ANALYSIS OF FINANCIAL STATEMENTS PERTAMINA 2017
Agus Jamaludin, Nahason Sihotangand, Firdaus Budhy Saputro

Abstract:
This study was obtained from the PT. Pertamina Balance Sheet and Profit Report in 2017, then the title is: Analysis of Pertamina's Financial Statements. The goal is to find out the performance of PT Pertamina. This research was obtained from PT Pertamina's Balance Sheet and Income Statement, in 2018, the title is: Analysis of Pertamina's Financial Statements. The aim is to find out the performance of Pertamina in terms of liquidity, solvency, activities and profitability. The research method is Library Research by exposing existing data in the form of Balance Sheet and Income reports via the internet where the data are in the form of quantitative data and in the form of descriptive. Financial statement analysis is performed to determine the company's financial performance, can also be used as a reference in making decisions that affect the company's future. The result is that liquidity: current ratio = 1.336, Quick ratio = 11.221.049.9, cash ratio = 0.543 and working capital = 0.077. The solvability is: total debt to equity ratio = 2.63, total debt to total asset ratio = 0.625, long term to total asset ratio = 1.66, Tangible Asset dept coverage = 1.94, Time interest earned Ratio = 0.064. Its activities are: Total asset turnover = 0.256, accounts receivable turnover = 2.67, accounts receivable collection period = 134.78, inventory turnover = 0, fixed assets turnover = 0.370. While the profitability are: Gross profit Margin = 1, Net Profit Margin = 0.099, operational profit Margin = 0.141, Return on Investment = 0.020 and return on equity = 0.07.

Keywords: Pertamina Financial Statement Analysis.

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1. Introduction

Financial statement analysis is a process of financial statement research and its elements that aims to evaluate and predict the financial condition of a company or business entity and also evaluate the results that have been achieved by a company or business entity in the past and present. Analysis of a company's financial statements is basically because it wants to know the level of profit, risk level and health level of a company. This kind of analysis require analyst. 1. purpose of the analysis 2. Understand the concepts and principles that underlie financial statements and financial ratios derived from those financial statements. 3. Understand the economic conditions and other business conditions in general that are related to the company and affect the company's business. Before conducting an analysis an analyst must understand the three steps above, and then conduct the analysis using analytical tools such as financial ratios or other ratios.
All types of companies managed by the government or private sector must have financial reports, one of the state-owned companies, PT Pertamina. Every year PT Pertamina must audit the financial statements to find out the health condition and for the life of the company in the future.

2. Literature Review

A balance sheet is a report that describes the financial position of a company which includes assets, liabilities and equity in a certain period. The balance sheet shows how much the company’s wealth. The balance sheet has 2 forms: 1. Staffel form balance sheet is a form of balance sheet that is composed both assets and liabilities (debt + capital) at the top to record assets and the bottom to record debt and capital. 2. Scontro form balance sheet which is next to the position of assets and liabilities (debt + capital). For altiva on the left and liabilities (debt+capital) on the right. Below is PT Pertamina's Balance Sheet Financial Report (Consolidated Financial Position Report).

2. Profit/Loss

The income statement is a report compiled systematically, the contents of which the income earned by the company is reduced by expenses that occur in the company during a certain period. The income statement desc form of income statement: 1. Single step form in the profit / loss statement in the form of a single step, for income accounts are grouped first, then just added up. then at the bottom of the new income the expenses are grouped separately and added up. Total income less total expenses, the difference is the net profit or net loss.

2. Multiple forms. The multiple step form for income needs to be separated between the main income and the income outside the business expenses.

3. Liquidity Ratio.

Liquidity Ratio is used to measure the company's ability to meet short-term financial obligations in the form of current assets. How quickly (liquidated) the company fulfills its financial performance, generally short-term liabilities (liabilities less than one period/year).

Liquidity Ratio consists of: Current Ratio. The ratio used to measure a company's ability to pay its short-term liabilities using current assets. Can be calculated with the formula, namely: Current Ratio = (Current Assets) / (Current Debt)

Quick Ratio

The ratio used to measure the company's ability to pay short-term liabilities using more liquid assets. Can be calculated with the formula, namely: Quick Ratio = (Current-Inventory Assets)/ (Current Debt)

Cash Ratio (Slow Ratio)

Ratios used to measure a company's ability to pay short-term liabilities with cash available and held in a bank. Cash can be in the form of a checking account. Can dhiitun namely: Cash Ratio = (Cash-Securities/Securities) / (Current Debt)

Working Capital to Total Asset Ratio. The multiple steps form for income needs to be separated between the main income and the income outside the main business, and to separate the main business expenses from the outside business expenses.

Liquidity Ratio

Used to measure the company's ability to meet short-term financial obligations in the form of short-term debt. This ratio is shown from the size of the current assets. How quickly (liquidated) the company fulfills its financial performance, generally short-term liabilities (liabilities less than one period/year).
period/year). Liquidity Ratio consists of: Current Ratio. The ratio is used to measure a company's ability to pay its short-term liabilities using current assets. Can be calculated with the formula, which are:

Current Ratio = (Current Assets) / (Current Ratio). The ratio is used to measure the company's ability to pay short-term liabilities using more liquid assets. Can be calculated with the formula, which are: Quick Ratio = (Current-Inventory Assets) / (Current Debt)

**Cash Ratio (Slow Ratio)**
Ratios used to measure a company's ability to pay short-term liabilities with cash available and held in a bank. Cash can be in the form of a checking account. Can Dhiitung with the formula, namely: Cash Ratio = (Cash-Securities / Securities) / (Current Debt)

**Working Capital To Total Asset Ratio**
Liquidity of total assets and working capital position (net). Can be calculated with the formula, namely: Working Capital = (Current Assets-Current Debt) / (Total Assets)

**Solvency Ratio**
The ratio is. The difference between the Solvency Ratio (Leverage Ratio) and the Liquidity Ratio is the term of the loan (liability). The Solvency Ratio measures a company's ability to meet long-term obligations. While the liquidity ratio measures the company's-term obligations. Total Debt To Equity Ratio (Debt-to-Equity Ratio). That is a comparison between debts and equity in corporate funding and shows the woman's own capital, the company to fulfill all its obligations. Can be calculated with the formula, namely: Total Debt To Equity Ratio = (Total Debt) / (Shareholders' Equity)

Total Debt to Total Asset Ratio (Ratio of Debt to Total Assets)
That is the ratio between current debt and long-term debt and the sum of all assets known. This ratio shows how much part of the total assets are debt serviced. Can be dhirung with the formula, namely: Total Debt To Total Asset Ratio = (Total Debt) / (Total Assets)

Long term to total asset ratio. Receivable Collection Period. The average period required to collect receivables. Can be calculated with the formula, namely: Receivable collection period = (accounts receivable * 360) / (sales)

**Inventory Turnover**
The ability of funds embedded in inventory to rotate over a certain period, or the liquidity of the inventory and the tendency for "overstock". This ratio can be calculated by the formula: Accounts Receivable Turnover = (cost of product) / (inventory)

Fixed assets turnover
Turnover of fixed assets is the ratio between sales and fixed assets owned by a company. Can be calculated with the formula, namely: Turnover of fixed assets = (sale) / (fixed assets).

**Profitability Ratio**
This ratio is used to measure the level of rewards or gains (profits) compared to sales or assets, measuring how much the company's ability to make a profit in relation to sales, assets or profit and own capital. Gross Profit Margin. Is the ratio between net sales minus cost of goods sold and level of sales, the ratio describes the gross profit that can be achieved from the number of sales. This ratio can be calculated by the formula:

Gross Profit Margin = (sales-hpp)/(sales)
Net Profit Margin (Net Profit Margin). This is the ratio used to measure net income after tax and then compared to sales volume. Can be calculated with the formula, namely: Net profit margin = (profit after tax) / (sales).

Operational Profit Margin.
Operating profit before interest and taxes generated by each sales rupiah. It can be calculated using the formula, which is: Operational Profit Margin = (operating profit) / sales.

Return on Investment. The ability of capital invested in overall assets to generate net profits. Can be calculated with the formula, namely: Can be calculated with the formula, formula, namely:

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\text{Return on Equity} = \frac{\text{Net Profit}}{\text{own capital}}
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NERACA
PT PERTAMINA2017
(Expressed in thousands of United States Dollars, unless otherwise stated)

| ASSETS | LIABILITY AND EQUITY ACTIVITIES (PASIVA) |
|--------|-----------------------------------------|
| Current assets | amount | Liabilities | amount |
| Cash and cash equivalents | 5,226,332 | short-term liabilities | |
| Cash that is restricted in use | 89,919 | Short-term loan | 452,879 |
| short term investment | 247,119 | Accounts payable | |
| Accounts receivable | | Relationship | 56,013 |
| Relationship | 946,027 | Third party | 3,828,858 |
| Third party | 1,385,519 | Current government debt is smooth | 1,027,762 |
| Current government receivables is current | 1,492,625 | Tax debt | |
| Other receivables | | Income tax | 283,985 |
| Relationship | 286,233 | Other taxes | 241,874 |
| Third party | 430,766 | Actual load | 1,987,659 |
| Stock | 5,967,627 | Long term liabilities-parts smoothly | 365,959 |
| Taxes are paid upfront in part smoothly | 794,236 | other debt | |
| Prepaid expenses and advances | 393,075 | Relationship | 74,228 |
| Other Investment | 27,328 | Third party | 836,934 |
| Total current assets | 17,286,806 | Current deferred part income | 260,838 |
| Total short-term liabilities | | | 9,416,989 |
| Non-current assets | | | |
| Deferred tax assets | 1,304,196 | Long term liability | |
| Long term investment | 2,821,999 | Government debt is reduced by the current portion | 391,577 |
| Fix assets | 10,728,017 | Deferred tax liabilities | 2,724,624 |
| Oil and gas assets and geothermal | 16,359,682 | Long term liabilities less current parts | 2,085,084 |
| Government receivables less current portion | 663,114 | bond debt | 8,498,447 |
| Prepaid taxes less current portion | 593,898 | Employee benefits liability | 2,099,487 |
| Other non-current assets | 1,455,858 | Priority for demolition of restoration | 2,040,097 |
Total other non-current assets 33.926.764
Deferred income less current portion 51.621
Other long-term debt 79.290
Total of Long-Term liabilities 17.970.227
Total liabilities 27.387.216

Equity
Equity that can be distributed to owners
Parent entity
Capital stock
Authorized capital- 200.000.000
Common stock reduces nominal value Rp1.000.000
(Full value) per share is issued ad paid upr -
133.090.697 stock 13.417.047
Additional paid in capital 2.736
Government assistance that has not yet been determined 1.361
Other equity components 487.699
Retain earning
Specified usage 6.871.101
Usage has not been determined 2.540.195
The Importance 23.320.139
Non-Controlling interests 506.215
Total equity 23.826.354

Total Assets 51.213.570
Total Liabilities and equity 51.213.570

Income statement
PT PERTAMINA
2017
(Expressed in thousands of US dollars, unless stated otherwise)

| Sales and other income                                           |        |
|------------------------------------------------------------------|--------|
| Domestic sales, crude oil, geothermal energy, geothermal energy and oil products | 36.782.295 |
| Use of government subsidy fees                                   | 3.572.084 |
| Exports of crude oil, natural gas and oil products               | 1.874.281 |
| Rewards for government service                                  | 25.474  |
| Operating income from operating activities                      | 705.191 |
| TOTAL SALES AND OTHER BUSINESS INCOME                           | 42.959.325 |
Beban pokok penjualan dan beban langsung lainnya

| Description                                                      | Amount    |
|-----------------------------------------------------------------|-----------|
| Cost of goods sold                                              | -31,117,915 |
| Lifting production costs                                        | -3,321,895 |
| Exploration expenses                                            | -165,356  |
| Expenses from other operating activities                        | -839,864  |
| **TOTAL COST OF GOODS SOLD AND OTHER DIRECT COSTS**             | **-35,445,030** |
| **Gross Profit**                                                | **7,514,295** |
| Selling and marketing expenses                                  | -1,353,052 |
| General and administrative expenses                             | -1,395,004 |
| Net foreign exchange gains and loss                            | 68,399    |
| Financial income                                                | 212,779   |
| Financial burden                                                | -670,110  |
| The share of net income of associates and joint ventures        | 48,379    |
| Other expenses - net                                            | -850,076  |
| **Profit before income tax**                                    | **3,575,610** |
| Net income tax expenses                                         | -1,022,991|
| **Current year profit**                                         | **2,552,619** |

3. Research Methodology

This research was conducted from the results of PT Pertamina's financial statements in the form of a balance sheet and 2017 profit statement through the internet. This research method uses the Library Research method by exposing existing data in the form of Balance Sheet and Income reports, quantitative and descriptive research data, Research Instruments in the form of library research by searching from the internet and books, and scientific work related to the title of this research, data analysis techniques by analyzing the performance of PT Pertamina's companies through liquidity, solvability, activity and profitability.

4. Discussion

Liquidity Ratio

a. **Current Ratio** = current ratio / liability

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\text{Current Ratio} = \frac{17,286,806}{9,416,989} = 1.83
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b. **Quick Ratio** = (Current-Inventory Assets) / (Current Debt)

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\text{Quick Ratio} = \frac{17,286,806 - 5,967,627}{9,416,989} = 1.20
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c. **Cash Ratio** = Cash + Securities / Current liabilities

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\text{Cash Ratio} = \frac{5,226,332 + 247,119}{9,416,989} = 0.58
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d. **Working Capital to Total Assets Ratio** = Working capital to total assets ratio

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\text{Working Capital to Total Assets Ratio} = \frac{17,286,806 - 9,416,989}{51,213,570} = 0.15
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Solvency / Leverage Ratio

a. **Total Debt To Equity Ratio** = (debt to equity ratio)
T DEBT = Total Debt / Shareholders' Equity = 27,387,216 / 13,417,047 = 2.04.

b. Total Debt To Total Asset Ratio (ratio of debt to total assets) = T DTAR = Total Debt / Total assets = 27,387,216 / 51,213,570 = 0.53.
c. Long Term Debt To Equity Ratio = L TTAR = Long Term Debt / Capital stock = 17,970,227 / 13,417,047 = 1.339 / 1.34.
d. Tangible Assets to Debt Laverage = Tangible Assets Debt Coverage = Total Assets - Intangible - Current Debt / Long-term debt = 51,213,570 - 0 - 9,416,989 / 17,970,227 = 2.32.
e. Times Interest Earned Ratio.
Times Interest Earned Ratio = EBIT / Long-term debt = 3,575,610 / 17,970,227 = 0.19 / 0.2

**Profitability Ratios.**

a. Gross Profit Margin (Gross profit margin) = Gross Profit Margin = Sales – COGS / Sales = 42,959,325 / 42,959,325 = 0.27
b. Net Profit Margin (Net profit margin) = Net Profit Margin = Net Profit / Sales = 2,552,619 / 42,959,325 = 0.05.
c. Operating Income Ratio = Operating Profit Margin
d. Net Earning Power Ratio (Rate Or Return On Investment / ROI) = Return On Investment = Net Profit / Total Assets = 2,552,619 / 51,213,570 = 0.04
e. Return on Equity Ratio. ROI = Net profit after tax / Shareholder equity = 2,552,619 / 13,417,047 = 0.19

**Activity Ratio**

a. Total Asset Turnover = Total Assets Turnover = Sales / Total Assets = 42,959,325 / 51,213,570 = 0.838 / 0.84.
b. Receivable Turnover = Receivables Turnover = Sales / Receivables = 42,959,325 / 4,541,170 = 9.45.
c. Average Collection Period = Receivables x 360 / Sales = 4,541,170 x 360 / 42,959,325 = 38.05
d. Inventory Turnover = COGS / Inventory = 31,117,915 / 5,967,627 = 5.21
e. Fixed Assets Turnover = Turnover of fixed assets = Sales / Fixed Assets = 42,959,325 / 33,926,764 = 1.26

5. Conclusions and Suggestions

**Conclusion**

1) From the liquidity analysis are: current ratio = 1.83, Quick ratio = 1.20, cash ratio = 0.58 and working capital = 0.15, then PT PERTAMINA is a liquid company.
2) From the analysis of Solvency are: total debt to equity Ratio = 2.04, Total debt to total asset ratio = 0.53, long term to total asset ratio = 1.34, Tangible Asset dept coverage = 2.32, Time interest earned Ratio = 0.19, then PT PERTAMINA is a solvable company.
3) From the analysis of Activities are: Total asset turnover = 0.84, accounts receivable turnover = 9.45, receivables collection period = 38.05, inventory turnover = 5.21, fixed assets turnover = 1.26, then PT PERTAMINA including companies that active.
4) While the profitability is: Gross profit Margin = 0.27 Net Profit Margin = 0.05, operational profit Margin = 0.08, Return on Investment = 0.04 and return on equity = 0.4, then PT PERTAMINA is a company the profit.
Suggestion

1) PT. Pertamina is expected to look for new oil and gas fields to expand its production both offshore and on land.
2) PT Pertamina is expected to increase the amount of its production so that it is able to meet the needs of oil and gas in Indonesia, and if necessary the excess is exported in order to obtain foreign exchange.
3) PT. Pertamina is expected to compete with foreign oil companies.

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