performance is in good

condition because the company is still able to pay its maturing obligations using the existing equity in the company.

3. Activity Ratio

- a) When viewed from the Fixed Assets Turn Over, it has decreased every year. The company's financial performance is still not good because it is still below the industry standard by 5 times. This ratio shows that asset turnover in 2010 was the highest ratio of 19.75 times. This means that every Rp. 1.00 of fixed assets can generate Rp. 19.75 of sales. The company's financial performance is in good condition because the fixed assets received have increased every year and the company's sales have also increased every year. So that the funds invested in fixed assets increase every period.
- b) When viewed from the Total Assets Turn Over, it fluctuates every year. The company's financial performance is still not good because it is still below the industry standard by 2 times. This ratio shows that asset turnover in 2011 was the highest ratio of 1.14 times. This means that every Rp. 1.00 of fixed assets can generate Rp. 1.14 of sales. The company's financial performance is in good condition because fixed assets increase every year and company sales also increase every year. So that the funds invested in assets have increased every period.

4. Profitability Ratio

- a) When viewed from the Net Profit Margin (Net Profit Margin) has decreased every year. The company's financial performance is not good because it is below the industry average standard of 20%. In 2012 it was the highest number of 21.87%. This means that the prices of goods are relatively low or the prices of goods are relatively high. And if you look at the financial performance of this company, it has increased because the net sales received have increased every year so that the income received by the company has also increased because the sales made by the company have increased.
- b) When viewed from the Return on Investment (Return on Investment) has decreased every year. The company's financial performance is not good because it is below the industry average standard of 30%. In 2011 it had a high ratio of 19%. However, in 2011 it was still below the industry average of 30%. This shows the inability of management to obtain ROI. And if you look at the company's financial performance, this company has increased because the total assets received have increased every year so that management activities in managing their investments have been optimal, the maximum use of capital to create sales.
- c) When viewed from the results of the return on equity (Return on Equity) has decreased every year. The company's financial performance is still not good because it is below the industry average standard of 40%. In 2012 it has a high ratio of 24.61%. However, in 2012 it was still below the industry average of 40%. This is due to sales activities that have not been optimal, the use of capital to create sales has not been maximized and the operating expenses and other expenses are too large. And when viewed in the analysis of

the company's financial performance, this company has increased because the equity received has increased every year so that the equity received by the company can be compared with the net profit received by the company.

This research is similar to previous research, the difference is the result of the research, the place of research and the time of the research. And the results of research by Kurnia Dwi Ramadhan and La Ode Syarfan (2016) stated that the liquidity ratio and solvency ratio were in good condition, while the activity ratio and profitability ratio were not in good condition.

V. Conclusions

Based on the results of research at PT. Pupuk Sriwidjaja regarding the analysis of financial statements in measuring the company's financial performance at PT. Pupuk Sriwidjaja 2010-2019, it can be concluded that:

1. From the results of the liquidity ratio from 2010 to 2019 it can be said that the condition of the financial performance of the company PT. Pupuk Sriwidjaja is in good condition, because the company is able to settle its short-term obligations (debts).
2. From the results of the solvency ratio from 2010 to 2019 it can be said that the condition of the company's financial performance PT. Pupuk Sriwidjaja is in good condition. In this case, it shows that the company is quite good at paying long-term obligations.
3. From the results of the activity ratio from 2010 to 2019 it can be said that the condition of the company's financial performance PT. Pupuk Sriwidjaja is not in good condition. In this case, it shows that the company is not good enough in carrying out daily activities and is less able to balance between sales and various elements of other assets such as inventory, fixed assets and other assets.
4. From the results of the profitability ratios from 2010 to 2019 it can be said that the company's financial performance is in a poor condition. In this case, it shows that PT. Pupuk Sriwidjaja is not good at making a profit on the effectiveness of a company's management.

Based on these conclusions, the researcher provides the following suggestions:

1. In the liquidity ratio, the company should further increase current assets and reduce the company's current debt so that the obligations to be paid do not increase every year.
2. In the solvency ratio, the company should be able to reduce the purchase of assets on credit so that the solvency ratio for the following year can show the company's good financial performance.
3. In the activity ratio, the company should be able to involve comparisons between the level of sales and investment in various types of assets.
4. In the profitability ratio, the company should increase sales so that the company's profit increases. Therefore, the amount of profit generated can be used as a measuring tool, effectiveness because profit is the difference between income and expenses.

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