



Analysis Of Financial Performance In An Islamic Perspective In The Company PT. Garuda Indonesia (Persero) Tbk Period 2017-2020

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ABSTRACT

This study aims to analyze the solvency ratio and activity as an assessment tool to measure financial performance at PT. Garuda Indonesia in an Islamic perspective. This study uses a qualitative descriptive approach, while the data studied are in the form of the financial statements of PT. Garuda Indonesia from 2017 to 2020. From the results of the calculation of the average solvency ratio as measured by the debt-to-asset ratio and the debt-to-equity ratio from 2017 to 2020, the activity ratio as measured by the total asset turnover ratio and the ratio Fixed asset turnover in 2017 to 2020 was not good. PT. Garuda Indonesia in the Islamic perspective is in accordance with the accounting contained in the Qur'an Al-Baqarah verse 282, namely the principle of responsibility as it cannot be separated from the responsibility of someone assigned to make financial reports in accordance with transactions that occur during muamalah. The principle of justice PT. Garuda Indonesia has implemented justice, namely recording all transactions that have occurred as they should be from assets, liabilities, capital, revenues and costs incurred by the company, while the principle of truth is that transactions occur in the ratio of liquidity, activity, solvency and profitability, both transactions of assets, liabilities, capital, income and expenses of each item are appropriate and included in the financial statements of PT. Garuda Indonesia.

Keywords: Activities, Islamic Perspective, Solvency

INTRODUCTION

In general, companies always try to achieve the main goals that have been determined. The goals to be achieved within the company are to stabilize profits, increase profits from one period to the next and to support all activities that occur within the company so that good financial performance and operating performance are needed. Good financial performance will be a benchmark for investors in making decisions to invest shares in a company, the source of information that investors will use is the company's financial statements, by looking at the company's financial reports investors can assess the achievements and economic conditions of a company besides reports. Company finances can also show the company's financial position, the company's business results in a certain period.

The source of information that investors will use is the company's financial statements in order to find out whether the company's financial performance is good or not. The information obtained from the financial statements cannot be used directly, but further analysis of the financial statements is needed so that they can provide clear information about the company's financial performance. There are several measuring instruments that can be used to view financial conditions, one of which is by using financial ratios. In analyzing these financial ratios, it can be done by comparing one financial statement item with another financial report post in one period that has a very relevant relationship. And the results of this ratio will be used to see the company's financial position and see the business development of the company. Even though the financial ratios used have quite a lot of functions and uses for companies in making decisions, it does not mean that the





financial ratios that have been made guarantee 100% of the actual financial conditions and position. This means that the actual financial condition may not necessarily occur as the results of the calculations made. To provide good financial information and in accordance with what is needed by interested parties, companies must provide financial information that meets financial accounting standards. Financial accounting standards that are able to provide financial information for interested parties, especially investors, are of course recognized standards. by companies globally. The currently recognized financial accounting standard is the International Financial Reporting Standard (IFRS).

Solvency Ratio (Solvability Ratio)

The purpose of this financial ratio analysis is to show the level of effectiveness of the use of company assets or assets.

- a) Debt to Asset Ratio or Total Debt to Asset Ratio is a measure of how much the company's assets are financed by debt or how much the company's debt affects asset management.

Table 1. Debt To Asset Ratio

Year	Debt To Asset Ratio	Industry Standard	Interpretation
2017	0,75%	35%	Not good
2018	0,82 %	35%	Not good
2019	0,86 %	35%	Not good
2020	1,18 %	35%	Not good

Source: Data processed from PT. Garuda Indonesia 2017-2020

- b) The Debt to Equity Ratio or the Total Debt to Equity Ratio shows the relationship between the amount of long-term debt and the amount of own capital provided by the company owner which is useful for knowing the amount of funds provided by creditors and company owners.

Table 2. Debt To Equity Ratio

Year	Debt to Equity Ratio	Industry Standard	Interpretation
2017	3,01%	80%	Not good
2018	4,71 %	80%	Not good
2019	6,65 %	80%	Not good
2020	(6,55%)	80%	Not good

Source: Data processed from PT. Garuda Indonesia 2017-2020

Activity Ratio

The purpose of this financial ratio analysis is to look at several assets and then determine what level of activity those assets have at a certain level of activity.

- a) Total Assets Turnover is a ratio that calculates the effectiveness of the use of total assets. A high ratio usually indicates good management.

Table 3. Total Asset Turnover

Year	Ratio to Total Assets	Industry Standard	Interpretation
2017	1,11 Times	2x	Not good
2018	1,05 Times	2x	Not good
2019	1,03 Times	2x	Not good
2020	0,14 Times	2x	Not good

Source: Data processed from PT. Garuda Indonesia 2017-2020

- b) Fixed Assets Turnover is a way to measure the extent to which a company's ability to generate sales based on fixed assets owned by the company.

Table 4. Fixed Asset Turnover

Year	Fixed Asset Ratio	Industry Standard	Interpretation
2017	1,50 Times	5x	Not good
2018	1,42 Times	5x	Not good
2019	1,38 Times	5x	Not good
2020	0,15 Times	5x	Not good

Source: Data processed from PT. Garuda Indonesia 2017-2020





METHOD

Research Approach

The research method is defined as a scientific way to obtain data with specific objectives and finances, the scientific method means that the research activities are based on scientific characteristics, namely rational, empirical and systematic. The method used in this research is descriptive qualitative, because this research describes the numbers contained in the financial statements that describe factually, systematically, and accurately. Analysis tool processing company's financial performance using financial ratio analysis.

Location and Time of Research

The place taken by the researcher as the research object is PT. Garuda Indonesia Tbk, which is a State-Owned Enterprise (BUMN), this company is engaged in the airline sector. The data was taken from 2017 to 2020 and when this research was carried out in October 2020 until it was finished.

Data collection technique

In collecting data, we should know in advance what data we collect that are needed in the research object. Then where did the data come from. In this study, the method used in data collection is the documentation method. Documentation techniques are used to collect, classify, study and use existing data and in accordance with the research problem. Collecting data that is already available can usually be in the form of diaries, transcripts, books, magazines, newspapers, photos, agendas and can also be in the form of files on flash disks as well as those stored on the website. This data is not limited by space and time. In this study, the documentation data was obtained by researchers from prospectus notes and annual reports that have been made available on the IDX via the internet or other media.

Data analysis technique

To find out the financial condition of a company, it is necessary to have a tool to analyze the finances. Analytical tools in the form of financial ratios and financial statements that serve as benchmarks or can also identify the level of company performance. Data analysis techniques in this study used qualitative techniques. Qualitative techniques are analytical techniques using considerations in addition to existing numbers with the help of other theories and practical realities that occur by collecting data, reducing data, presenting data and drawing conclusions.

RESULTS AND DISCUSSION

Results

Based on the research that has been described above, a discussion can be carried out to answer the formulation of the problem regarding financial performance as measured by solvency and activity ratios in the company PT. Garuda Indonesia for the 2017-2020 period. Following are the results and explanation of the financial ratios used to measure financial performance at PT. Garuda Indonesia.

1. Solvency Ratio

a) Debt Ratio

The development of financial performance in the company PT. Garuda Indonesia for the 2017-2020 period through a debt ratio with the formula:

$$\text{Deb Ratio} = \frac{\text{Total Amount of debt}}{\text{Total Assets}} \times 100\%$$

Calculation:

$$\text{Year 2017} = \frac{2.825.822.893}{3.763.292.093} \times 100 = 0,75$$





$$\text{Year 2018 } \frac{3.437.474.497}{4.167.616.300} \times 100 = 0,82$$

$$\text{Year 2019 } \frac{3.873.097.505}{4.455.675.774} \times 100 = 0,86$$

$$\text{Year 2020 } \frac{12.733.004.654}{10.789.980.407} \times 100 = 1,18$$

Based on fluctuations in the value of the Debt Ratio of PT. Garuda Indonesia in 2017 to 2020 the following information can be obtained. The total debt to asset ratio in 2017 was 0.75% to 0.82% in 2018, 0.86% in 2019 and 1.18% in 2020, when compared to the industry standard of 35%, the ratio generated far above the industry standard so that the ratio of debt to assets is considered not good.

b) Deb To Equity Ratio

The development of financial performance in the company PT. Garuda Indonesia for the 2017-2020 period through the Deb To Equity Ratio with the formula:

$$\text{Debt To Equity Ratio } \frac{\text{Total Amount of debt}}{\text{Total Equity}} \times 100\%$$

Calculation:

$$\text{Year 2017 } \frac{2.825.822.893}{937.469.200} \times 100 = 3,01$$

$$\text{Year 2018 } \frac{3.437.474.497}{730.141.803} \times 100 = 4,71$$

$$\text{Year 2019 } \frac{3.873.097.505}{582.578.269} \times 100 = 6,65$$

$$\text{Year 2020 } \frac{12.733.004.654}{(1.943.024.247)} \times 100 = (6,55)$$

Based on the fluctuations seen from the calculations from 2017 to 2020, the following information can be obtained. From 2017 to 2018 there has been an increase in the ratio where for 2017 it was 3.01% to 4.71% in 2018. In 2019 it was 6.65% and in 2020 (6.65%), when compared to the industry standard of 35% , then the resulting ratio is far above the industry standard so that the ratio of debt to assets is considered not good.

2. Activity Ratio

a) Total Asset Turnover

The development of financial performance in the company PT. Garuda Indonesia for the 2017-2020 period through the total asset turnover ratio with the formula:

$$\text{Total Asset Turnover } \frac{\text{Income}}{\text{Total Assets}} \times 100\%$$

Calculation:

$$\text{Year 2017 } \frac{4.177.325.781}{3.763.292.093} \times 100 = 1,11$$

$$\text{Year 2018 } \frac{4.373.177.070}{4.167.616.300} \times 100 = 1,05$$



$$\text{Year 2019 } \frac{4.572.638.083}{4.455.675.774} \times 100 = 1,03$$

$$\text{Year 2020 } \frac{1.492.331.099}{10.789.980.407} \times 100 = 0,14$$

Based on the calculation results above, it can be seen that the condition of the total assets turnover ratio of PT. Garuda Indonesia in 2017 to 2020 as follows. In 2017 to 2018 it decreased from 1.11 times in 2017 to 1.05 times, in 2018 it again decreased to 1.03 times. In 2020 it again decreased to 0.14 times. When compared with the industry standard of 2 times, the resulting ratio is far below the industry standard so that the total asset turnover ratio is considered not good.

b) *Fixet Asset Turnover*

The development of financial performance in the company PT. Garuda Indonesia for the 2017-2020 period through the fixed asset turnover ratio with the formula:

$$\text{Fixet Assets Turnover } \frac{\text{Income}}{\text{Total Fixet Assets}} \times 100\%$$

Calculations:

$$\text{Year 2017 } \frac{4.177.325.781}{2.776.550.466} \times 100 = 1,50$$

$$\text{Year 2018 } \frac{4.373.177.070}{3.074.700.469} \times 100 = 1,42$$

$$\text{Year 2019 } \frac{4.572.638.083}{3.321.783.241} \times 100 = 1,38$$

$$\text{Year 2020 } \frac{1.492.331.099}{10.253.433.231} \times 100 = 0,15$$

Judging from the calculation above, it can be explained that the total fixed asset turnover ratio for 2017 to 2020 has decreased. In 2017 the ratio was 1.50 times, a decrease occurred in 2018 to 1.42 times. Then in 2019 and 2020 it again experienced a significant decrease, namely 1.38 times and 0.15 times. When compared with the industry standard of 5 times, the resulting ratio is far below the industry standard so that the total asset turnover ratio is considered not good.

Discussion

Based on the results of the research described above, the discussion of financial performance in an Islamic perspective at PT. Garuda Indonesia can be seen from the results of the analysis of the solvency ratio of PT. Garuda Indonesia in the last four years, namely from 2017 to 2020, was not in a good condition, because the company had not been able to pay off its long-term debt. This is due to the large long-term liabilities that exist within the company, while the company's assets are not sufficient for the company's long-term obligations.

From the results of the analysis of the activity ratio of PT. Garuda Indonesia in the last four years, namely from 2017 to 2020, when viewed from the total asset turnover ratio and the fixed asset turnover ratio, the conditions are not good, because the lower the two ratio values each year, which means the slower the company's asset turnover.

The financial report is a record of the results of all transactions that occur at PT. Garuda Indonesia. With these records, the transactions carried out can be seen clearly and in accordance with the Islamic perspective. Likewise with the ratio of liquidity, solvency, activity and profitability, every profit or loss obtained, whether from assets, capital or income, the company is responsible for recording it, even if it is only IDR 1. As explained in Surah Al-Baqarah verse 282, namely Allah commands to record correctly all transactions that occur during the muamalah



process. From the results of these records can be used as information to find out what someone will do. With the information from the results of the records made at the time of the transaction by the party concerned, the ratio of financial statements at PT. Garuda Indonesia is in accordance with the Islamic perspective.

There are three general accounting principles contained in the Al-Quran Al-Baqarah verse 282, namely:

Principle of Accountability

Accountability will always be related to trust. During the process of recording the financial statements, recording the ratio of liquidity, solvency, activity and profitability which produces information on a state of the company's financial performance at PT. Garuda Indonesia, cannot be separated from the responsibility of someone who is assigned to make financial reports by making proper records and in accordance with transactions that occur during transactions.

Principles of Justice

The principle of justice is a very important value in ethics in social and business life. As with the records contained in the financial statements of PT. Garuda Indonesia has implemented justice, namely recording all transactions that have taken place as they should. Likewise with the ratio of liquidity, solvency, activity and profitability. The listing made by PT. Garuda Indonesia is in accordance with what has happened both in terms of assets, liabilities, revenue equity and costs incurred by the company

Principle of Truth

The principle of truth is actually inseparable from the principle of justice. As in reporting and all activities that are carried out properly and correctly. This truth can create justice in reporting all types of transactions that have occurred on the ratio of liabilities, solvency, activity and profitability, both transactions of assets, liabilities, equity, income and costs of each post have been properly and correctly entered into PT. Garuda Indonesia (Persero) Tbk.

CONCLUSION

Based on the results of the research and discussion that has been carried out in measuring financial performance at PT. Garuda Indonesia for the period 2017 to 2020, it can be concluded that the financial performance of PT. Garuda Indonesia, assessed from its solvency and activity ratios, is not good, due to the low total assets of the company and the large amount of debt that must be paid, even the debt of the company exceeds the total assets of the company. Companies also always experience losses because companies are less able to manage both revenue, total assets and total equity of the company. Financial performance in an Islamic perspective at PT. Garuda Indonesia is in accordance with Islamic accounting because it can be accounted for, and the recording of every transaction at the company is carried out fairly and is properly recorded.

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