



Identification of Statement Of Cash Flows Items In The Chemical Corporation

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Abstract

The purpose of this study is to identify items in the cash flow statement and find out how the financial performance of PT. Barito Pacific Tbk as assessed from the cash flow statement for 2022. The data analysis technique used in this study is descriptive quantitative analysis regarding the identification of items in the company's cash flow statement and financial performance. This research design is carried out using the case study method by identifying the cash flow statement items and then an analysis of the company's performance will be carried out. The results of this study can be concluded that cash and cash equivalents at the end of 2022 decreased compared to the end of the previous year, which means that cash flows in 2022 use the previous year's cash balance to meet the needs of operating activities and investment activities, as well as the assessment of financial performance based on the ratio of AKO, CAD, CKHL and TH of PT. Barito Pacific Tbk in 2022, which is assessed from the current report, shows low or poor capabilities.

Keyword: Statement of Cash Flows Items, Chemical Corporation, Financial Performance

1. Introduction

The Ministry of Industry or commonly called the Ministry of Industry stated that the chemical industry reached the point of improving supply chains in Indonesia and globally in December 2022, this shows expansion to encourage the value of the industrial confidence index (IKI) through the chemical and chemical goods industry (Director General of the Chemical, Pharmaceutical and Textile Industry / Director General of IKFT) 2022. This increase is due to the demand for chemical products, which results in an increase that leads to a positive contribution to the value of the IKI itself.

This increase in demand may lead to a change in the net cash position in chemical companies. This change can be seen from the company's cash flow statement which informationally focuses on cash needs in every operating activity, investment activity and funding activity carried out by the company (Prastowo 2014). These cash flows indicate how the entity obtains and uses cash, including information on loans and debt payments, cash dividends and other distributions to investors and other factors that may affect the entity's liquidation and solvency.

The current report also provides information for external parties of the company in assessing how the company is performing (Gea et al., 2022). As company value is a certain condition that has been achieved by a company as an illustration of public trust in the company after going through a process of activity for several years. In assessing the company, it is necessary to know how the company's financial performance, financial performance is a picture of the company's financial condition in a certain period (Irawati et al., 2019).

So based on the phenomenon of positive growth in the chemical sector in December 2022, researchers are interested in analyzing the company's performance. With financial statements used to measure how financial performance is the company's cash flow statement PT. Barito Pacific Tbk, by identifying items contained in cash flows to find out how the net cash position in the company, and the ratios used in assessing the company's financial performance as follows: Operating Cash Flow Ratio (AKO), Fund Flow Coverage Ratio (CAD), Cash Coverage Ratio to Current Debt (CKHL), and Total Debt Ratio (TH).

2. Literature Review

2.1 Financial Performance

According to (Rudianto, 2013) states that financial performance is the result or achievement that has been achieved by company management in managing company assets effectively during a certain period. Meanwhile, according to Fahmi (2012: 2) stated that financial performance is an analysis carried out to see the extent to which the company has implemented using the rules of financial implementation rules properly and correctly such as in making a financial statement that has met the standards or provisions in PSAK or GAAP and others. Financial performance used in the framework of decision making of company managers requires information, especially information about what will happen in the future, financial performance is measured from how the company's financial statements (Sadalia et al., 2019).

In a simple sense According to Kasmir, (2008) financial statements are reports that show the company's current financial condition or in a period, then according to Skousen et al, 2011: 284 financial statements made by companies usually consist of balance sheets, income statements, statements of changes in capital, and cash flow statements and notes to financial statements.

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2.2 Cash Flow Statement

To see how cash receipts and expenditures can be seen from how the cash flow statement is useful as information that complements the balance sheet and income statement (Mustika, 2021). According to Tanjung (2009) the cash flow statement is to provide information about the source, use, change in cash and cash equivalents during an accounting period and cash balances and cash equivalents in reporting. In the opinion of Harahap (2008) the cash flow statement is a report that aims to provide relevant information about the receipt and expenditure of cash or cash equivalents from a company in a certain period, while according to IAI (Indonesian accounting association) 2011: 2.2 explains that cash flow is the inflow and outflow of cash or cash equivalents.

Then in line with Rudianto's opinion (2009) which explains that the cash flow statement is a report on the company's cash receipt and expenditure activities in a certain period, along with an explanation of certain sources of cash receipts and expenditures.

According to Kieso, Weygant and Walfield (2008) the cash flow statement is a report that reports cash receipts, cash payments and net changes in cash derived from operating activities, investment activities and funding activities of a company during a period in a format that reconciles the initial cash balance and the end of the period cash balance.

According to Dyckman, Dukes and Davit (2001) and according to PSAK No.2 (2009) cash flows are classified as follows:

a. Operating Activities

In operating activities, the amount of cash flow derived from operating activities is the primary indicator to determine whether the company's operations can generate sufficient cash flow to pay off loans, maintain the company's operating capabilities, pay dividends, make new investments without relying on outside funding sources.

Operating cash flow is also associated with the activities of producing and delivering goods, providing services, and other transactions that are taken into account in determining profits. Operating cash flows are all flows that are not defined as investment or financing activities. According to Warren et al. (2014: 727), stated that: "cash flows from operating activities reports the cash inflows and outflows from a company's day to day operations".

Some examples of cash flows from operating activities are:

1. Cash receipts from the sale of goods and services
2. Cash receipts from royalties, fees, and commissions
3. Cash payments to suppliers of goods and services
4. Cash payments to employees
5. Cash receipts and Cash payments by insurers with premiums, claims, annuities and other insurance benefits
6. Cash payments or income tax restitution unless specifically identifiable as part of funding and investment activities
7. Cash Receipt and Payment of cash from contracts used for business and trade transaction purposes

so it can be concluded that cash flow derived from the company's operating activities is mainly obtained from the main revenue-generating activities. In general, it comes from transactions that affect how the company's net profit or loss is determined.

b. Investment Activity

Investment activities are the acquisition and disposal of long-term assets and other investments that are not included in cash equivalents (2011: PSAK No.2/05), including receiving and collecting loans, debts, securities or capital, fixed assets and other productive assets used in the production process. Then According to Warren et al. (2014: 728), revealed that: "cash flows from investing activities show the cash inflows and outflows related to changes in company's longterm assets".

According to PSAK No2: (2009) that separate disclosure of cash flows derived from investment activities needs to be done because these cash flows reflect expenditures that have occurred for resources intended to generate income and future cash flows.

In investment cash flows, investment activity is associated with investing in and disposing of certain factory assets and debt and equity securities, providing and servicing loans, and other strategic activities. This category is important for identifying the company's growth plan. Capital expenditures and acquisitions of subsidiaries are important strategic decisions for a company.

Some examples of cash flows derived from investment activities are:

1. Cash payments to purchase fixed assets, intangibles and other long-term assets, including capitalized development costs and self-built fixed assets
2. Cash receipts from the sale of land, buildings, and equipment, as well as intangible assets and other long-term assets
3. Acquisition of shares or financial instruments of other companies
4. Advances and loans made to other parties and their repayment (except those made by financial institutions)
5. Cash payments in respect of futures contracts, forward contracts, option contracts, swap contracts unless such contracts are for dealing of trading purposes or where such payments are classified as financing activities.

c. Funding Activities

Funding activities are activities that result in changes in the amount and composition of the company's capital and loans (2011: PSAK No.2/05). Funding activities need to be disclosed separately to predict the extent to future cash flows by the company's capital suppliers. Then according to Warren et al. (2014: 729), stated that: "cash flows from financing activities show the inflows and outflows related to changes in company's longterm liabilities and stockholder's equity".

Cash flows derived from financing activities are associated with the acquisition of resources from owners and the provision of returns on investments, lending money and repayment of principal loans. Separate disclosure of funding activities is important because it is useful for predicting claims for future cash flows by capital providers.

According to Sofyan in accounting theory (2022) explained that there are several examples of cash flows derived from funding activities are:

1. Cash receipts from issuers of shares or other capital instruments.
2. Cash payments to shareholders to withdraw or penetrate company shares.
3. Cash receipts from the issuance of bonds, money orders, mortgages, and other loans, and repayment of loans.

It can be concluded that the company presents a statement of cash flows from the activities of operas. Investment activities and funding activities in a manner that best suits the company's business. Classification by activity provides information that allows interested parties to financial statements to assess the effect of such activities on the company's position as well as on the amount of cash and cash equivalents. The information can be used to evaluate the relationship between the three activities, and gauge how net cash is positioned.

2.3 Ratio Analysis of Cash Flow Statement

Cash flow statement analysis is used to provide information about the source and use of cash and forecast the source and use of cash in the future. Cash flow statement ratio analysis is one of the analyses used to assess how a company's financial performance is.

According to Darsini and Ashari (2005: 91), to assess financial performance through cash flow statements, the cash flow ratio is used as follows:

- a. Operating Cash Flow Ratio (AKO)

This ratio is used to calculate the ability of operating cash flows to pay current liabilities.

$$AKO = \frac{\text{Operating Cash Flow}}{\text{Current Liabilities}}$$

- b. Fund Flow Coverage Ratio (CAD)

This ratio is used to determine the company's ability to generate cash to pay its commitments (interest, taxes, and preferred dividends)

$$CAD = \frac{EBIT}{\text{Interest} + \text{TA debt Payment} + \text{TA Preferent Dividend}}$$

- c. Lancer's Cash to Debt Coverage Ratio (CKHL)

This ratio measures how the company's ability to pay lancer debt based on net operating cash flow.

$$CKHL = \frac{\text{Operating Cash Flow} + \text{Dividend}}{\text{Current Liabilities}}$$

- d. Total Debt Ratio (TH)

This constellation shows the time span for debt payments by the company assuming all operating cash flows are used to pay debts

$$TH = \frac{\text{Operating Cash Flow}}{\text{Total Liabilities}}$$

3. Methods

The object of this research was carried out in the 2022 financial statements of PT Barito Pasific, Tbk. This type of research is descriptive quantitative research regarding the identification of items in the company's cash flow statement and financial performance. This research design is carried out using the case study method by identifying the cash flow statement items and then an analysis of the company's performance will be carried out.

4. Result and Discussion

4.1 Identification of Statement of Cash Flows Items in The Chemical Corporation (PT. Barito Pasific Tbk)

In identifying cash flow statement items at PT. Barito Pasific Tbk company, this study identifies the preparation of cash flow statements using the direct method, where the preparation requires supporting data, namely the Profit - Loss statement and Comparison Balance Sheet and notes to consolidated financial statements which are an integral part of the consolidated financial statements. The following is the Profit and Loss Statement and balance sheet comparison of PT. Barito Pasific Tbk 2022:

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
	Note	31 Desember 2022	31 Desember 2021
REVENUES	35	\$ 2.961.532	\$ 3.155.656
COST OF REVENUES AND DIRECT COSTS	36	\$ -2.515.859	\$ -2.370.805
GROSS PROFIT		\$ 445.673	\$ 784.851
Selling expenses	37	\$ -62.332	\$ -53.454
General and administrative expenses	38	\$ -114.253	\$ -107.899
Finance costs	39	\$ -202.985	\$ -182.945
Gain on foreign exchange - net		\$ 19.239	\$ 2.000
Share in profit of associates and joint venture - net		\$ 39.459	\$ 20.356
Gain on derivative financial instruments		\$ 5.482	\$ 3.894
Other gains and losses - net	40	\$ 25.140	\$ 14.517
PROFIT BEFORE TAX		\$ 155.423	\$ 481.320
INCOME TAX EXPENSE - NET	41	\$ -123.213	\$ -185.313
PROFIT FOR THE YEAR		\$ 32.210	\$ 296.007
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefits obligation, net of tax		\$ 789	\$ 3.539
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation adjustment		\$ -6.672	\$ -6.607
Hedging reserves for cash flow hedge		\$ 55.754	\$ 4.282
Share in other comprehensive income of associates and joint venture - net		\$ 94.665	\$ 40.805
Net fair value gain on financial assets at FVTOCI		\$ 822	\$ -
Total other comprehensive income for the year, net of tax		\$ 145.358	\$ 42.019
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		\$ 177.568	\$ 338.026
NET PROFIT FOR THE YEAR			
ATTRIBUTABLE TO:			
Owners of the Company		\$ 1.759	\$ 109.115
Non-controlling interests	34	\$ 30.451	\$ 186.892
Net profit for the year		\$ 32.210	\$ 296.007
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		\$ 92.210	\$ 136.438
Non-controlling interests	34	\$ 85.358	\$ 201.588
Total Comprehensive Income for the Year		\$ 177.568	\$ 338.026
EARNINGS PER SHARE			
(in United States Dollar full amount)	42	\$ 0,00002	\$ 0,00117

Identification of Statement Of Cash Flows Items In The Chemical Corporation

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION									
AKTIVA	Note	31 Desember 2022	31 Desember 2021	Net Change	PASIVA	Note	31 Desember 2022	31 Desember 2021	Net Change
ASSETS					LIABILITIES AND EQUITY				
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents	5	\$ 1.638.072	\$ 1.875.393	\$ -237.321	Trade accounts payable	22	\$ 450.268	\$ 782.276	\$ -332.008
Time deposits	5	\$ -	\$ 442.000	\$ -442.000	Other accounts payable to third parties		\$ 6.318	\$ 35.192	\$ -28.874
Restricted cash in banks	19	\$ 179.688	\$ 198.558	\$ -18.870	Advance payments received		\$ 23.354	\$ 19.338	\$ 4.016
Other financial assets - current	18	\$ 342.758	\$ 279.248	\$ 63.510	Taxes payable	23	\$ 34.998	\$ 32.448	\$ 2.550
Trade accounts receivable - net	6				Accrued expenses		\$ 63.542	\$ 62.887	\$ 655
Related parties	44	\$ 12.471	\$ 13.166	\$ -695	Short-term bank loan	25	\$ 636	\$ 701	\$ -65
Third parties		\$ 218.427	\$ 256.495	\$ -38.068	Long-term liabilities - current maturities:				
Other accounts receivable	7				Lease liabilities	24	\$ 3.365	\$ 2.896	\$ 469
Related party	44	\$ 3.757	\$ 1.733	\$ 2.024	Non-bank financial institution loan		\$ 7	\$ 4	\$ 3
Third parties		\$ 31.189	\$ 10.257	\$ 20.932	Long-term bank loans	25	\$ 62.169	\$ 61.687	\$ 482
Finance lease receivables - current maturities	8	\$ 8.052	\$ 7.272	\$ 780	Bonds and notes payable	26	\$ 133.972	\$ 135.421	\$ -1.449
Inventories - net	9	\$ 331.063	\$ 382.109	\$ -51.046	Total Current Liabilities		\$ 778.629	\$ 1.132.850	
Prepaid taxes	10	\$ 74.772	\$ 73.370	\$ 1.402	NON-CURRENT LIABILITIES				
Advances	11	\$ 25.070	\$ 12.031	\$ 13.039	Deferred tax liabilities - net	41	\$ 873.247	\$ 880.358	\$ -7.111
Prepaid expenses	12	\$ 12.020	\$ 12.196	\$ -176	Contract liabilities		\$ 24.078	\$ 2.946	\$ 21.132
Other current assets		\$ 783	\$ 603	\$ 180	Long-term liabilities - net of current maturities:				
Total Current Assets		\$ 2.878.122	\$ 3.564.431		Lease liabilities	24	\$ 6.917	\$ 10.911	\$ -3.994
NON-CURRENT ASSETS					Non-bank financial institution loan		\$ 5	\$ 3	\$ 2
Other accounts receivable - net	7				Long-term bank loans	25	\$ 1.698.844	\$ 897.223	\$ 801.621
Related parties	44	\$ 216.388	\$ 202.522	\$ 13.866	Bonds and notes payable	26	\$ 2.064.565	\$ 1.988.306	\$ 76.259
Third parties		\$ 56.626	\$ 73.394	\$ -16.768	Derivative financial liabilities	46m	\$ 28.108	\$ 3.600	\$ 24.508
Finance lease receivables - net of current maturities	8	\$ 372.368	\$ 380.420	\$ -8.052	Employment benefits obligation	27	\$ 49.169	\$ 50.677	\$ -1.508
Deferred tax assets - net	41	\$ 148	\$ 168	\$ -20	Decommissioning cost		\$ 2.795	\$ 2.795	\$ -
Deferred charges - net	13	\$ 17.649	\$ 15.372	\$ 2.277	Total Non-current Liabilities		\$ 4.747.728	\$ 3.836.819	
Advances for investment	46c	\$ 6.213	\$ 6.318	\$ -105	TOTAL LIABILITIES		\$ 5.526.357	\$ 4.969.669	
Investments in associates and joint Venture	14	\$ 367.374	\$ 237.736	\$ 129.638	EQUITY				
Other financial assets - non-current	18	\$ 543.004	\$ 11.226	\$ 531.778	Equity attributable to owners of the Company	28	\$ 981.373	\$ 981.373	\$ -
					Additional paid-in capital	29	\$ 99.835	\$ 104.889	\$ -5.054
					Other equity component	31	\$ 181.479	\$ 422.796	\$ -241.317
Advances for purchase of property, plant and equipment		\$ 5.739	\$ 6.803	\$ -1.064	Other comprehensive income (loss)	32	\$ 25.992	\$ -64.459	\$ 90.451
Derivative financial assets	46m	\$ 65.890	\$ 13.913	\$ 51.977	Retained earnings - since quasi - reorganization on	33	\$ 4.013	\$ 2.913	\$ 1.100
Spareparts and equipment	9	\$ 19.187	\$ 21.071	\$ -1.884	Unappropriated		\$ 293.659	\$ 313.000	\$ -19.341
Investment properties - net		\$ 21.880	\$ 32.230	\$ -10.350	Total		\$ 1.586.351	\$ 1.760.512	
Right-of-use assets - net	15	\$ 16.797	\$ 21.103	\$ -4.306	Less costs of treasury stock -	30	\$ -6.401	\$ -10.607	\$ 4.206
Property, plant and equipment - net	16	\$ 2.850.136	\$ 2.710.177	\$ 139.959	Total Equity attributable to owners of The Company		\$ 1.579.950	\$ 1.749.905	\$ -169.955
Property on operating lease - net	17	\$ 354.543	\$ 355.469	\$ -926	Non-controlling interests	34	\$ 2.141.947	\$ 2.521.977	\$ -380.030
Restricted cash in banks	19	\$ 10.570	\$ 10.037	\$ 533	Total Equity		\$ 3.721.897	\$ 4.271.882	
Claims for tax refund	20	\$ 5.988	\$ 6.602	\$ -614	TOTAL LIABILITIES AND EQUITY		\$ 9.248.254	\$ 9.241.551	
Intangible assets - net	21	\$ 1.439.632	\$ 1.572.559	\$ -132.927					
Total Non-current Assets		\$ 6.370.132	\$ 5.677.120						
TOTAL ASSETS		\$ 9.248.254	\$ 9.241.551						

Sumber: <https://www.barito-pacific.com/investors/financial-report>

Based on the data of the Profit and Loss statement and balance sheet, the comparison provides information on the amount of revenue, cost of revenue (COGS), operating expenses, income tax, receivables, debt, cash position, etc. To identify items in the cash flow statement. So that in this identification there are three (3) items identified based on the Profit - Loss statement data and Comparison Balance Sheet above with additional notes to the consolidated financial statements which are an integral part of the consolidated financial statements contained in the financial report of PT Barito Pacific.

The following are the results of the cash flow statement and the identification of the three items in the cash flow statement, namely:

1. Cash Flow from Operating Activities

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts from customers	\$3.011.688
Cash paid to:	
Suppliers and others	\$-2.728.715
Directors and employees	\$-121.946
Cash generated from operations	\$161.027
Tax restitution received	\$64.485
Received of claims for tax refund	\$0
Payment of income taxes	\$-164.998
Payment of finance charges	\$-193.376
Net Cash (Used in) Provided by Operating Activities	\$-132.862

Based on the cash flow statement regarding operating activities which can be seen in the table above, it shows that net cash from operating activities of PT. Barito Pacific Tbk in 2022 amounted to (-\$ 132,862) decreased when compared to net cash from operating activities in 2021. The decrease in net cash from operating activities was due to a decrease in cash receipts from customers in 2022 compared to 2021, and at the same time cash payments increased in 2022, so it can be concluded that this decrease was caused by operating activities in terms of cash payments to suppliers, decreased inventory, decreased accounts payable, then cash payments to directors and employees, income tax payments, and financial expense payments.

2. Cash Flow from Investing Activities

CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	\$30.265
Drawdown (placement) on time deposits	\$442.000
Proceeds from sale of property and equipment	\$69
Dividends received	\$0
Operational profit sharing	\$2.354
Placement of other financial assets	\$-647.346
Proceeds from others financial asset matured	\$10.403
Payment of advance for purchase of property, plant and equipmnt	\$-3.106
Acquisition of property, plant and equipment	\$-175.968

Additions of intangible assets	\$-469
Acquisition of interest in subsidiaries from non-controlling interest	\$-645.000
Additions of investment properties	\$-10.020
Addition of investment in shares of subsidiaries	\$0
Net Cash Used in Investing Activities	\$-996.818

In the cash flow statement, the second item is cash flow in investment activities. Based on the table above, it can be seen that there is a decrease in cash generated from investment activities, which means that the company's net cash is used for investment activities. It can be seen in the table above showing that the company carried out investment activities, withdrawals on time deposits and purchased/placed other financial assets, acquired fixed assets and the company acquired interests in subsidiaries from non-controlling interests, and the company added investment properties financed by the company's net cash during 2022.

3. Cash Flows From Financing Activities

CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from limited public offering of subsidiary and warrants	\$0
Drawdown (Placement) of restricted cash in bank	\$18.337
Proceeds from long-term bank loans	\$1.186.429
Proceeds from short-term bank loans	\$81.085
Payment of lease liabilities	\$-2.771
Payment of transaction costs	\$-1.853
Payment of bonds and notes payable	\$-130.906
Proceeds (payments) from non-bank financial institution loan	\$5
Dividend payment and capital reduction:	
The Company	\$-20.000
Subsidiaries	\$-58.771
Payment of long-term bank loans	\$-368.972
Payment of short-term bank loans	\$-81.150
Proceeds from bonds and notes payable	\$271.774
Payment of tax on bonus share	\$-848
Net Cash Provided by Financing Activities	\$892.359

last item in the cash flow statement is cash flow from funding activities, in the table shows an increase which means that net cash in 2022 is obtained from funding activities, this is due to the company's activities in increasing the receipt of long-term bank debt, and short-term and receipt of bond debt and promissory notes and there are withdrawals (placements) in bank accounts. The additional debt in this funding activity led to an increase in the company's net cash position at the end of 2022.

Furthermore, after identifying three (3) items in the cash flow statement, it can be concluded that the net cash position of PT. Barito Pacific Tbk at the end of 2022 was \$1,638,072., showing that net cash decreased when compared to the cash balance and cash equivalents at the end of 2021 or early 2022 of \$1,875,393

Here are the details of the calculation of net cash position:

Cash Flows from Operating Activities	-\$132.862
Cash Flows from Investing Activities	-\$996.818
Cash Flows from Financing Activities	\$892.359
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	-\$237.321
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	\$1.875.393
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$1.638.072

4.2 Cash Flow Statement Ratio Analysis

In calculating the cash flow statement ratio to assess how the company's financial performance during 2022, the data uses the financial statements of PT. Barito Pacific Tbk in 2022 is in the form of: consolidated statement of Balance Sheet, Income Statement and Cash Flow Statement. with analysis of the cash flow statement ratio as follows

a. Operating Cash Flow Ratio (AKO)

This ratio is used to calculate the ability of operating cash flows to pay current liabilities.

$$AK = \frac{\text{Operating Cash Flow}}{\text{Current Liabilities}} = \frac{-\$132.862}{\$778.629} = -0,171$$

The result obtained from the calculation of the ratio is -0.171 which is below number one (1). Based on the ratio, it can be interpreted that the company is unable to pay its current liabilities in the 2022 period, because every \$1 of current liabilities is guaranteed by -0.171 net cash flow from all cash activities, so it can be concluded based on the operating cash ratio that in 2022 PT Barito Pacific Tbk underperformed financially.

b. Fund Flow Coverage Ratio (CAD)

This ratio is used to determine the company's ability to generate cash to pay its commitments (interest, taxes, and preferred dividends)

$$CAD = \frac{EBIT}{\text{Interest} + \text{TA debt Payment} + \text{TA Preferent Dividend}}$$

$$= \frac{\$155.423}{\$164.998} = 0,94$$

The result obtained from the CAD calculation is 0.94 and has almost met the standard value of 1 which can be interpreted that the company is good but still has the possibility of the company's inability to generate cash to pay its commitments (interest, taxes, and preferred dividends) with the fund's cash coverage ratio during 2022.

c. Lancer's Cash to Debt Coverage Ratio (CKHL)

This ratio measures how the company's ability to pay lancer debt based on net operating cash flow.

$$CKHL = \frac{\text{Operating Cash Flow} + \text{Dividend}}{\text{Current Liabilities}} = \frac{-\$132.862}{\$778.629} = 0,170X$$

Based on the calculation results, the ratio that can be seen above shows a result of -0.170 which means that the ability of PT. Barito Pacific Tbk in paying current debt based on net cash flow in 2022 of 0.170 times. The lower the ratio value, the lower the ability of operating cash flow

d. Total Debt Ratio (TH)

This constellation shows the time span for debt payments by the company assuming all operating cash flows are used to pay debts.

$$TH = \frac{\text{Operating Cash Flow}}{\text{Total Liabilities}} = \frac{-\$132.862}{\$5.526.357} = -0,024$$

Based on the total debt of PT. Barito Pasific Tbk in 2022 showed a ratio of -0.024, the result showed that the company's total debt was guaranteed by net operating cash flow in 2022 of -0.024.

5. Conclusion

The company's operating activities of PT. Barito Pacific Tbk., in 2022 experienced a decrease compared to the previous year. This decrease was caused by operating activities in terms of cash payments to suppliers, decreased inventory, decreased accounts payable, then cash payments to directors and employees, income tax payments, and financial expense payments. So operationally, in 2022, PT. Barito Pasific Tbk., spends more cash to make payments than cash receipts from customers.

The company's investment activities of PT. Barito Pacific Tbk in 2022 also decreased compared to the previous year, this was due to the company carrying out investment activities, withdrawing time deposits and buying/placing other financial assets, acquiring fixed assets and the company acquiring interests in subsidiaries from non-controlling interests, and the company adding investment properties financed by the company's net cash during the current period 2022.

In the funding activities of PT. Barito Pacific Tbk., in 2022 received additional long-term and short-term bank debt and receipt of bond debt and promissory notes as well as withdrawals (placements) in bank accounts.

So it can be concluded that cash and cash equivalents at the end of 2022 decreased compared to the end of the previous year, which means that cash flows in 2022 use the previous year's cash balance to meet the needs of operating activities and investment activities, as well as the assessment of financial performance based on the ratio of AKO, CAD, CKHL and TH of PT. Barito Pacific Tbk., in 2022, which is assessed from the current report, shows low or poor capabilities.

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