

Analysis of Cash Flow Statements to Assess the Financial Performance PT. Adaro Energy Tbk

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ABSTRACT

A statement of cash flows that presents information about the inflows and outflows and cash equivalents of an entity during a certain period. This study aims to help users predict future cash flow and find out how PT. Adaro Energy Tbk performs when measured using cash flow. This research method uses qualitative methods with descriptive analysis using cash flows from operating activities, investing and financing. The results of this study indicate that the financial performance of PT. Adaro Energy Tbk is in bad shape for the period 2020-2019.

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1. INTRODUCTION

When making decisions, business leaders need information about what the future holds. One reason for doing analysis is to assess a company's financial performance by providing important information. In this case, cash is the most liquid asset. Therefore, in its activities, liquidity is an important factor that requires special attention and separates its activities into three categories, namely operating activities, investments, and sources of financing.

Financial reports are the main means for businesses to provide financial information to decision makers and to obtain information about the current financial position or for a particular period. With reference to SAK ETAP, financial reports have the objective of providing information about the financial situation, services and financial reports of entities that are useful to users and for making economic decisions. A statement of cash flows is a report that provides information about the cash inflows and cash outflows of an entity during a specified period and describes the impact of the operating, investing and financial activities of the business on the cash flows during the accounting period.

The statement of cash flows is required by PSAK no. 95 because it aims to provide major breakthroughs in accounting measurement and reporting and is highly relevant to users of financial statements. Any business that has an acceptable structure and type of business can have a healthy net income. Cash flow that is not managed properly will cause an imbalance between cash inflows and cash outflows. The cash flow statement is useful in helping interested parties analyze liquidity and assess the continuity of business operations. TP. Adaro Energy Tbk is a company engaged in coal mining in Indonesia. Liquidity is the most important element in a business to support business operations because through cash flow analysis one can see how the business manages its funds.

Financial performance is the result or achievement achieved by management in the effective management of the company's resources over a given period of time. Financial performance is needed for business actors to determine and assess the level of business success based on the finances of the activities that have been carried out.

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Cash, cash equivalents are assets that are classified as liquid, including cash and deposits (Subramanyam.2017). while cash flow is a core concept of decision making for investors in assessing cash developments in the future (Dwi. 2015). Cash balances, demand deposits are part of the cash group based on the Financial Accounting Standards Regulations (IAI. 2011)

Definition of financial statements Financial statements present cash flows over a period of time and are classified according to operating, investing, and financial activities. Financial reports are indicators and fundamental analytical tools for making business decisions.

Many parties make business decisions after looking at financial statements, such as decisions to buy and sell stocks, pay dividends, make loans, and other decisions. Prastowo (2015:3), stating that the purpose of financial management reports is to provide information about a company's financial position, performance and changes in financial condition, useful to a large number of people used in making business decisions.

The cash table presents cash, operating activities, investing and financing Financial Accounting Standard Regulation No.2 (IAI.2015). Classification by activity provides information that allows users of the financial statements to assess the impact of these activities on the financial position of the enterprise as well as the amount of cash and cash equivalents. (Mulyadi 2008:165) states that a statement of cash flows is a statement that provides information about the cash inflows and outflows of an entity over a certain period of time.

2. METHOD

2.1 Type and Data Source

The data source was obtained from the website of the Indonesian stock exchange. The data is a financial report of PT. Adaro Energy.Tbk 2019 – 2020, including cash flow.

2.2 Analysis Method

Financial statement analysis results of PT. Adaro Energy Tbk. PT. The financial statements of Adaro Energy Tbk are divided into 3 activities, namely operating activities, investing activities and financing activities. PT. Adaro Energy Tbk's statement of cash flows has been prepared using the direct method.

3. RESULT AND DISCUSSION

31 December 2020 and 2019 (Expressed in thousands of US Dollars).

Table 1. Statement of Cash Flows PT. Adaro Energy Tbk

Notes	2020	2019
Cash Flow From Operating Activities		
Penerimaan dari pelanggan	2,623,147	3,526,559
Pembayaran kepada pemasok	(1,260,639)	(1,698,237)
Pembayaran biaya karyawan	(214,468)	(217,782)
Penerimaan penghasilan bunga	18,198	(26,990)
Pembayaran royalti	(157,903)	(344,945)
Pembayaran pajak penghasilan badan dan pajak penghasilan final	(180,234)	(306,943)
Penerimaan restitusi pajak penghasilan	4,321	7,082
Pembayaran biaya keuangan	(85,202)	(69,150)
Pembayaran pajak penjualan	(7,827)	(9,164)
Pembayaran lain-lain, neto	6,128	2,873

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Arus kas bersih yang diperoleh dari aktivitas operasi	736,431	917,283
Arus kas dari Aktivitas Investasi		
Pembelian investasi lain-lain	(213.090)	(30.123)
Pembelian aset tetap	(134.350)	(389.865)
Pembayaran atas penambahan properti pertambangan	(42.923)	(76.813)
Pemberian pinjaman ke pihak berelasi	(3.203)	-
Penerimaan hasil penjualan aset tetap	15,587	10,442
Penerimaan hasil penjualan investasi lain-lain	30,711	98,061
Transfer ke deposito berjangka yang dibatasi penggunaannya	(12,067)	(9,362)
Penerimaan pendapatan berhubungan dengan pinjaman ke pihak ketiga	-	3,000
Pemberian pinjaman ke pihak ketiga	-	(100,000)
Pembayaran atas penambahan investasi pada ventura bersama	-	(43,844)
Arus kas bersih yang digunakan untuk aktivitas investasi	(359,335)	(538,504)
Arus kass dari aktivitas pendanaan		
Penerimaan utang bank	40,000	70,000
Pembayaran utang bank	(466,768)	(276,273)
Pembayaran pinjaman dari pihak ketiga	(1,926)	(2,460)
Pembayaran dividen kepada pemegang saham perusahaan	(250,130)	(200,232)
Pembayaran dividen kepada kepentingan non-pengendali	(34,066)	(18,558)
Pembayaran liabilitas sewa	(53,585)	(41,964)
Pembayaran beban yang berhubungan dengan pinjaman	(9,446)	-
Akuisisi kepentingan non-pengendali	(2,046)	(1,173)
Penerimaan dari penerbitan <i>Senior Notes</i> , setelah dikurangi biaya penerbitan	-	741,690
Pembayaran biaya transaksi atas <i>Senior Notes</i>	-	(8,154)
Penerimaan setoran modal dari kepentingan non-pengendali	-	424
Arus kas bersih yang (digunakan untuk)/diperoleh dari aktivitas pendanaan	(777,967)	263,300
(Penurunan) /kenaikan bersih kas dan setara kas	(400,871)	642,079
Kas dan setara kas pada awal tahun	1,576,191	927,896
Efek perubahan nilai kurs pada kas dan		

setara kas	(1,617)	7,652
Pengurangan kas dan setara kas karena kehilangan pengendalian (catatan 39s)	-	(1,436)
Kas dan setara kas pada akhir tahun	1,173,703	1,576,191

Table 1 it shows the cash flow statement of PT Adaro Energy Tbk, cash flow is not always increasing, but some part of cash flow is decreasing significantly. Cash flow from operating activities decreased from 2020 to 2019. In 2020, net cash flow from operating activities was USD 736,431, while in 2019, net cash flow from operating activities was USD 917,283. Compared to 2019 and 2020, operating cash flow in 2019 shows that the company's cash inflow is larger than the company's cash outflow. After that, the company's cash flow from investment activities decreased, so the company suffered a loss. In 2020, net cash flow from investing activities was \$359,335, while in 2019, net cash flow was \$538,504. The 2019 loss is larger than the 2020 loss. Negative cash flow values in 2019 and 2020 indicate that the company is spending money on investments that will have a future business improvement impact. Cash flow. 2019 and 2020 will be offset by increases. In 2020, the net cash flow from financing activities amounted to \$777,967 while in 2019, the net cash flow was \$263,300. The loss in 2020 is larger than in 2019, causing the company to suffer a loss. In the case in 2020, the company does not conduct revenue and expenditure transactions from the issuance of Premium Bonds. In 2019, the company received external funding sources such as loans or deposits to finance business development or in other words get money in. Meanwhile, in 2020, businesses are having difficulty paying debts or in other words getting money from outside. The company does not have a good ability to pay dividends to shareholders. During the covid 19 pandemic PT. Adaro Energy Tbk experienced a sharp decline, especially in coal consumption in the domestic overseas market. Where the sharp decline can be seen from the income of PT. Adaro Energy Tbk in 2019 from \$ 200,232 to \$ 250,130 in 2020, so the company is not said to be good in terms of liquidity because the company cannot pay its stock dividends.

4. CONCLUSION

After analyzing the results of the financial statements of PT Adaro Energy Tbk, it can be concluded that: The company's operating cash flow in 2019 and 2020 was positive but decreased in 2020 because the company's revenue in 2019 exceeded cash inflows in 2020 compared to expenses. negative in 2019 and 2020, this was due to company expenses for the acquisition of fixed assets and an increase in loans and other investments. or deposit equity, whereas in 2020 it was negative, as the company seeks to repay its loans and pay dividends to shareholders.

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- [10] Putri, A. (2018). Evaluating the financial performance of Pt Agung Podomoro Land Tbk 2014-2018 The scope of this study is to analyze the statement of cash flows to evaluate the financial performance of PT Agung Podomoro Land Tbk. unfavorable conditions, because the eight ratios taken into account indicate a downtrend. This shows that the company's financial position is still unable to fulfill its obligations and commitments. Key word: Cash Flow Statements, Cash Flow Ratios and Financial Performance

INTRODUCTION Financial statements.

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