

**Liquidity Ratio Analysis as an Assessment Tool For Measuring Financial Performance
at PT.Archi Indonesia. Tbk.**Mangasi Sinurat^{1*}, Rico Nur Ilham²Sekolah Tinggi Ilmu Ekonomi Bina Karya¹, Universitas Malikussaleh²Email: mangasisinurat621@gmail.com***ABSTRACT**

Companies must observe and analyze company performance in order to survive, one way is by analyze financial performance from the financial side of financial statements. One way to Measuring the level of performance of a company is by measuring the company's liquidity ratio. Financial performance can be seen through financial report data. This research aims to ind out the results of the liquidity ratio analysis of financial performance at PT Archi Indonesia Tbk. The analytical method used in this research is a quantitative method. The results of this research state Analysis of the liquidity ratio at PT.Archi Indonesia seen from the current ratio value, it can be seen that in 2021 the current ratio value of PT. Archi Indonesia Tbk. was found to be 39.30% and increased by 3.96% in 2022, namely 43.26%. This shows that the current ratio of PT. Archi Indonesia in 2022 is considered low/unsafe or has an impact on the company's financial performance, because to spend capital then Archi is obliged to owe another party. The quick ratio shows that in 2021 the quick ratio value of PT. Archi Indonesia Tbk. it was found to be 19.91% and in 2022 it decreased by 1.93% from 2021. In general, this ratio is considered not good and has an impact on the company's financial performance, because it is below 200%, which shows that the company does not have sufficient assets to pay its short-term obligations.

Keywords: Liquidity, Financial Performance, Assessment

INTRODUCTION

Company financial analysis is carried out using indicators in the financial statements of the company concerned. Based on the financial reports, it will be possible to calculate a number of financial ratios that are reasonable to use as a basis for assessing the performance of a company. Each financial ratio has a specific purpose and meaning. Each result of the ratio is measured and interpreted so that it becomes meaningful for decision making.

The liquidity ratio is an indicator of a company's ability to pay all short-term financial obligations at maturity using available current assets. Liquidity is not only related to the overall

financial condition of the company, but is also related to its ability to convert current assets into cash. Commonly used liquidity ratios are the current ratio, the inventory to net working capital ratio, cash ratio and quick ratio.

The assessment can be carried out over several periods so that the development of the company's liquidity can be seen from time to time. The company's ability to pay short-term obligations will provide collateral for creditors to provide further loans. By using the liquidity ratio, it is possible to determine the development of a company's current and future current assets and short-term liabilities. So it can be decided whether the company's condition is good or vice versa. Archi's business journey throughout 2022 will not only have to deal with global challenges, but also natural disasters that occurred at the beginning of the financial year. This incident had an impact on one of the pits owned by TTN, a subsidiary of the Company. Natural disasters have resulted in land subsidence, damage to roads and river bodies. At the same time, the mining wall in one of TTN's pits was damaged, resulting in river water flowing into the pit.

The Company continues to coordinate with various related parties in dealing with the impact of these natural disasters. The pit remediation process is also continuing and the Company is optimizing mining activities for the other 3 (three) pits. Until the end of 2022, heavy equipment will be active in the Araren pit which was affected by natural disasters and carrying out ore mining activities. The conditions experienced by the Company as a result of this natural disaster did not last long, considering that Archi had carried out risk mitigation early on. The Company also has an insurance policy with quite comprehensive protection regarding the risk of damage and business interruption.

Due to natural disasters, the Company's gold production performance in 2022 decreased by around 42.9% compared to the previous year. However, financial performance (revenue, profit for the year and others) is not only influenced by the decline in gold production, but also by prices. In 2022, the Company's actual gold production will be 111.1 koz, a decrease of 42.9% compared to the achievement in 2021 which reached 194.4 koz. Meanwhile, compared to the target, the achievement decreased by 24.0%. The Company also recorded lower grade production, namely 1.07 g/t, compared to the previous year's 1.93 g/t. The recovery rate in 2022 is 86.50%, slightly lower than in 2021 which reached 86.99%. Meanwhile, ore processed reached 3.7 million, higher than in 2021, namely 3.6 million tons.

The decline in gold production volume has a direct impact on sales numbers. However, this condition does not have an impact on the Company's mine life.

In 2022, the profit for the year recorded by the Company reached US\$14.5 million, a decrease of 80.69% compared to the achievement in 2021 which was US\$75.1 million. The decline in performance was caused by a natural disaster which had a negative impact on one of the pits belonging to the Company's Subsidiaries, namely the Araren pit. However, the Araren pit has started operating again at the end of 2022.

LITERATUR STUDY

Financial Management

According to James C. van Horne (2010: 5) are all activities related to the acquisition, funding and management of assets with several overarching objectives. Ernie Tisnawati Sule and Kurniawan Saefullah (2010:15) state that financial management is a management activity based on its function which essentially tries to ensure that the business activities carried out are able to achieve their objectives economically, namely being measured based on profit.

Meanwhile, according to Bringham (2010:6) financial management is the art and science of managing money, which includes processes, institutions, markets and instruments involved in the problem of transferring space between individuals, businesses and government. The Role and Function of Financial Management In a company, financial management is related to other functional areas, namely it is complementary. This means that the role of financial management in a company plays a very important role in all activities carried out by the company, namely:

1. Responsible for decisions, namely acquisition, financing, asset management.
2. Allocation of economic resources to increase economic growth.
3. Can deal with environmental changes in asset allocation.
4. Meanwhile, according to James C.van Horne (2010:6), the financial management function is divided into:
5. Decisions related to investment, namely related to the number of assets owned, then the placement of the composition of each asset, for example how much to allocate cash, fixed assets or other assets.
6. Funding is a decision related to the amount of funds provided by the company, whether in the form of debt or own capital.
7. Asset management, relates to managing assets efficiently, especially in terms of current assets and fixed assets.

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Financial Management Objectives

Efficient financial management requires goals and objectives that are used as standards in assessing the efficiency of financial decisions. According to Suad Husnan (2012:3) Social considerations regarding responsibility can be seen from four aspects, namely:

1. Normatively, the aim of financial decisions is to maximize company value. Company value is the price that prospective buyers are willing to pay if the company is sold. For companies that issue shares on the capital market, the price of shares traded on the stock exchange is an indicator of the company's value.
2. Maximizing company value (or share price) is not identical to maximizing earnings per share. This is because maximizing EPS ignores the time value of money, and does not pay attention to risk factors.
3. Thus, maximizing company value is also not identical to maximizing profit, if profit is interpreted as accounting profit. On the other hand, maximizing company value will be identical to maximizing profit in the economic sense (economic profit). This is because economic profit is defined as the amount of wealth that can be consumed without making the owner of that wealth poorer. Unfortunately, the concept of economic profit will be very difficult to apply, so that if we hear the term profit within the scope of the company, we can be sure that the meaning is accounting.
4. In this way, the objectives of financial management can actually apply to anyone, not limited to companies. It's just at the company level in several specific areas. These specialties include:
 - a. A company can be owned by more than one person.
 - b. There are regulations that apply to companies.
 - c. Use of accounting principles to record financial transactions within the company

Roles and Functions of Financial Management

According to Suad Husnan (2012:3) there are 4 main functions of Financial Management, namely:

1. Financial management concerns planning, analysis and control of financial activities. Thus, in the company, these activities are not limited to the "Finance Department".
2. Financial managers need to obtain funds from the financial market. The funds obtained are then invested in various company activities, to fund company activities. If the activity of obtaining funds means the company issues financial assets, then the activity of investing funds means the company has real assets.
3. From the activity of investing funds (called investment), the company hopes to obtain greater results from its sacrifices. In other words, it is hoped that "profit" will be obtained. The profits obtained need to be decided whether to be returned to the owner of the funds (financial markets), or reinvested into the company.
4. Thus the "financial manager" needs to make decisions about the use of funds (referred to as investment decisions), obtaining funds (referred to as funding decisions), distribution of profits (referred to as dividend policy).

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 - b. Funding is a decision related to the amount of funds provided by the company, whether in the form of debt or own capital.
 - c. Asset management, relates to managing assets efficiently, especially in terms of current assets and fixed assets.

Financial Management Reports

In the beginning, financial reports for a company were only a testing tool for the work of the bookkeeping department, but in the future financial reports were not only a testing tool but also as a basis for determining or assessing the company's financial position, where with the results of the analysis the interested parties take a decision. So, to find out the financial position of a company and the results that have been achieved by that company, it is necessary to have a financial report from the company concerned. According to Munawir (2012:2) "Financial reports are basically the result of the accounting process which can be used as a tool to communicate between financial data or activities of a company and parties who have an interest in the company's data or activities".

Objectives of Financial Reports

According to Financial Accounting Standards in Sawir (2001:2) the objectives of financial reports are as follows:

1. Providing information regarding the financial position, performance and changes in the financial position of a company which is useful for a large number of users in making economic decisions.
2. Financial reports are prepared to meet the common needs of most users, which generally describe the financial impact of past events.
3. Financial reports also show what management has done or management's responsibility for the resources entrusted to it

Nature of Financial Reports

According to Kasmir (2015:11) the recording carried out in preparing financial reports must be carried out according to applicable rules. Likewise, the preparation of financial reports is based on the nature of the financial report itself. In practice, the nature of financial reports is historical and comprehensive. Historical in nature means that financial reports are created and compiled from data from the past or a period that has passed from the present. For example, financial reports are prepared based on data from one or two or several years back (the previous year or period).

Types of Financial Reports

The types of complete financial reports according to Sujarweni (2017:12) include:

1. Balance sheet, namely a report that describes the financial position of a company which includes assets, liabilities and equity at a certain time.
2. Profit and loss report, namely a report regarding the income, expenses and profit or loss of a company in a certain period.
3. Equity changes report, namely a report that presents changes in capital due to additions and
4. deductions from profit/loss and owner transactions.
5. Cash flow report, namely a report that describes cash receipts and disbursements during a certain period. The cash flow report provides an overview of the use of cash in three parts of a company's activities related to cash inflow and outflow. The three activity sections in the cash flow statement are cash from operating activities, cash from investing activities, cash from financing activities.
6. Notes to financial reports are additional information or notes added to provide an explanation to readers of financial reports. Notes to financial statements provide assistance in explaining the calculation of certain items in the financial statements.

Financial Ratio Analysis

Financial ratios are a tool for assessing a company's performance and financial condition. In a financial report, interpretation or analysis of financial data from a company or organization includes using financial ratios. According to Sunyoto (2013:63) "Ratio analysis is an analytical technique to determine the relationship of certain items in the balance sheet or income statement individually or in a combination of the two reports."

The next definition according to Sugiono and Untung (2016:53) "What is meant by ratio analysis is a number that shows the relationship between elements in the financial report. This relationship is expressed in simple mathematical form.

So it can be further interpreted that financial ratio analysis is a technique of processing numbers contained in financial reports (balance sheet and profit and loss statement) to show a

relationship between the conditions of the financial statements. According to Fraser in Sugiono and Untung (2016:56), Financial ratios can be classified as follows.

1. Liquidity ratio (short-term solvency), which measures the company's ability to meet cash needs. Consisting of the current ratio, quick ratio, cash flow liquidity ratio.
2. The activity ratio (asset management efficiency), which measures the liquidity of certain assets and the efficiency of asset management, consists of: Average collection of receivables (account receivable in days), turnover of receivables (account receivable turn over), inventory turnover (inventory turn over), fixed asset turnover (fixed asset turn over), total asset turnover (asset turn over).
3. Leverage ratio (debt spending and repayment), which measures the extent to which spending is done with debt compared to capital, and the ability to pay interest and other fixed expenses. Consists of: Debt to equity, TIER, fixed charge coverage, cash flow adequacy.
4. Profitability ratio (efficiency and overall performance), which measures the company's overall performance and efficiency in managing assets, liabilities and wealth. Consists of: Gross profit margin, operating profit margin, net profit margin, cash flow margin, ROA, ROE, and cash return on assets.

Liquidity Ratio Analysis

According to Fahmi (2014:59) "liquidity ratio is the ability of a company to fulfill its short-term obligations in a timely manner". The liquidity ratio or often also called the working capital ratio is a ratio used to measure how liquid a company is. The method is to compare the components on the balance sheet, namely total current assets with total current liabilities (short-term debt). The assessment can be carried out over several periods so that the development of the company's liquidity over time can be seen. There are two results of the assessment of the liquidity ratio measurement, namely, if the company is able to fulfill its obligations, the company is said to be in a liquid state. On the other hand, if the company is unable to fulfill these obligations, it is said to be in an illiquid state. Liquidity ratios are ratios that measure a company's ability to meet its short-term obligations. This ratio is important because failure to pay short-term obligations can cause company bankruptcy. This ratio measures the company's short-term liquidity capability by looking at the company's current assets against its current liabilities (the debt referred to here is the company's liabilities).

Objectives of Liquidity Ratios

As explained above, it can be seen that the purpose of liquidity ratio analysis is to see the company's ability to pay short-term obligations on time

Liquidity Ratio Formulas

There are many liquidity ratio formulas, but here the researcher will only use four formulas. The formulas are as follows:

a. Current Ratio or Current Ratio

The current ratio is a ratio that looks at the company's ability to pay all its current liabilities using all its current assets. According to Irham Fahmi, the current ratio is a commonly used measure of short-term solvency, the ability of a company to meet debt needs when they mature. This current ratio has the weakness, namely that it only roughly explains the company's ability to pay its short-term obligations, so, according to Irham Fahmi, it needs support from a more comprehensive qualitative analysis. Regarding the health standards of liquidity ratios, Irham Fahmi said that the condition of a company that has a good current ratio is considered a good

and good company, but if the current ratio (current ratio) is too high it is also considered not good. Irham Fahmi quotes the opinion of Samuel C. Weaver and J. Fred Weston, that every extreme value can indicate a problem. In relation to the above, Irham Fahmi gave an example, namely that a current ratio of 8.00 could indicate a cash hoard, large amounts of uncollectible receivables, a buildup of inventory, not from the government and low short-term loans.

For managers, a high current ratio is considered good and creditors because it is considered safer in paying or paying off short-term obligations, but for shareholders it is considered less good because, as seen from the description above, a high current ratio is an indication Companies, especially company managers, are less able to manage current assets well and effectively in generating company profits.

The formula for the current ratio is as follows.

$$\text{Current Ratio} = \frac{\text{Current Asset}}{\text{Current Liabilities}}$$

Information :

- a) Current assets or also known as current assets are the total current assets in one period.
- b) Current liabilities or also known as current liabilities are the total current liabilities in one period.
- c) The industrial health standard or industry average used in this research is 2: 1. Or 200%. If it is below 200% then it can be said to be ill-liquid. This means that current assets are said to be healthy or liquid if they are twice the current liabilities.

b. Quick Ratio or Quick Ratio

The quick ratio is a ratio that measures a company's ability to pay its short-term liabilities with short-term assets minus inventory. This is because inventory takes longer to be cashed in or turned into cash assets. The standard quick ratio is 1:1 or 100% which can be said to be liquid. 10 then if it is below 100%, it can be said to be ill-liquid. The formula is as follows:

$$\text{Quick Ratio} = \frac{\text{Current Asset} - \text{Inventory}}{\text{Current Debt}}$$

c. Cash Ratio or Cash Ratio

The cash ratio is a ratio that measures a company's ability to pay its short-term obligations using cash. This ratio is said to be healthy if it is not below 50%. 11 However, if it is too high, as explained above, there are indications, one of which is cash hoarding, meaning that cash is not used properly and effectively in producing 10 Bambang Riyanto. Basics of Company Expenditures. (Yogyakarta : BPFE, 2001), p. 27 11 Cashmere. Analysis of financial statements. (Jakarta : PT. Raja Grafindo Persada, 2008), p. 140 profit.

So, to be able to strengthen or clarify the fairness of a high or low quick ratio, one of the cash turnover ratios can be used. The cash ratio formula is:

$$\text{Cash Ratio} = \frac{\text{cash}}{\text{Current liabilities}}$$

d. Net working capital ratio

Working capital is a measure of a company's liquidity. Sources of working capital are net income, increases in non-current liabilities, increases in shareholders' equity and decreases in non-current assets.

The formula is: Net working capital ratio = current assets - current liabilities

e. Inventory to Net Working Capital Ratio

This ratio is used to measure or compare the amount of inventory in the company's working capital. Working capital consists of a reduction between current assets and current liabilities.

The formula is as follows:
$$\text{Net working capital ratio} = \frac{\text{inventory}}{\text{Net working capital}}$$

This ratio is said to be healthy if the ratio is at least 12%, 14 then if it is below 12%, the condition of the net working capital ratio is said to be ill-liquid and if it is at least and above 12% then it can be said to be liquid.

Company Financial Performance

Financial performance is a form of assessment based on the principles of benefit and efficiency in the use of financial budgets. Through financial performance, companies can evaluate the efficiency and effectiveness of company activities in a certain time period. Financial performance is also useful as a consideration for investors or external parties when investing their capital in a company. According to Kurniasari (2014:12), financial performance is work performance in the financial sector that has been achieved by the company and is stated in the company's financial reports. The financial performance of a company can be assessed using analytical tools. Meanwhile, according to IAI (2015:69) financial performance is the company's ability to manage and control the resources it has. Measuring financial performance is seen by analyzing and evaluating financial reports, information on financial position and financial performance as well as future performance through calculating financial ratios that link data. finance, namely the balance sheet and profit and loss statement. The financial ratio values will later be compared with existing benchmarks. Financial ratio analysis is used by management for planning and evaluating company achievements or performance.

To decide whether a business entity or company has good quality, there are two most dominant assessments that can be used as a reference to see whether the business entity/company is implementing good management principles. This assessment can be done by looking at financial performance and non-financial performance. Financial performance looks at the financial reports of the business entity/company concerned and is reflected in the information obtained from the balance sheet, profit and loss report and cash flow report as well as other things which also support the assessment of financial performance. Financial ratios are one of the tools used to measure a company's financial performance.

METHOD

Types and Sources of Data

The type of data used in this research is quantitative data. Sugiyono (2016) stated that quantitative methods are research methods based on the philosophy of positivism, used to research certain populations or samples. The structure of quantitative research data is data in

the form of numbers or data measured on a numerical scale in the form of PT's balance sheet and profit and loss report. Archi Indonesia Tbk which is presented in several periods. In accordance with the opinion expressed by Brigham Houtson (2010: 86), the annual report presents four basic financial reports: balance sheet, profit and loss statement, retained earnings report and cash flow report. When presented together with all these reports, it provides an accounting overview of the company's operations and financial position.

The data source used is, according to Sugiyono (2018:456), secondary data, namely data sources that do not directly provide data to data collectors, for example through other people or through documents. The source of collecting data variables is secondary. Where the data obtained is already available on the internet. For financial report data of PT. Archi Indonesia Tbk downloaded from the site www.idx.co.id. Meanwhile, other data such as a brief history and the condition of the company are obtained from the company's official website. Data is all relative facts and figures that can be used as material for compiling information. The use of data is to find out and obtain an overview of a situation. This research uses secondary data where financial report data is taken from the Indonesia Stock Exchange (BEI). www.idx.co.id. The data is in the form of financial reports which are the object of this research, which consist of balance sheets and profit and loss reports for the period 2021 - 2022. The data source used was obtained directly, namely by using financial report documents of Retail Trade Subsector companies listed on the Indonesia Stock Exchange.

Research Objects

According to Sugiyono (2017:41) the object of research is as follows: The object of research is a scientific target to obtain data with a certain purpose and use about something objective, valid and reliable about something (certain variables).

The object of this research is PT. Archi Indonesia Tbk. engaged in mining minerals such as gold and silver. This research was conducted to measure financial performance at PT. Archi Indonesia Tbk.

Population and Sample

According to Sugiyono (2017: 80), the definition of population is: "A generalized area consisting of objects and subjects that have certain quantities and characteristics determined by the researcher to be studied and then conclusions drawn."

From the definition above, it can be concluded that population is in the form of objects, events that occur as objects or targets of research. Thus, the population data used in this research is PT financial report data. Archi Indonesia Tbk 2021 – 2022.

The definition of sample according to Sugiyono in the book Research Methods (2017:81) is as follows: "Part of the number and characteristics possessed by the population. "If the population is large, and it is impossible for researchers to study everything in the population, for example due to limited funds, personnel and time, then researchers can use samples taken from that population."From the definition above, the author can conclude that the sample is a portion of the population where the number is determined by calculating certain formulas. Therefore, this research uses a sample of financial report data, namely the profit and loss report and annual balance sheet of PT. Archi Indonesia Tbk for the period 2021 – 2022.

Data Collection Techniques

In this research, the method used for data collection is as follows:

Library Research

1. Is a method of collecting data from books, notes related to the topic being researched, as well as information about similar research to search for the theories in question.
2. Documentation
It is a method of collecting data by recording and studying documents or archives related to the problem being studied, namely financial ratio analysis. Data collection was carried out by collecting PT financial report data. Archi Indonesia Tbk, which is the object of research for the 2021 – 2022 period.

Research Variables

In the research conducted, the author used 2 variables. These two variables are the independent variable and the dependent variable. The independent variable (independent) is a variable that influences the dependent variable used in this research is financial performance. Meanwhile, the independent variable used in this research is the Liquidity ratio. These variables will be explained as follows:

1. Y = Financial Performance
Financial performance is a formal effort that has been carried out by a company that can measure the company's success in generating profits, so that it can see the prospects, growth and potential for good development of the company by relying on existing resources.
2. X = Liquidity Ratio
Liquidity Ratios are ratios that describe a company's ability to meet its short-term obligations that are due soon.

RESULTS AND DISCUSSION

Brief History of Pt. Archi Indonesia Tbk

Archi Indonesia is one of the largest pure-play gold producers in Indonesia and Southeast Asia. Headquartered in Jakarta, Archi Indonesia is majority owned by PT Rajawali Corpora, a leading investment holding company in Indonesia with a diverse multi-industry business portfolio and a proven track record in building world-class operations and creating shareholder value.

PT Archi Indonesia Tbk. (ARCI) was founded on September 14, 2010. Archi, through its subsidiary entities, PT Meares Soputan Mining (MSM) and PT Tambang Tondano Nusajaya (TTN) first carried out ore mining activities in January 2011 at the Toka Tindung Gold Mine, North Minahasa Regency, North Sulawesi Province Archi owns 100% of the Toka Tindung Gold Mine, a pure gold mine located approximately 35km North East of Manado, the capital of the province of North Sulawesi, Indonesia, through its wholly owned subsidiaries – PT Meares Soputan Mining (“MSM”) and PT Tambang Tondano Nusajaya (“TTN”).

Archi has a long and proud history in carrying out exploration, discovery, development and operational activities. Since its establishment in 2010 and its first gold production (gold pouring) in 2011, through the Toka Tindung Gold Mine, Archi has succeeded in producing around 1.9 million ounces of gold until 2020, supported by a Processing Factory with a capacity of 3.6 million tons per year. This is done in line with various cost reduction initiatives and sustainable operational activity standards. Rajawali has played an important role in Archi's growth and development since Rajawali joined in 2009, where Rajawali has helped and supported Archi in establishing good relationships with the authorities, both at regional and

national levels. Archi has also developed its business portfolio, by introducing Lotus Archi, with the current brand "Emas Merah Putih", through PT Elang Mulia Abadi Perfect ("EMAS") as a downstream business to penetrate the retail consumer sector. This adds to the list of Archi's other great subsidiaries at the moment: PT Karya Kreasi Mulia ("KKM"), PT Jasa Pertambangan Perkasa ("JPP") and PT Geopersada Mulia Abadi ("GMA"). These various new business expansions are in line with Archi's vision, namely to become a leading, cost-effective and fully integrated world-class gold mining company in Southeast Asia.

Research Description

Basically, there are various techniques for measuring or assessing a company's financial performance, one of which is using the ratio analysis technique of the company's financial statements. Ratio analysis is widely used because the results are considered to be more accurate compared to other techniques and it is also easy to do, it just requires the company's financial report for the year you want to analyze. This ratio analysis is used as evaluation material and as a measuring tool for the company in the future. In this research, the author uses the Liquidity ratio. The company's financial reporting period used is for the last 2 years, namely 2021 - 2022 for mineral mining companies such as gold and silver which are listed on the Indonesian Stock Exchange, namely PT. Archi Indonesia Tbk.

The financial report data used is as follows:

1. Statement of financial position (Balance Sheet)
2. Income statement

Financial Ratio Analysis

In this study, researchers examined at PT. Archi Indonesia Tbk. The 2021-2022 period uses dividend payout ratio data, which is a measuring tool for dividend policy. Next, the company's financial performance is analyzed using ratios, namely the liquidity ratio, as follows:

1. Current Ratio (Current Ratio)

$$\frac{\text{aktiva lancar}}{\text{hutang lancar}} \times 100 \%$$

Year	Current asset	Current liabilities	Current Ratio Calculation Results
2021	Rp.79,159,781	IDR 201,424,186	39.30%
2022	Rp.87,174,516	IDR 201,502,683	43.26%

Based on the table, it can be seen that in 2021 the current ratio value of PT. Archi Indonesia Tbk. was found to be 39.30% and increased by 3.96% in 2022, namely 43.26%. This shows that the current ratio of PT. Archi Indonesia in 2022 is considered low/unsafe or has an impact on the company's financial performance, because to spend capital then Archi is obliged to owe another party.

2. Quick Ratio (Quick Ratio)

The quick ratio is a ratio that shows the company's ability to meet its short-term obligations that are due soon using very current assets (cash + short-term securities + receivables), without taking into account the inventory of merchandise and other current assets (such as equipment and prepaid expenses).

$$\frac{\text{aktiva lancar-persediaan}}{\text{hutang lancar}} \times 100\%$$

Year	Current asset	Current liabilities	Supply	Quick Ratio Calculation Results
2021	Rp.79,159,781	IDR 201,424,186	Rp.39,053,742	Rp.19.91%
2022	Rp.87,174,516	IDR 201,502,683	Rp.50,930,188	Rp.17.98%

Based on the table, it can be seen that in 2021 the quick ratio value of PT. Archi Indonesia Tbk. it was found to be 19.91% and in 2022 it decreased by 1.93% from 2021. In general, this ratio is considered not good and has an impact on the company's financial performance, because it is below 200%, which shows that the company does not have sufficient assets to pay its short-term obligations.

Impact of Ratio Analysis Produced by the Company

By evaluating the current ratio, investors and creditors can get an idea of how well the company is handling its short-term obligations. As a general rule, the higher the current ratio, the better the company's ability to meet its short-term obligations. The results of research from the consolidated financial position report of PT Archi Indonesia on December 31 2021 can be obtained at a current ratio of 39.30%. And the results of the current ratio research in 2022 can be obtained at 43.26%. This shows that PT Archi Indonesia's current ratio in 2021 and 2022 is considered low or unsafe because in order to spend capital, PT Archi Indonesia must owe debt to others.

The higher the Quick Ratio, the better the company's ability to meet its short-term obligations without relying on inventory sales, and vice versa. Based on research results from the consolidated financial position report of PT Archi Indonesia on December 31 2021, the quick

ratio can be obtained at IDR 19.91%. And the results of the quick ratio research in 2022 can be obtained worth IDR 17.98%. In general, this ratio is considered not good because it is below 200%, which indicates that the company does not have sufficient assets to pay its short-term obligations.

CONCLUSION

From the results of the research and discussion, conclusions can be drawn regarding the assessment of PT's financial performance. Archi Indonesia as follows:

1. Analysis of the liquidity ratio at PT. Archi Indonesia seen from the current ratio value, it can be seen that in 2021 the current ratio value of PT. Archi Indonesia Tbk. was found to be 39.30% and increased by 3.96% in 2022, namely 43.26%. This shows that the current ratio of PT. Archi Indonesia in 2022 is considered low/unsafe or has an impact on the company's financial performance, because to spend capital then Archi is obliged to owe another party.
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