

ANALYSIS OF FINANCIAL STATEMENTS TO ASSESS THE FINANCIAL PERFORMANCE OF PT. ARGO PANTES TBK PERIOD 2017-2021

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ABSTRACT

The purpose of the study was to determine the financial performance of PT Argo Pantes Tbk during the 2017-2021 period through financial statement analysis using financial ratios of liquidity, profitability, activity and solvency. In order to find out the cause of the decline in the company's equity and assets. The type of research data used is secondary data collected by documentation techniques and literature study. The data analysis method used is descriptive quantitative. Based on the results of the study, it is known that the financial performance of PT. Argo Pantes Tbk is classified as bad because the company's financial condition is in the unhealthy category. This situation is seen from the value of the ratio of liquidity, profitability, activity and solvency which is still below the industry average from 2017-2021.

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1. INTRODUCTION

Financial development has a very important meaning for the company. The company's financial condition that continues to improve indicates a healthy company and can give a positive signal to investors. On the other hand, a declining financial condition indicates an unhealthy company. Finance is one of the main elements in determining the direction of company policy. Bad financial conditions will make it difficult for the company to determine business policies for the future. So that the most important factor to be able to see the development of a company lies in the financial element because it can be used to evaluate the policies that have been taken and will be pursued as well as to measure management performance. Considering the complexity of the problems, both externally and internally by the company, coupled with the increasingly fierce competition in the business world, both locally and internationally, this can lead to a decline in financial conditions and not a few companies have gone bankrupt. This condition encourages the company to continue to strive to maintain and improve its financial condition. Financial condition and financial performance can be known through analysis of financial statements obtained from financial ratios.

The results of the research by Marginingsih (2017) [1] state that financial analysis is a process of reviewing the contents of financial statements and trends (trends) to find out the results of operations and developments.

company within a certain time scale while financial ratios are a tool to see the company's financial condition and a financial performance evaluation tool obtained from the company's financial statements in a period that

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can provide information about the good or bad condition of the company's financial position. The value of financial ratios can be used as a reference for the company in determining management decisions to improve business. Based on research conducted by Werdiningtyas (2020) [2] that analysis of financial statements can use analytical methods and techniques to measure the relationship between items in the financial statements, so that changes in each item can be compared when compared. The results of the analysis can be used to determine the level of liquidity ratios, solvency, profitability and activities that can describe the company's financial condition and performance. These two studies are in line with the results of Amri's research (2018) [3] that the financial ratios obtained from the company's financial statements can determine the company's financial performance from year to year and can be used to assess company performance. These three studies use financial ratios as a reference in analyzing financial statements to evaluate the company's financial performance. Similarly, the research results of Margaretha (2021) [4] that whether or not a company's financial performance is good can be seen from the analysis conducted on the company's financial statements. These two studies are in line with the results of Amri's research (2018) [3] that the financial ratios obtained from the company's financial statements can determine the company's financial performance from year to year and can be used to assess company performance. These three studies use financial ratios as a reference in analyzing financial statements to evaluate the company's financial performance. Similarly, the research results of Margaretha (2021) [4] that whether or not a company's financial performance is good can be seen from the analysis conducted on the company's financial statements. These two studies are in line with the results of Amri's research (2018) [3] that financial ratios obtained from the company's financial statements can determine the company's financial performance from year to year and can be used to assess company performance. These three studies use financial ratios as a reference in analyzing financial statements to evaluate the company's financial performance. Similarly, the research results of Margaretha (2021) [4] that whether or not a company's financial performance is good can be seen from the analysis conducted on the company's financial statements. These three studies use financial ratios as a reference in analyzing financial statements to evaluate the company's financial performance. Similarly, the research results of Margaretha (2021) [4] that whether or not a company's financial performance is good can be seen from the analysis conducted on the company's financial statements. These three studies use financial ratios as a reference in analyzing financial statements to evaluate the company's financial performance. Similarly, the research results of Margaretha (2021) [4] that whether or not a company's financial performance is good can be seen from the analysis conducted on the company's financial statements.

The current business competition has caused many companies whose financial condition has declined drastically. This condition is experienced by PT Argo Pantes Tbk which is listed on the Indonesia Stock Exchange (IDX) for 5 years for the 2017-2021 period. PT. Argo Pantes Tbk which is engaged in the integrated textile industry. The company produces high quality textiles from cotton and polyester or cotton blends. PT Argo Pantes Tbk has a negative corporate growth rate and is included in the list of special notation companies (special supervision) on the Indonesia Stock Exchange. Based on initial observations, PT Argo Pantes Tbk experienced a decrease in net business revenue that occurred in 2017 to 2021. The lowest decrease in net income occurred in 2020 during the covid-19 pandemic, reaching USD 15,387. 386 of the 2019 profit amounting to USD 19,401,518 decreased in 2020 amounting to USD 4,014,132. The percentage decrease in revenue in 2020 reached 79.17%. This decrease in net income resulted in losses in 2020 reaching USD 5,110,016.

Based on the background, the main problem in this study is how the financial performance of PT Argo Pantes Tbk during the 2017-2021 period in terms of liquidity ratios using the current ratio and quick ratio, profitability ratios using gross profit margins, net profit margins and return on equity, activity ratio using total asset turn-over, receivables turn-over and inventory turn-over, solvency using debt to asset ratio and debt to equity ratio.

According to Kasmir (2018) [5] Financial statements are reports prepared by companies that describe the company's financial condition in a certain period. Meanwhile, according to Hery (2015)[5], financial statements are the end result of a series of processes starting from recording and summarizing data business transactions that can be used as a tool that contains information on financial data or company activities to interested parties. In other words, financial statements are a summary of a process of recording,

Munawir (2016) [6] states that financial statement analysis is a series of processes consisting of

studying the relationships and tendencies or tendencies to determine the financial position and results of operating activities as well as the company's financial development. According to Prastowo (2015) [7] Financial Statement Analysis is a process carried out to evaluate the financial position and results of the company's operational activities in the past and present to determine estimates regarding the financial condition and performance of the company in the future. Fahmi (2012) [9], explains that the benefits of financial statement analysis are based on the interests of the users of the report, namely as a tool for evaluating the company's performance or achievements, as a tool for evaluating the company's financial condition and financial perspective,

According to Prastowo (2015) [8] financial statement analysis is a process of analyzing financial statements that aims to provide additional information to users of financial statements that are used to make economic decisions, so that the quality of decisions to be taken can be better. Financial ratio analysis is a process of simplifying the contents of financial statements into information that describes the relationship between one item and another so that it is easier to assess and compare the relationship between these posts. According to Munawir (2016) [7], the definition of financial ratio analysis is a process that describes a relationship or comparison (mathematical relationship) between one amount and another in the form of financial ratios and by using analytical techniques or tools, This ratio will be able to explain or give an overview to the analyst about the good or bad condition or financial position of a company, especially if the ratio of these figures is compared with the comparison ratio figures used as a standard. The following types of financial ratios

a. Liquidity Ratio

According to Munawir (2016) [7] the liquidity ratio is a ratio that describes a company's ability to fulfill financial obligations that must be paid off immediately. According to Kasmir (2018) [5] "The liquidity ratio is the ratio used in measuring how liquid a company is". In other words, the liquidity ratio is a ratio that can measure the company's ability to meet short-term debt obligations and unexpected cash needs. The company's ability to meet short-term debt obligations can be influenced by the amount of current assets available to pay current debt and the amount of current debt that must be paid.

1) Current ratio (current ratio)

According to Munawir (2016) [5], that the current ratio is the ratio used as a tool for measuring the company's ability to pay short-term obligations or debts that are due immediately when billed in their entirety. In other words, the amount of current assets available to cover short-term liabilities that are due soon. According to Kasmir (2018) [8] The industry average standard for the current ratio is 200%. The formula to find the current ratio can be used as following:

$$\text{Rasio lancar} = \frac{\text{Asset Lancar}}{\text{Kewajiban Lancar}} \times 100\%$$

2) Quick ratio (quick ratio)

According to Munawir (2016) [5], the quick ratio is a ratio that describes the company's ability to fulfill current liabilities or debts with current assets without taking into account the inventory value. The quick ratio value is obtained from the total current assets, then reduced by the inventory value and sometimes the company also includes the costs paid in advance and compared with other current assets. According to Kasmir (2018) [5] the industry average standard for the quick ratio is 150%. The quick ratio formula is as follows.

$$\text{gross profit margin} = \frac{\text{Aktiva lancar} - \text{persediaan} - \text{biaya dibayar dimuka}}{\text{Utang Lancar}} \times 100\%$$

b. Profitability Ratio

According to Subramanyam (2017) [10], the profitability ratio is the ratio used as a tool for measuring the company's potential to generate profits; shows the effect of liquidity policy, asset management (activity), debt management (solvability) on the company's operational results. According to Sartono and Fatmawati (2015) [11] Profitability is the ratio used to evaluate the company's ability to seek profit. The higher the ratio value, the better the condition of the company based on the profitability ratio. This profitability has types that are categorized according to the basis of the calculation. The following are the types of profitability ratios according to Kasmir (2018) [5]:

1) Gross profit margin (gross profit margin)

This gross profit margin is used as a means of measuring the amount of gross profit generated compared to the total value of the company's net sales. The larger the gross profit margin, the better the company's operational activities. According to Kasmir (2018) [5], the net profit margin is 30%. The formula for calculating gross profit margin is as follows:

$$\text{gross profit margin} = \frac{\text{Laba kotor}}{\text{penjualan bersih}} \times 100\%$$

2) Net profit margin (net profit margin)

According to Kasmir (2018) [5] net profit margin is a profit measurement tool by comparing profit after interest and tax with sales. The higher the net profit margin, the better the operation of a company. According to Kasmir (2018) [5], the net profit margin is 20%. The net profit margin or net profit margin is calculated by the following formula:

$$\text{Net profit margin} = \frac{\text{Laba bersih setelah bunga dan pajak}}{\text{penjualan bersih}} \times 100\%$$

3) Return on equity ratio (return on equity)

According to Hery (2015) [6] return on equity is a ratio that describes the company's potential in managing its own capital effectively to measure the level of profit from investments that have been made by the owners of their own capital or shareholders. According to Kasmir (2018) [5], the industry average return on equity is 40%. The following is a formula that can be used to calculate the return on equity ratio as follows:

$$\text{return on equity} = \frac{\text{EAT}}{\text{total equity}} \times 100\%$$

c. Activity Ratio

According to Kasmir (2018) [5] the activity ratio is the ratio used to measure the level of effectiveness of the company in using company assets. According to Hery (2015) [6] the activity ratio is used to assess the effectiveness of the company in utilizing its wealth, and to assess the degree of efficiency of the company in using the available capacity.

1) Asset turnover ratio (total assets turn-over)

According to Kasmir (2018) [5] the asset turnover ratio is the ratio of the results of the comparison between sales and the total assets of a company which is used to measure the turnover speed of total assets in a certain period. Asset turnover ratio or total assets turn-over is used to measure a company's ability to use its assets to generate sales. Kasmir (2018) [5] The industry average standard for total asset turnover is 2 times with the following formula:

$$\text{Total assets turn over} = \frac{\text{Penjualan bersih}}{\text{total asset}}$$

2) Receivable turnover ratio (receivable turn-over)

According to Kasmir (2018) [5] receivable turnover ratio is a method used to describe how long it takes to collect receivables in one period or how many times the funds invested in these receivables rotate in one period. The industry average standard for accounts receivable turnover ratio is 15 times. The following formula is used:

$$\text{Receivable turn over} = \frac{\text{Total pendapatan}}{\text{piutang usaha}}$$

3) Inventory turn-over ratio

According to Hery (2015) [6] Inventory turnover is the amount of money embedded in inventory or turnover over a certain period of time, or the ratio used to find out how long the average daily inventory is kept in inventory before it is finally sold. Kasmir (2018) [5] The industry standard average inventory turnover ratio is 20 times. The following formula is used:

$$\text{inventory turn over} = \frac{\text{Harga pokok penjualan}}{\text{persediaan}}$$

d. Solvency Ratio

Hery (2015) [6] states, the solvency ratio is the ratio used to see the level of company wealth assessed through debt and see how much debt the company must bear to fulfill assets. In general, this ratio is useful or useful to find out the amount of solvency or insolvability of a company seen from its debt. There are several kinds of solvency ratios that are often used by companies, including:

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1) Debt to asset ratio

According to Kasmir (2018) [5] the debt to assets ratio is the ratio used to describe the ability of the company's assets to be financed by debt or how much the company's debt affects asset management. The industry standard average debt to asset ratio is 35%. The formula to find the debt ratio can be used as follows:

$$\text{Debt to asset ratio} = \frac{\text{Total Utang}}{\text{total asset}} \times 100\%$$

2) Debt to equity ratio

According to Kasmir (2018) [5] debt to equity ratio is the ratio used to measure the extent to which the owner's capital can cover debts to outsiders. The industry average standard is 81%. The formula to find the debt to equity ratio can be used as a comparison between total debt and total equity as follows:

$$\text{Debt to equity ratio} = \frac{\text{Total Utang}}{\text{total equity}} \times 100\%$$

2. METHOD

The research was conducted at PT. Argo Pantes Tbk which is listed on the Indonesia Stock Exchange (IDX) through the website www.idx.co.id by collecting annual financial reports for 5 years from 2017-2021. The object of research is financial performance through financial statement analysis using financial ratio analysis. The data used by researchers is secondary data. Secondary data according to Sugiyono (2016) [12] is data that is not directly obtained by data collectors, but is obtained through other people or through documents. The secondary data used by the researcher is in the form of the financial statements of PT Argo Pantes Tbk for the period 2017-2021 accessed through www.idx.co.id. The source of data in this study is external which is contained in the Indonesia Stock Exchange (IDX). The data collection technique used in this research is to use the documentation method. This method is done by searching, viewing and studying things in the form of records and documents registered on the IDX to view statements of financial position, income and income statements, cash flow statements at the company PT. Argo Pantes Tbk. Literature study (Library Research), According to Martono (2014) [13], literature study is conducted to enrich knowledge about various concepts that will be used as a basis or guideline in the research process. Data collection techniques are carried out by collecting and analyzing documentation, both written, graphic and electronic documentation. view and study matters in the form of records and documents listed on the IDX to view statements of financial position, income and income statements, cash flow statements at the company PT. Argo Pantes Tbk. Literature study (Library Research), According to Martono (2014) [13], literature study is conducted to enrich knowledge about various concepts that will be used as a basis or guideline in the research process. Data collection techniques are carried out by collecting and analyzing documentation, both written, graphic and electronic documentation. view and study matters in the form of records and documents listed on the IDX to view statements of financial position, income and income statements, cash flow statements at the company PT. Argo Pantes Tbk. Literature study (Library Research), According to Martono (2014) [13], literature study is conducted to enrich knowledge about various concepts that will be used as a basis or guideline in the research process. Data collection techniques are carried out by collecting and analyzing documentation, both written, graphic and electronic documentation. According to Martono (2014) [13], a literature study is conducted to enrich knowledge about various concepts that will be used as a basis or guideline in the research process. Data collection techniques are carried out by collecting and analyzing documentation, both written, graphic and electronic documentation. According to Martono (2014) [13], a literature study is conducted to enrich knowledge about various concepts that will be used as a basis or guideline in the research process. Data collection techniques are carried out by collecting and analyzing documentation, both written, graphic and electronic documentation.

The method used in this paper is a quantitative descriptive method in the form of the results of the calculation of financial ratios. According to Hardani (2020) [14] descriptive method is a method that is directed to describe symptoms, facts or events systematically and accurately. While the quantitative method is a method that uses numbers that are systematically measured or analyzed on numerical data and is not affected

by conditions in the field. Thus, quantitative descriptive method is a method used to describe symptoms, facts, conditions of an object by using numerical data that is analyzed accurately and systematically. In connection with this research, the numerical data used is the data contained in the financial statements of the company PT.

3. RESULTS AND DISCUSSION

The financial data used in this study came from the financial statements of PT. Agro Pantas Tbk from year

a. Liquidity Ratio

1) Current Ratio

2017 – 2021. Financial data will be analyzed using financial ratios to evaluate the company's financial performance which is described below:

Table 1. Current Assets and Debts of PT. Agro Pantas Tbk 2017-2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Current asset	20,198,775	13,514,505	10,935,507	9,389,806	9,077,761
Current debt	109,578,487	110,798,541	113,975,854	139,375,182	118,753.043

Source: Financial report of PT. Agro Pantas Tbk (2017-2021)

$$\text{Current Ratio 2017} = \frac{20.198.775}{109.578.487} \times 100\% = 18\%$$

$$\text{Current Ratio 2018} = \frac{13.514.505}{110.798.541} \times 100\% = 12\%$$

$$\text{Current Ratio 2019} = \frac{10.935.507}{113.975.854} \times 100\% = 10\%$$

$$\text{Current Ratio 2020} = \frac{9.389.806}{139.375.182} \times 100\% = 7\%$$

$$\text{Current Ratio 2021} = \frac{9.077.761}{118.753.043} \times 100\% = 8\%$$

The results of the current ratio calculation will be compared with the industry average and can be presented in table 2. As follows:

Table 2. Current Ratio PT. Agro Pantas Tbk 2017-2021

Year	Current Ratio (In USD)		CR results	Industry Average	Information
	Current asset	Current debt			
2017	20,198,775	109,578,487	18%	200%	Unwell
2018	13,514,505	110,798,541	12%	200%	Unwell
2019	10,935,507	113,975,854	10%	200%	Unwell
2020	9,389,806	139,375,182	7%	200%	Unwell
2021	9,077,761	118,753.043	8%	200%	Unwell

Source: Processed data (2022)

Based on table 2. current ratio, it is known that current assets owned by PT. Agro Pantas Tbk from 2017 to 2021 has decreased, while the amount of current debt continues to increase until 2020 reaches an increase of 18% with a CR value of 7% and slightly decreases in 2021. Conditions cause the company's condition to be in the unhealthy category by showing a percentage below the industry average. In other words, the current assets available to cover short-term liabilities that will soon mature are not sufficient because they continue to decline.

2) Quick Ratio

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Table 3.Data on Current Assets, Inventories, Prepaid Expenses and Current Debts of PT. Agro Pantas Year 2017-2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Current asset	20,198,775	13,514,505	10,935,507	9,389,806	9,077,761
Supply	15,537,661	10,553.323	7,941,757	6,018,268	4,625,132
Prepaid expenses	402,943	86,201	57,474	83,436	98,194
Current debt	109,578,487	110,798,541	113.975,853	139,375,182	118,753.043

Source: Financial report PT. Agro Pantas Tbk (2017-2021)

$$\text{Quick Ratio 2017} = \frac{20.198.775 - 15.537.661 - 402.943}{109.578.487} \times 100\% = 3\%$$

$$\text{Quick Ratio 2018} = \frac{13.514.505 - 10.553.323 - 86.201}{110.798.541} \times 100\% = 2\%$$

$$\text{Quick Ratio 2019} = \frac{10.935.507 - 7.941.757 - 57.474}{113.975.853} \times 100\% = 2\%$$

$$\text{Quick Ratio 2020} = \frac{9.389.806 - 6.018.268 - 83.436}{139.375.182} \times 100\% = 2\%$$

$$\text{Quick Ratio 2021} = \frac{9.077.761 - 4.625.132 - 98.194}{118.753.043} \times 100\% = 3\%$$

Table 4. Quick Ratio PT. Agro Pantas Tbk Year 2017 - 2021

Year	Quick Ratio				QR Result	Industry Average	Information
	Current asset	Supply	Prepaid expenses	Current debt			
2017	20,198,775	15,537,661	402,943	109,578,487	3%	150%	Unwell
2018	13,514,505	10,553.323	86,201	110,798,541	2%	150%	Unwell
2019	10,935,507	7,941,757	57,474	113.975,853	2%	150%	Unwell
2020	9,389,806	6,018,268	83,436	139,375,182	2%	150%	Unwell
2021	9,077,761	4,625,132	98,194	118,753.043	3%	150%	Unwell

Source: Processed data (2022)

Based on table 4. current ratio, it is known that the ability of PT. Agro Pantas Tbk in fulfilling its short-term obligations (liquidity) will decrease when it does not take into account inventories and prepaid expenses. The company's ability to decline in 2018-2020 only reached 2% and rose again in 2021 to 3%. Judging from the quick ratio, the company's liquidity capability is in the unhealthy category because the percentage is still below the industry average.

b. Profitability Ratio

1) Gross Profit Margin

Table 5. Data on Net Sales and Gross Profit of PT. Agro Pantas Tbk Year 2017 - 2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Gross profit	(1,948,017)	(2,813,144)	621,565	(633,719)	(1,843,108)
Net sales	33,318,959	31.006.096	19,401,518	4.014.132	4,868,679

Source: Financial report PT. Agro Pantas Tbk (2017-2021)

$$\text{Gross Profit Margin 2017} = \frac{(1.948.017)}{33.318.959} \times 100\% = -6\%$$

$$\text{Gross Profit Margin 2018} = \frac{(2.813.144)}{31.006.096} \times 100\% = -9\%$$

$$\text{Gross Profit Margin 2019} = \frac{621.565}{19.401.518} \times 100\% = 3\%$$

$$\text{Gross Profit Margin 2020} = \frac{(633.719)}{4.014.132} \times 100\% = -16\%$$

$$\text{Gross Profit Margin 2021} = \frac{(1.843.108)}{4.868.679} \times 100\% = -38\%$$

Table 6. Gross Profit Margin PT. Agro Pantes Tbk Year 2017 - 2021

Year	Gross Profit Margin		GPM Results	Industry Average	Information
	Gross profit	Net sales			
2017	(1,948,017)	33,318,959	-6%	30%	Unwell
2018	(2,813,144)	31.006.096	-9%	30%	Unwell
2019	621,565	19,401,518	3%	30%	Unwell
2020	(633,719)	4.014.132	-16%	30%	Unwell
2021	(1,843,108)	4.014.132	-38%	30%	Unwell

Source: Processed data (2022)

Based on the calculation of the company's Gross Profit Margin, PT Argo Pantes Tbk. In 2017 it was -6% and continued to decline until 2018 by 3% and increased in 2019 by 3% and fell again in 2020 to 2021 to reach -38%. The percentage of Gross Profit Margin shows an unhealthy condition because it is below the industry average. The company is less able to increase operational activities in terms of sales and less efficient in suppressing the cost of goods sold. This situation can be seen from the value of net sales which continues to decline and gross profit which continues to decline, although it has increased in 2019.

2) *Net Profit Margin*

Table 7. Data on Earning After Tax and Net Sales of PT. Agro Pantes Tbk 2017 - 2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
EAT	(14,871,847)	(8,186,633)	(7,277,027)	(5,110,016)	(1,990,454)
Net sales	33,318,959	31.006.096	19,401,518	4.014.132	4,868,679

Source: Financial report of PT. Agro Pantes Tbk (2017-2021)

$$\text{Net Profit Margin 2017} = \frac{(14.871.847)}{33.318.959} \times 100\% = -45\%$$

$$\text{Net Profit Margin 2018} = \frac{(8.186.633)}{31.006.096} \times 100\% = -26\%$$

$$\text{Net Profit Margin 2019} = \frac{(7.277.027)}{19.401.518} \times 100\% = -38\%$$

$$\text{Net Profit Margin 2020} = \frac{(5.110.016)}{4.014.132} \times 100\% = -127\%$$

$$\text{Net Profit Margin 2021} = \frac{(1.990.454)}{4.868.679} \times 100\% = -41\%$$

Table 8. Net Profit Margin PT. Agro Pante Tbk Year 2017 - 2021

Year	Net Profit Margin	NPM	Industry	Information
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	Net Profit after Tax	Net sales	Results	Average	
2017	(14,871,847)	33,318,959	-45%	20%	Unwell
2018	(8,186,633)	31,006,096	-26%	20%	Unwell
2019	(7,277,027)	19,401,518	-38%	20%	Unwell
2020	(5,110,016)	4,014,132	-127%	20%	Unwell
2021	(1,990,454)	4,868,679	-41%	20%	Unwell

Source: Processed data (2022)

Based on the results of the calculation of the company's Net Profit Margin PT Argo Pantes Tbk. In 2017 it showed a percentage of -45% and increased in 2018 and fell again in 2019 and fell in 2020 during the COVID-19 pandemic to reach -127%. It will rise again in 2021. The company's NPM is in the unhealthy category because the percentage is below the industry average. This situation is due to the company experiencing a decline in sales every year.

3) Return On Equity

Table 9. Data on Earning After Tax and Total Equity of PT. Argo Pantes Tbk 2017 - 2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
EAT	(14,871,847)	(8,186,633)	(7,277,027)	(5,110,016)	(1,990,454)
Total Equity	(72,296.079)	(80,074,538)	(86,633,129)	(91,995,803)	(93,127,994)

Source: Financial report PT. Argo Pantes Tbk (2017-2021)

$$\text{Return On Equity 2017} = \frac{(14.871.847)}{(72.296.079)} \times 100\% = 21\%$$

$$\text{Return On Equity 2018} = \frac{(8.186.633)}{(80.074.538)} \times 100\% = 10\%$$

$$\text{Return On Equity 2019} = \frac{(7.277.027)}{(86.633.129)} \times 100\% = 8\%$$

$$\text{Return On Equity 2020} = \frac{(5.110.016)}{(91.995.803)} \times 100\% = 6\%$$

$$\text{Return On Equity 2021} = \frac{(1.990.454)}{(93.127.994)} \times 100\% = 2\%$$

Table 10. Return On Equity PT. Argo Pantes Tbk Year 2017 - 2021

Year	Return On Equity		ROE Results	Industry Standard	Information
	Net Profit after Tax	Equity			
2017	(14,871,847)	(72,296,079)	21%	40%	Unwell
2018	(8,186,633)	(80,074,538)	10%	40%	Unwell
2019	(7,277,027)	(86,633,129)	8%	40%	Unwell
2020	(5,110,016)	(91,995,803)	6%	40%	Unwell
2021	(1,990,454)	(93,127,994)	2%	40%	Unwell

Source: Processed data (2022)

Based on the results of the company's ROE calculation, it is known that the ROE percentage has decreased from year to year. The decrease in net profit causes a decrease in company equity to show a percentage of 2% in 2021 in the less healthy category.

c. Activity Ratio

1) Inventory Turn-Over

Table 11. Data of Cost of Goods Sold and Inventory of PT. Argo Pantes Tbk Year 2017 - 2021

Description	Year (In USD)
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	2017	2018	2019	2020	2021
HPP	(35,266,976)	(33,819,240)	(18,779,953)	(4,647,851)	(6,711,787)
Supply	15,537,661	10,553,323	7,941,757	6,018,268	4,625,132

Source: Financial report PT. Agro Pantas Tbk (2017-2021)

$$\text{Inventory Turn – over 2017} = \frac{35.266.976}{15.537.661} = 2 \text{ Kali}$$

$$\text{Inventory Turn – over 2018} = \frac{33.819.240}{10.553.323} = 3 \text{ Kali}$$

$$\text{Inventory Turn – over 2019} = \frac{18.779.953}{7.941.757} \times = 2 \text{ Kali}$$

$$\text{Inventory Turn – over 2020} = \frac{4.647.851}{6.018.268} \times = 1 \text{ Kali}$$

$$\text{Inventory Turn – over 2021} = \frac{6.711.787}{4.625.132} \times = 1 \text{ Kali}$$

Table 12. Data Inventory Turn – Over PT. Agro Pantas Tbk Year 2017 - 2021

Year	Inventory Turn-over		ITO Results	Industry Standard	Information
	HPP	Supply			
2017	35,266,976	15,537,661	2 times	20 Times	Unwell
2018	33,819,240	10,553,323	3 times	20 Times	Unwell
2019	18,779,953	7,941,757	2 times	20 Times	Unwell
2020	4,647,851	6,018,268	1 time	20 Times	Unwell
2021	6,711,787	4,625,132	1 time	20 Times	Unwell

Source: Processed data (2022)

Based on the calculation of the company's Inventory Turn-over PT Argo Pantas Tbk. In 2017, 2 times, this means the company has the ability to convert inventory into sales only 2 times. This means that the company is not fast enough in selling inventory so that there is a buildup of goods which causes the cost of goods to be large. The value of Inventory Turn-over has decreased from 2019-2021 in the less healthy category.

2) Total Assets Turn-Over

Table 13. Data on Net Sales and Total Assets of PT. Agro Pantas Tbk Year 2017 - 2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Net sales	33,318,959	31,006,096	19,401,518	4,014,132	4,868,679
Total Asset	98,459,842	88,323,888	85,032,904	80,185,206	78,704,696

Source: Financial report of PT. Agro Pantas Tbk (2017-2021)

$$\text{Assets Turn – over 2017} = \frac{33.318.959}{98.459.842} = 0,34 \text{ Kali}$$

$$\text{Assets Turn – over 2018} = \frac{31.006.096}{88.323.888} = 0,35 \text{ Kali}$$

$$\text{Assets Turn – over 2019} = \frac{19.401.518}{85.032.904} \times = 0,23 \text{ Kali}$$

$$\text{Assets Turn – over 2020} = \frac{4.014.132}{80.185.206} \times = 0,5 \text{ Kali}$$

$$\text{Assets Turn – over 2021} = \frac{4.868.679}{78.704.696} \times = 0,6 \text{ Kali}$$

Table 14. Data Asset Turn - Over PT. Agro Pantas Tbk Year 2017 - 2021

Year	Asset Turn-over		ATO results	Industry Average	Information
	Net sales	Total Asset			
2017	33,318,959	98,459,842	0.34 Times	2 times	Unwell
2018	31.006.096	88,323,888	0.35 Times	2 times	Unwell
2019	19,401,518	85,032,904	0.23 Times	2 times	Unwell
2020	4.014.132	80,185,206	0.5 Times	2 times	Unwell
2021	4,868,679	78,704,696	0.6 Times	2 times	Unwell

Source: Processed data (2022)

Score *Assets Turn-Over* the company in 2017-2021 experienced an increase, but it fell in 2019 and rose again in 2020. However, the company's ability to generate sales through assets is still below the industry average so it is in the unhealthy category. In 2021 the *Assets Turn-Over* value is 0.6 times, this means the company is able to generate 0.6 times sales using available assets.

3) *Receivable TurnOver*

Table 15. Table of Net Sales and Accounts Receivable PT. Agro Pantas Tbk Year 2017 - 2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Net sales	33,318,959	31.006.096	19,401,518	4.014.132	4,868,679
Accounts receivable	2,725,472	2,402,945	2,600,979	1,594,141	2,441,307

Source: Financial report PT. Agro Pantas Tbk (2017-2021)

$$\text{Receivable Turn - over 2017} = \frac{33.318.959}{2.725.472} = 12 \text{ Kali}$$

$$\text{Receivable Turn - over 2018} = \frac{31.006.096}{2.402.945} = 13 \text{ Kali}$$

$$\text{Receivable Turn - over 2019} = \frac{19.401.518}{2.600.979} \times = 7 \text{ Kali}$$

$$\text{Receivable Turn - over 2020} = \frac{4.014.132}{1.594.141} \times = 3 \text{ Kali}$$

$$\text{Receivable Turn - over 2021} = \frac{4.868.679}{2.441.307} \times = 2 \text{ Kali}$$

Table 16. Data Receivable Turn - Over PT. Agro Pantas Tbk Year 2017-2021

Year	Receivable Turn-over		RTO Results	Industry Standard	Information
	Net sales	Accounts receivable			
2017	33,318,959	2,725,472	12 Times	15 Times	Unwell
2018	31.006.096	2,402,945	13 Times	15 Times	Unwell
2019	19,401,518	2,600,979	7 Times	15 Times	Unwell
2020	4.014.132	1,594,141	3 times	15 Times	Unwell
2021	4,868,679	2,441,307	2 times	15 Times	Unwell

Source: Processed data (2022)

Based on the calculation of the company's Receivable Turn-over PT Argo Pantes Tbk. In 2017, 12 times, this means the company has the ability to recover or return receivables from customers into cash from sales 12 times. The Receivable Turn-over value has decreased from 2019-2021 in the less healthy category.

d. Solvency Ratio

1) *Debt To Assets Ratio*

Table 17. Total Debt and Asset Data of PT. Argo Pantes Tbk Year 2017-2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Total Debt	170.755.921	168,398,426	171.666.033	172.181.009	171.832.690
Total Asset	98,459,842	88,323,888	85,032,904	80,185,206	78,704,696

Source: Financial report PT. Argo Pantes Tbk (2017-2021)

$$\text{Debt To Assets Ratio 2017} = \frac{170.755.921}{98.459.842} \times 100\% = 173\%$$

$$\text{Debt To Assets Ratio 2018} = \frac{168.398.426}{88.323.888} \times 100\% = 191\%$$

$$\text{Debt To Assets Ratio 2019} = \frac{171.666.033}{85.032.904} \times 100\% = 202\%$$

$$\text{Debt To Assets Ratio 2020} = \frac{172.181.009}{80.185.206} \times 100\% = 215\%$$

$$\text{Debt To Assets Ratio 2021} = \frac{171.832.690}{78.704.696} \times 100\% = 218\%$$

Table 18. Data Debt to Asset Ratio PT. Argo Pantes Tbk Year 2017 - 2021

Year	Debt To Asset Ratio		Results DAR	Industry Standard	Information
	Total Debt	Total Asset			
2017	170.755.921	98,459,842	173%	35%	Unwell
2018	168,398,426	88,323,888	191%	35%	Unwell
2019	171.666.033	85,032,904	202%	35%	Unwell
2020	172.181.009	80,185,206	215%	35%	Unwell
2021	171.832.690	78,704,696	218%	35%	Unwell

Source: Processed data (2022)

Based on the diagram above shows the value of the debt to assets ratio of PT Argo Pantes Tbk. It is increasing every year. It can be said that the value of the debt to assets ratio for the last five years is above the industry average, which means that the company has too much debt than assets, so it is difficult for the company to fulfill its obligations because the value of assets as guarantor for repayment of obligations is still low. In 2017 - 2021 the value of the company's debt to assets ratio continues to increase to reach 218%. Score A large Debt to Equity Ratio indicates poor company performance. Where the company uses long-term debt as its business funding. This results in greater risk that must be borne by investors.

2) *Debt To Equity Ratio*

Table 19. Total Debt and Equity of PT. Argo Pantes Tbk Year 2017 - 2021

Description	Year (In USD)				
	2017	2018	2019	2020	2021
Total Debt	170.755.921	168,398,426	171.666.033	172.181.009	171.832.690
Total Equity	(72,296.079)	(80,074,538)	(86,633,129)	(91,995,803)	(93,127,994)

Source: Financial report PT. Argo Pantes Tbk (2017-2021)

$$\text{Debt To Equity Ratio 2017} = \frac{170.755.921}{(72.296.079)} \times 100\% = -236\%$$

$$\text{Debt To Equity Ratio 2018} = \frac{168.398.426}{(80.074.538)} \times 100\% = -210\%$$

$$\text{Debt To Equity Ratio 2019} = \frac{171.666.033}{(86.633.129)} \times 100\% = -198\%$$

$$\text{Debt To Equity Ratio 2020} = \frac{172.181.009}{(91.995.803)} \times 100\% = -187\%$$

$$\text{Debt To Equity Ratio 2021} = \frac{171.832.690}{(93.127.994)} \times 100\% = -184\%$$

Table 20.Data Debt to Equity Ratio PT. Agro Pantes Tbk Year 2017 - 2021

Year	Debt To Equity Ratio		Results DTER	Industry Average	Information
	Total Debt	Total Equity			
2017	170.755.921	(72,296.079)	-236%	81%	Unwell
2018	168,398,426	(80,074,538)	-210%	81%	Unwell
2019	171.666.033	(86,633,129)	-198%	81%	Unwell
2020	172.181.009	(91,995,803)	-187%	81%	Unwell
2021	171.832.690	(93,127,994)	-185%	81%	Unwell

Source: Processed data (20220)

Based on the above calculation results, the debt to equity ratio of PT Argo Pantes Tbk. in 2017-2021 the percentage is minus because the total equity is negative while the total debt is quite large every year. Based on table 20. It is known that the company's ability to fulfill its obligations through capital guarantees is not good. The large total debt compared to its own capital has an impact on the company's burden on outside parties (creditors) but still has adequate ability to meet all of its debt obligations.

Table 21.Results of Financial Ratios at PT. Argo Pantes Tbk Period 2017 - 2021

Ratio Name		Year					Industry Average
		2017	2018	2019	2020	2021	
Liquidity	Current Ratio (Current Ratio)	18%	12%	10%	7%	8%	150%
		Unwell	Unwell	Unwell	Not enough healthy	Unwell	
Liquidity	Fast Ratio (Quick Ratio)	3%	2%	2%	2%	3%	100%
		Unwell	Unwell	Unwell	Unwell	Unwell	
Profitability	Gross Profit Margin (Gross Profit Margin)	-6%	-9%	3%	-16%	-38%	24.90%
		Unwell	Unwell	Unwell	Unwell	Unwell	
	Net Profit Margin (Net Profit Margin)	-45%	26%	-38%	-127%	41%	3.92%
Profitability	Return on Capital Ratio (ROE)	21%	10%	8%	6%	2%	8.32%
		Healthy	Healthy	Unwell	Unwell	Unwell	

Analysis Of Financial Statements To Assess The Financial Performance Of Pt. Argo Pantes Tbk Period 2017-2021

Activity	Asset Turnover Ratio (Asset Turn-over)	0.34 Times	0.35 Times	0.23 Times	0.5 Times	0.6 Times	2 times
		Unwell	Unwell	Unwell	Unwell	Unwell	
	Receivable Turn-over Ratio	12 Times	13 Times	7 Times	3 times	2 times	15 Times
Unwell		Unwell	Unwell	Unwell	Unwell		
Inventory Turn-over Ratio	-2 times	-3 times	-2 times	-1 time	-1 time	20 Times	
	Unwell	Unwell	Unwell	Unwell	Unwell		
Solvency	Debt to Asset Ratio	173%	191%	202%	215%	218%	35%
		Unwell	Unwell	Unwell	Unwell	Unwell	
	Debt to Equity Ratio	-236%	-210%	-198%	-187%	-185%	90%
Unwell		Unwell	Unwell	Unwell	Unwell		

sourcer: Data processed (2022)

Based on thickness 21, it is known that the value of the liquidity ratio is below the industry average because the company's current assets continue to decline during 2017-2021 while current debt continues to increase, making it difficult for the company to meet short-term obligations. The profitability ratio value is in the less healthy category from 2019 – 2021 because the company experienced a decrease in net sales which resulted in a decrease in operating profit which caused a decrease in equity to a negative value. The value of the activity ratio is included in the unhealthy category because the company is less able to sell goods, repay receivables and use assets to generate sales. The value of the solvency ratio is also included in the unhealthy category because the amount of debt continues to grow which is not matched by an increase in assets and capital. On the other hand, the asset value that continues to fall is coupled with a negative total capital, so that the company is unable to meet its overall obligations.

4. CONCLUSION

Based on the results of the study, the financial performance of PT. Agro Pantes Tbk in 2017 – 2021 through analysis of financial statements as measured by financial ratios of liquidity, profitability, activity and solvency, it is known that financial performance is still in the bad category because the company's financial condition is in an unhealthy condition as seen from the ratio value which is still below average. – industry average. This situation is due to the company experiencing a decline in sales while the company is unable to suppress the cost of goods sold which results in losses. This loss is one of the causes of a decrease in business capital so that it has a negative value. On the other hand, the company's debt continues to increase while the amount of assets and capital continues to decline, making it difficult for the company to meet all obligations for trade payables.

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