FINANCIAL RATIO ANALYSIS AT PT ADARO ENERGY Tbk.
BASED ON THE 2017 - 2020 FINANCIAL STATEMENTS

Christine Herawati Limbong¹
Universitas Labuhanbatu, Labuhanbatu, Indonesia
Christinehera63@gmail.com

Elida Florentina Sinaga Simanjorang²
Universitas Labuhanbatu, Labuhanbatu, Indonesia
buelida.dosenku@gmail.com

Nova Jayanti Harahap³
Universitas Labuhanbatu, Labuhanbatu, Indonesia
novazhrp@gmail.com

Zulkarnain Nasution⁴
Universitas Labuhanbatu, Labuhanbatu, Indonesia
zulkarnainnasution1974@gmail.com

Abstract
Every company must have financial reports that record capital, profits, losses, production wages, salary payments, which are related to the whole business. This report is called a financial report or financial report which records all information about a company's finances. Where the purpose of making financial statements is to communicate the economic resources (assets), and obligations of an entity at a certain time, and the capital owned by the company. One way to get good financial reports is to compare the numbers in the financial statements. In making comparisons known as financial ratio analysis. The financial ratios used are profitability ratios and liquidity ratios. The results of these financial ratios will show the health condition of the company in question and are used to assess management's performance in a period whether it has achieved the targets as a set and assesses management's ability to effectively empower company resources.

Keywords: Profitability Ratio, Liquidity Ratio, Solvency Ratio, Financial Statements
INTRODUCTION

Mining is a series of activities for the search, mining, processing, refining, utilization, and sale of minerals. Minerals are listed in several categories, namely minerals, coal, geothermal, and oil and gas. The mining company PT Adaro Energy Tbk was established under the name PT Padang Kurnia on July 28, 2004, and started commercial operations in July 2005. Coal mining operations from three mines: Tutupan, Paringin, and Wara in Central Kalimantan and South Kalimantan. Adaro's head office is located at Menara Karya Building 23rd Floor, Jl. HR Rasuna Said Blok X-5, Kav. 1-2, South Jakarta. On July 4, 2008, PT Adaro Energy Tbk received an effective statement from Bapepam-LK to conduct an Initial Public Offering of Adaro Shares (IPO) to the public of 11,139,331,000 shares with a par value of Rp 100, per share and an offering price of Rp 1,100, per share stock. On July 16, 2008, the shares were listed on the Indonesia Stock Exchange (IDX).

PT Adaro Energy, Tbk has financial statements published on the Indonesia Stock Exchange (IDX) which consist of a consolidated statement of financial position, a consolidated statement of profit or loss and other comprehensive income, and a consolidated statement of changes in equity. Financial statements are reports that show the current or current financial condition of the company. The point is the company's financial condition on a certain date and a certain period. For internal and external parties of the company, financial statements are used as a tool to understand the company's financial condition to make financial decisions.

Analysis of a company's financial statements is basically because they want to know the level of profitability (profit) and the level of health of a company (Hanafi 2014:5). Profitability ratios required for recording financial transactions are usually assessed by investors and creditors (banks) to assess the amount of investment profit that will be obtained by investors and the number of company profits to assess the company's ability to pay debts to creditors based on the level of use of assets and other resources so that the level of efficiency can be seen. company. While the Liquidity Ratio is needed to measure the company's ability to pay off current liabilities using current assets as a whole or it can also measure a company's ability to pay debts that will mature when billed.
REVIEW OF LITERATURE

Financial Statements Financial

Reports aim to provide financial information, both to owners, management, and external parties with an interest in the report (Kasmir, 2012:253). Such financial information is very important and useful for related parties to support important and strategic economic decision-making processes. Where the purpose of financial statements is to determine the relevant concepts and principles which ultimately determine the form, content, type, and structure of financial statements.

According to SAK, Financial Statements are part of one of the complete financial reporting processes, usually including income statements, balance sheets, statements of changes in a financial position which are presented in various ways, for example: As cash flow statements, notes & other reports as well as explanatory material which is an integral part of the financial statements.

Meanwhile, according to Muhardi (2013: 1), financial statements can be likened to a map that is useful for those who are traveling. By looking at the existing map, the party who is traveling can reach the final destination in the right way and not get lost in the middle of the journey. Users of the financial statements themselves are management, investors, creditors, and other stakeholders related to the company.

In this study, the financial statements used are the Consolidated Statements of Income and Other Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Changes in Equity, and Consolidated Statements of Cash Flows.

Profitability Ratio

One way to obtain useful information from the company's financial statements is to analyze financial ratios, one of which is the profitability ratio. The profitability ratio is a ratio that measures the company's ability to generate profits by using various sources owned by the company, for example, such as assets, capital, or company sales (Sudana, 2011: 22).

According to Fahmi (2013: 135), "The profitability ratio is a ratio that measures the effectiveness of management as a whole indicated by the size of the level of profits obtained about sales or investments. The better or higher the value of the profitability ratio, the better the company's ability to earn profits."
Based on the above understanding, it can be seen that the profitability ratio has goals and benefits not only for the company but also for parties outside the company, especially those who have a relationship or interest with the company. The purpose of using the profitability ratio for the company, as well as for parties outside the company according to Kasmir (2014: 197), namely: 1) To measure or calculate the profit earned by the company in a certain period; 2) To assess the company's profit position in the previous year with the current year; 3) To assess profit development from time to time; 4) To assess the amount of net profit after tax with own capital; 5) To measure the productivity of all company funds used both loan capital and own capital; and 6) To measure the productivity of all company funds, both own capital is used.

In this study, the way to measure the company's profitability is to use ROA (Return on Assets). ROA shows the company's ability to use all of its assets to generate after-tax profits. The greater the change in ROA indicates the greater the management's ability to generate profits. This affects investors in predicting profit and predicting risk in investment so that it will have an impact on investor confidence in the company. According to Lestari and Sugiharto (2007: 196), the ROA number can be said to be good if it is more than 12%. ROA can be calculated using the following formula:

\[
\text{Return on Assets (ROA)} = \left( \frac{\text{Net Profit After Tax}}{\text{Asset}} \right) \times 100 \%
\]

**Liquidity Ratio**

This liquidity ratio is often used by companies and investors to determine the company's ability to meet short-term financial obligations at maturity by using available current assets. The liquidity ratio is a ratio that shows the company's ability to pay its short-term debts that are due or a ratio to determine the company's ability to finance and fulfill obligations when billed (Kasmir, 2014: 128).

A company that can fulfill its financial obligations on time means that the company is in a liquid state, and the company is said to be able to fulfill its financial obligations on time if the company has payment instruments or current assets that are greater than its current liabilities or short-term debt. On the other hand, if the company cannot immediately fulfill its financial obligations when billed, it means that the company is in an illiquid state.

The ratio used in calculating the level of liquidity of a company in this study is the current ratio. There is no absolute stipulation about what level of current ratio is considered good or
which must be maintained by a company because it depends on the type of business of each company. However, as a general guideline, the level of the current ratio of 2.00 is considered acceptable (Syamsuddin, 2009:40). The formula to find the current ratio or current ratio is as follows:

\[
\text{Current Ratio} = \frac{\text{Current asset}}{\text{Current liabilities}} \times 100\% 
\]

**Solvency Ratio**

The solvency ratio is a ratio that measures the extent to which the company's assets are financed by debt. According to Arief and Edi (2016: 57) "Solvency ratio is a ratio that measures the extent to which spending is made by debt compared to capital, and the ability to pay interest and other fixed expenses." “Solvency ratio provides a measure of the funds provided by the owner compared to the finance provided by creditors. Financing with debt influences the company because debt has a fixed burden” (Kamaludin, 2011:42). The solvency ratio used in this study is the Primary Ratio. The Primary Ratio is used to measure the ability of bank capital to cover the decline in assets due to unavoidable losses. The formula used to calculate the Primary Ratio is:

\[
\text{Primary Ratio} = \frac{\text{Equity Capital}}{\text{Total Assets}} \times 100\% 
\]

**RESEARCH METHOD**

The method used in this study is a comparative causal research method. According to Hamid Darmani (2011; 171), comparative causal research is research in which research seeks to find the causes or reasons for the differences that exist in the behavior or status of groups or individuals. Comparative causal research begins with the existence of research problems after which it is continued by determining the objectives and benefits of the research, followed by a literature review, then identifying the independent and dependent variables.

The use of the causal-comparative method is due to research conducted with a quantitative approach and also aims to investigate possible causal relationships that occur in the mining company PT Adaro Energy Tbk, as well as retrace the factors that may be the cause through available data, namely financial report data from 2017-2020 listed on the Indonesia Stock Exchange.
For example, the financial statement data is taken to show the current year's profit in 2019 and 2020. It can be seen based on the financial report that in 2019 the profit after tax at PT Adaro Energy Tbk was $435,000,2,000 which was converted into rupiah to Rp 6,307,529,000,000. Meanwhile, in 2020, a profit after tax of $158,505,000 was obtained which was converted into rupiah to Rp 2,298,322,500,000. After getting the profit after tax in 2019 and 2020, the next step is to look for asset calculations at PT Adaro Energy Tbk.

**Figure 1**

**Financial report**

| Catatan/Notes | 2020      | 2019      |
|---------------|-----------|-----------|
| Pendapatan usaha | 2,534,942 | 3,457,154 |
| Beban pokok pendapatan | (1,958,113) | (2,462,563) |
| Laba bruto | 578,729 | 964,591 |
| Beban usaha | (165,381) | (232,585) |
| Beban lain-lain, neto | (120,451) | (114,404) |
| Laba usaha | 284,907 | 617,542 |
| Biaya keuangan | (89,025) | (66,339) |
| Penghasilan keuangan | 35,700 | 20,258 |
| Bagian atas (kerugian)/keuntungan neto ventura bersama | (9,016) | 78,041 |
| | (82,732) | 41,501 |
| Laba sebelum pajak penghasilan | 222,165 | 659,103 |
| Beban pajak penghasilan | (83,860) | (224,101) |
| Laba tahun berjalan | 158,505 | 435,002 |

Asset data can also be seen through the financial statements below. The financial report shows the asset value in 2020 of $6,381,566,000 which was then converted into rupiah to Rp 92,532,707,000,000. Whereas in 2019 it was $7,217,105 which was then converted into rupiah to Rp 104,648,022,500,000.
After getting the results of net income after tax and total assets seen from the financial statements, the next step is to analyze the data according to the known formula to find the profitability ratio. How to analyze the profitability ratio data is to make the percentage of ROA (%) by dividing the net profit after tax by total assets. The next step of data analysis can also be used to find the ratio of liquidity and solvency according to the formula using financial statement data.
RESULTS AND DISCUSSION

Profitability Ratios, for the year 2017-2020 are:

Table 1
ROA

| NO | Year | Net Profit After Tax | Asset | ROA (%) |
|----|------|----------------------|-------|---------|
| 1  | 2017 | 6,924,344,500,000    | 98,805,131,500,000 | 0.0700  |
| 2  | 2018 | 7,778,351,000,000    | 102,380,947,500,000 | 0.0760  |
| 3  | 2019 | 6,307,529,000,000    | 104,648,022,500,000 | 0.0603  |
| 4  | 2020 | 2,298,322,500,000    | 92,532,707,000,000 | 0.0248  |

The return on assets in 2016 was 0.07% in 2016, in 2018 it was 0.0760%, in 2019 it was 0.0603%, in 202 it was 0.0248%. Every Rp 100,- total assets contribute to generating Rp 7 net profit in 2017, Rp 7.6 net profit in 2018, Rp 6 net profit in 2019, and Rp 2.4 net profit in 2020. In terms of this means that the return on assets in 2018 is better than in 2017. In 2019 the return on assets is also better than in 2020 because the contribution of total assets to profits in 2019 is greater than in 2018. Thus there has been an increase performance in generating company profits.

Based on the calculation results of the data analysis above, it can be concluded that the increase in assets should be in line with the increase in performance in generating a company's profit. In this case, from 2017 to 2019 there was a significant increase in assets. But in 2020 the decline in asset values can be caused due to the current covid-19 pandemic, thus making the economy of a company decline.

The Liquidity Ratio, for the year 2017-2020 is:

Table 2
Current Ratio

| NO | Year | Current Assets Current | Liabilities | Current Ratio |
|----|------|------------------------|-------------|--------------|
| 1  | 2017 | 28,697,849,000,000    | 11,212,879,000,000 | 2,5594 |
| 2  | 2018 | 23,204,263,000,000    | 11,838,423,500,000 | 1,9601 |
| 3  | 2019 | 30,593,898,000,000    | 17,872,714,500,000 | 1,7118 |
| 4  | 2020 | 25,108,475,500,000    | 16,601,383,500,000 | 1,5124 |
The current ratio is 2017 was 2.56%, in 2018 it was 1.96%, in 2019 it was 1.71%, and in 2020 it was 1.51%. This means that every Rp 100,- current liabilities are guaranteed by current assets of Rp 151 in 2020, Rp 171 in 2019, Rp 196 in 2018, and Rp 256 in 2017.

Based on the results of the calculation of the data analysis above, it can be concluded that the current ratio that meets in 2017 is considered quite good where the number is above 2.00, which is 2.5594. Although the current ratio value in 2018-2020 has a value below 2.00, it is not too far from 2.00. Because if a company has a current ratio that is too high, it will have an impact on the company being unable to effectively use its current assets or current liabilities. This can cause problems in the management of working capital.

Solvency Ratio, for the years 2017 to 2020 are:

| NO | Tahun | Equity Capital       | Total Assets             | Ratio (%) |
|----|-------|----------------------|--------------------------|-----------|
| 1  | 2017  | 16,740,163,000,000   | 98,805,131,500,000       | 16.94     |
| 2  | 2018  | 16,740,163,000,000   | 102,380,947,500,000      | 16.35     |
| 3  | 2019  | 16,740,163,000,000   | 104,648,022,500,000      | 16.00     |
| 4  | 2020  | 16,740,163,000,000   | 92,532,707,000,000       | 18.09     |

The Primary Ratio has a minimum value of 16.94% owned by PT Adaro Energy Tbk for the 2017 period, in 2018 the primary ratio was 16.35%, in 2019 it was 16%, and in 2020 it was 18.09%.

Based on the results of the calculation of the data analysis above, it can be concluded that the calculation of the Primary Ratio is measured to determine the ability of bank capital to decrease assets due to unavoidable losses. The calculation results show fluctuations during the 2017-2020 period. However, the percentage of the Primary Ratio of PT Adaro Energy, Tbk still shows that the financial performance is in a good category. PT Adaro Energy, Tbk was able to cover 16.85% of the possible decline in incoming assets with its capital equity during the 2017-2020 period.

CONCLUSION

From the results of the analysis of financial ratios at PT Adaro Energy Tbk, it can be concluded as follows, the profitability of PT Adaro Energy Tbk in 2017-2020 seen from the return on assets can be said to be less good because the average return on assets from 2017-2020
is 5%, this figure is smaller than 12%. Where based ROA theory states that the greater the ROA value indicates the better the company's performance because the rate of return on investment is getting bigger. This value reflects the company's return on all assets (or funding) provided to the company. The liquidity of PT Adaro Energy Tbk in 2017-2020 can be said to be less good or tends to decrease. It can be seen that the current ratio is 2017 was 2,559, in 2018 it was 1,960, in 2019 it was 1,711, in 2020 it was 1,512. In the results of the analysis, the primary ratio of the financial performance of PT Adaro Energy Tbk can be said to be good because it tends to increase. A significant increase occurred in 2020 by 18.09%. From the conclusions that have been described some suggestions are given as follows, it is expected that the management of PT Adaro Energy Tbk will always strive to maximize the use of total assets and paid-in capital to increase profit achievement for a ratio that tends to decrease. It is hoped that the management of PT Adaro Energy Tbk will maintain its capabilities to maintain the quality of its capital, by establishing good relationships with shareholders.

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