

LIQUIDITY RATIO ANALYSIS AS AN ASSESSMENT TO MEASURE FINANCIAL PERFORMANCE AT PT GARUDAFOOD PUTRA PUTRI JAYA TBK

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ABSTRACT

A company's success can be measured based on the company's financial performance. The good and poor financial performance of the company can be assessed through the company's financial statements presented regularly. One way of assessing the financial performance of the most used companies is the financial ratio. Liquidity ratio is a ratio used to measure the company's ability to meet short-term liabilities (debt). This study aims to find out and analyze how well the current ratio (X1) to assess financial performance at PT. Garudafood Putra Putri Jaya, how good quick ratio (X2) to assess financial performance at PT. Garudafood Putra Putri Jaya, and how good the cash ratio (X3) to assess financial performance at PT. Garudafood Putra Putri Jaya. The type of research used is descriptive research with quantitative methods, Population in this study is financial report data for 5 years (2015-2019), sample in this study is 5 years, sampling technique is saturated sampling. The research instrument used is financial statements in the form of balance sheet reports accessed through the www.idx.co.id website. Data collection techniques are documentation and library studies. Based on the results of the research and hypothesis testing outlined earlier, the researchers drew the following conclusions: 1) The financial performance of PT Garudafood Putra Putri Jaya Tbk based on liquidity ratio is reviewed from the average current ratio of the company's condition is less than the expected criteria. 2) The financial performance of PT Garudafood Putra Putri Jaya Tbk based on liquidity ratio is reviewed from the average quick ratio of the company's condition is less than the expected criteria. 3) The financial performance of PT Garudafood Putra Putri Jaya Tbk based on liquidity ratio is reviewed from the average cash ratio of the company's condition is less than the expected criteria.

Keywords : *current ratio, quick ratio, and cash rasio*

INTRODUCTION

The success of a company can be measured based on the company's financial performance. One of the most frequently used ways to assess a company's financial performance is financial ratios. The liquidity ratio is an indicator of the company's ability to pay all short-term financial obligations at maturity using available current assets, the ability to pay will provide guarantees for creditors to provide loans next. This ratio is important because failure to pay short-term obligations can lead to bankruptcy. (Mery Andayani, 2016:4).

PT. GarudaFood Putra Puti Jaya, Tbk for 5 years has shown a less than optimal performance, this can be seen from the fluctuation of current liabilities due to the availability of company assets that are not sufficient to pay obligations when they fall due. From 2015-2017 the company's assets showed a declining condition, this shows that the company's ability to pay obligations is very poor.

Based on the above background, the formulation of the problem in this study is as follows: 1) How good is the current ratio for assessing financial performance at PT. Garudafood Putra Putri Jaya, Tbk? 2) How good is the quick ratio to assess the financial performance of

PT. Garudafood Putra Putri Jaya, Tbk? 3) How good is the cash ratio for assessing financial performance at PT. Garudafood Putra Putri Jaya, Tbk.

Based on the formulation of the problem above, the objectives in this study are as follows: 1) To find out and analyze how well the current ratio is to assess financial performance at PT. Garudafood Putra Putri Jaya, Tbk. 2) To find out and analyze how good the quick ratio is to assess the financial performance of PT. Garudafood Putra Putri Jaya, Tbk. 3) To find out and analyze how good the cash ratio is to assess the financial performance of PT. Garudafood Putra Putri Jaya, Tbk.

LITERATURE REVIEW

Financial performance

Financial performance is to assess the financial condition and performance of the company, the analysis requires several benchmarks used, namely ratios and indexes, which connect two financial data with one another (Fahmi, 2013: 67).

Liquidity Ratio

According to Kasmir, (2014:129), the liquidity ratio is a ratio that measures the company's ability to meet short-term obligations (debt).

Current Ratio

Is a ratio to measure the company's ability to pay short-term obligations or debts that are due immediately when billed in their entirety (Kasmir, 2014:134).

Current ratio = current assets/current liabilities

The industrial health standard or industry average used is that the current ratio is 2 times or 200%, so it can be said to be ill-liquid. This means that current assets are said to be healthy if they are 2 times more than current liabilities.

Quick Ratio

The quick ratio is a ratio that measures the company's ability to pay its short-term obligations with short-term assets minus inventory (Bambang Riyanto, 2001:27)

Quick ratio = (current assets-inventory)/current liabilities.

A business unit is said to be able to pay its short-term debt, if the value is greater than 1.5 or more than 150% (Martono, 2002: 55-56).

Cash Ratio

The cash ratio is a ratio that measures the company's ability to pay its short-term obligations using cash. This ratio is said to be healthy if it is not below 50% or 0.5. (cashmere, 2008:140)

Cash ratio =(cash)/current liabilities

Based on this, the hypothesis proposed as a temporary answer to the formulation of this research problem is:

H0 : < 2 It is suspected that the financial performance of PT Garudafood Putra Jaya Tbk, measured by using a current ratio of less than 2, is said to be less than the expected criteria.

H1 : > 2 It is assumed that the financial performance of PT Garudafood Putra Jaya Tbk, measured by using a current ratio greater than 2, is said to be quite good than the expected criteria.

H0 : < 1.5 It is suspected that the financial performance of PT Garudafood Putra Jaya Tbk is measured using a quick ratio of less than 1.5 which is said to be less good than the expected criteria.

H2 : > 1.5 It is assumed that the financial performance of PT Garudafood Putra Jaya Tbk measured using a quick ratio greater than 1.5 is said to be quite good than the expected criteria.

1) H0 : < 0.5 It is suspected that the financial performance of PT Garudafood Putra Jaya Tbk is measured using a cash ratio of less than 0.5 which is said to be less good than the expected criteria.

H3 : > 0.5 It is assumed that the financial performance of PT Garudafood Putra Jaya Tbk is measured using a cash ratio greater than 0.5. It is said to be quite good than the expected criteria.

METHODS

The type of research used is descriptive research with quantitative methods. The population in this study is financial statement data for 5 years (2015-2019), the sample in this research is 5 years since going public, the sampling technique is saturated sampling. The research instrument used is financial statement data in the form of a balance sheet which is accessed through the website www.idx.co.id. Data collection techniques carried out in this study are: The intended documentation is secondary data stored in the form of documents or files. Literature study is a data collection technique by conducting a review study of books, literatures, articles and scientific journals related to the liquidity ratio as a theoretical basis that supports research. Research location The research location is PT. Garudafood Putra Putri Jaya, Tbk The address is Wisma Garudafood, Jl. Bintaro Raya no. 10A. Jakarta 12240-Indonesia. Tel: (62-21) 729-0110 (hunting), fax: (62-21)7290112. Website: www.garudafood.com.

Analysis Method

One sample t-test in other terms is usually called the one sample t-test method, is a t-test procedure for a single sample if the average of a single variable is compared to a certain constant value (Sugiyono 2012:178).

With the provision of a significance level of 5%, according to Syofian Siregar (2010:157-158) the hypothesis test t-test One sample is divided into two. T-test for one variable with one direction (Left). Left-side t-test is used if the Ho formula states the smallest, least and lowest or equal to, the sign (\leq) then the alternative hypothesis formulation (Ha) is stated with the opposite sentence of Ho, for example the largest, the highest, the most with a sign ($<$). Ho is accepted, if: t count - t table. Ha is rejected, if: - t count $<$ t table.

RESULTS AND DISCUSSION

One-sided t-test (left)

Table 1 Table uji t current rasio

One-Sample Test						
	Test Value = 2					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
CURRENT RATIO	-8.588	4	.001	-.82400	-1.0904	-.5576

Source: SPSS 16.0 . data processing results

Based on the table above, obtained a significance value of $0.001 < 0.05$, then H_0 is rejected and the value of $t_{count} = 8,588$, and the value of $t_{table} = 2.132$ because the value of t_{count} is greater than t_{table} ($t_{count} > t_{table}$), then H_0 is accepted and H_1 is rejected, meaning financial performance PT Garudafood Putra Putri Jaya Tbk measured using a current ratio of less than 2 is said to be less good than the expected criteria.

Table 2 Quick ratio t test table

One-Sample Test						
	Test Value = 1.5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
QUICK RATIO	-11.910	4	.000	-.84600	-1.0432	-.6488

Source: SPSS 16.0. data processing results

Based on the table above, obtained a significance value of $0.000 < 0.05$, then H_0 is rejected and the value of $t_{count} = 11,910$ and the value of $t_{table} = 2.132$ because the value of t_{count} is greater than t_{table} ($t_{count} > t_{table}$), then, H_0 is accepted and H_1 is rejected, meaning that the financial performance of PT Garudafood Putra Putri Jaya Tbk measured using a quick ratio less than 1.5 is said to be less good than the expected criteria. Based on the table above, the significance value is $0.000 < 0.05$, then H_0 is rejected and the $t_{count} = 11,910$ and the t_{table} value = 2.132 because the value of t_{count} is greater than t_{table} ($t_{count} > t_{table}$), then H_0 is accepted and H_1 is rejected, meaning that the financial performance of PT Garudafood Putra Putri Jaya Tbk measured using a quick ratio of less than 1.5 is said to be less good than the expected criteria.

One-Sample Test						
	Test Value = 0.5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
CASH RATIO	-6.132	4	.004	-.32600	-.4736	-.1784

Table 3 T-test table cash ratio

Source: SPSS 16.0 . data processing results

Based on the table above, obtained a significance value of $0.004 < 0.05$, then H_0 is rejected and the value of $t_{count} = 6.132$ and the value of $t_{table} = 2.132$ because the value of t_{count} is greater than t_{table} ($t_{count} > t_{table}$), then H_0 is accepted and H_1 is rejected, meaning that the financial performance of PT Garudafood Putra Putri Jaya Tbk measured using a cash ratio of less than 0.5 is said to be less good than the expected criteria.

CONCLUSIONS

Based on the results of the study, the researchers drew the following conclusions:

- 1) The financial performance of PT Garudafood Putra Putri Jaya Tbk based on the liquidity ratio in terms of the average current ratio, the company's condition was less than the expected criteria.
- 2) The financial performance of PT Garudafood Putra Putri Jaya Tbk based on the liquidity ratio in terms of the average quick ratio, the company's condition is less than the expected criteria.
- 3) The financial performance of PT Garudafood Putra Putri Jaya Tbk based on the liquidity ratio in terms of the average cash ratio, the company's condition is less than the expected criteria.

The benefits expected from the results of this study include:

- 1) For investors It is hoped that through this research investors can see and be used as a comparison material in making decisions to invest in industrial companies, especially Pt Garudafood Putra Putri Jaya Tbk in addition to seeing and paying attention to the possible risks that exist, investors should also pay attention to the possible risks of companies be a target.
- 2) For the company For the company management must further improve its performance in managing the funds that are accommodated in the form of current assets (cash and cash equivalents, inventories) so that the company's condition is not said to be ill-liquid in fulfilling current obligations.
- 3) For other parties It is hoped that this research can be of benefit and be used as a reference for developing similar research, which is related to liquidity ratio research and is able to increase the number and expand the sample to be studied.

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