TIMOR LOROSA'E JOURNAL OF BUSINESS AND INNOVATION (TORBIN)

Volume 01, Issue 01, November 2024
https://jurnal.iob.edu.tl

FINANCIAL REPORT ANALYSIS IN ASSESSING THE FINANCIAL PERFORMANCE OF AUTO TOYOTA TIMOR LESTE COMPANY

Filomena Soares Babo[a]*, Ni Luh Putu Wiagustini[b], Mateus Ximenes[c]
[a,b,c] *Instutute of Business (IoB) Dili, Timore Leste*
**Corresponding author*

ABSTRACT

This study aims to determine the company's financial performance as assessed by financial ratio analysis at Auto Toyota Timor-Leste company from 2019 to 2022. The data analysis method used is a quantitative descriptive method using liquidity ratio measurements, activity and profitability. based on the results of the liquidity ratio study in the 2019-2022 period, it can be said that the liquidity ratio increases every year so that the company's condition is categorized as good (liquid). Based on the activity in the 2019-2022 period, it is quite good where every year there is an increase, this condition must be maintained so that the use of company assets is more effective and efficient. Meanwhile, based on Profitability in the period 2019-2022, this shows an increase in profits or profits generated in the company from year to year so that it can be said that the company's condition is in a good and safe position.

KEYWORDS: Financial Ratios, Financial Reports, Financial Performance

I. INTRODUCTION

The rapid development of technology has led to an increase in expertise in analyzing financial reports. Therefore, managers are required to select information from a wide network to find out the company's current financial condition and estimated future conditions. However, analyzing financial reports will help stakeholders in selecting and evaluating information and only focus on that information, so that each company can increase their respective competitiveness, but in essence almost all companies experience the same period, namely how to allocate resources that have effectively and efficiently to achieve the company's goals, namely obtaining maximum profit to maintain existence. According to Kantarelis' theory (2007), a company exists because of the following: First: The company is able to identify consumer needs and build or find methods to meet those consumer needs. Second: The company is able to make the right decisions in accessing input so that it can produce. Third: The company provides the best incentives for the company's stakeholders. Fourth: The company consistently and in a planned manner, seeks to develop itself by creating strategic, organizational, and competitive advantages.

Financial reports are a source of information regarding the company's financial position and financial performance. The financial data is further compared so that information can be obtained that can support the decisions made. This financial report must describe all relevant data and procedures have been established so that the financial report can be compared so that the level of analysis accuracy can be accounted for. Manawir (2002.20), stated that financial reports are basically the result of an accounting process that can be used as or to communicate between financial data or company activities with parties interested in the company data or activities.

Financial Performance is a tool to measure the financial performance of a company through its capital structure. The benchmark used in financial performance depends on the position of the company. The assessment of the company's financial performance must know its output and input. Output is the result of an employee's performance, while input is the result of a skill used to obtain the result. Financial performance is an analysis carried out to see how far a company has implemented using good and correct financial implementation rules. However, the level of a company's ability to compete by the company's performance itself. The increasingly rapid economic development and the large number of companies in the business world, it is very important for managers to determine both short-term and long-term policies. Financial performance is the result of decisions made continuously by management, therefore to assess the company's published financial performance which is made in accordance with generally accepted principles, and also in the analysis of the most available financial statements for that purpose.

Financial statement analysis is a thoughtful process in order to help evaluate the financial position and results of a company's operations in the present and past, with the aim of determining the most likely elimination and prediction regarding the company's condition and performance in the future. Analysis of a company's financial statements is basically to determine the level of financial performance based on ratio analysis that can be seen from the financial ratio. profitability, solvency level, liquidity level and activity level of a company. Financial ratio is comparing the numbers in the financial statements to determine the financial position of a company and assess financial performance in a certain period according to Harahap (2016), the ratio is a number obtained from the results of comparing one financial statement item with another item that has a relevant and significant relationship. Comparisons can be made between one component and another in one financial statement or between components in the financial statements. The results that are compared can be in the form of numbers in one period or several periods. Financial ratio analysis is a way of analyzing using calculations or comparisons of quantitative data shown in the balance sheet or profit and loss. According to Hery (2018), financial ratio analysis is an analysis carried out by connecting various thoughts in the financial statements in the form of financial ratios.

Financial ratio analysis helps determine the level of a company's financial performance, whether it is good or otherwise. Ratio analysis can be classified into various types, some of which are liquidity, activity and profitability ratios. The level of liquidity shows the extent to which a company is able to meet its short-term obligations with the guarantee of its current assets. Meanwhile, the level of activity measures the effectiveness of a company in using its assets. The level of profitability shows the extent to which a company is able to generate profits with the capital it has. Are companies that appear large able to state the effectiveness of the company's performance? quoted in accordance with the statement of Financial Accounting Standards (SAK) No. 1 (revised 2009) concerning the presentation of financial statements.

The Auto Toyota company is a company engaged in the automotive trade sector, the main objective of the Auto Toyota company in its business activities is to seek profit, with the profit obtained, it will be better able to improve its operational activities, especially to increase its sales volume so that its profitability level increases. However, with the increase in profitability, it will be better able to distribute profits/dividends to owners (Shareholders) who have invested their funds in the company. Given the importance of financial reports for a company, the study took the initiative to choose the object of research at the Auto Toyota company. The Auto Toyota company is a trading company engaged in sales. Based on observations, identifying various phenomena that indicate that the financial performance of the Auto Toyota Timor-Leste company shows good and maximum performance, but in terms of its financial reports it is less than optimal, the inventory of goods in the warehouse causes maintenance costs to be high. This is because it is the reason for researchers to choose the Auto Toyota company as the object of research now in 2024.

Empirically, the financial report is a parameter for assessing the level of a company's financial performance, namely through financial ratio analysis. This financial ratio analysis is very helpful in assessing the strengths and weaknesses of past financial performance and its prospects in the future. Financial ratio analysis can also be measured whether the company can pay its short-term obligations, whether the amount of receivables in the company is rational enough, how efficient and effective the utilization of all assets owned by the company is, and how the company's ability to earn profits.

A. Problem Formulation

Based on the background, the assessment formulates the following problem: How is the financial report of the Auto Toyota Timor-Leste company based on the Liquidity, Activity and Profitability ratios to assess the financial performance of the Auto Toyota Timor-Leste Company in 2019 - 2022?

B. Research Objectives

Based on the formulation of the problem, the purpose of this study is to analyze the financial report of the Auto Toyota Timor-Leste company based on the Liquidity, Activity and Profitability ratios to assess the financial performance of the Auto Toyota Timor-Leste Company in 2019 - 2022.

C. Benefits of Research

This research has benefits, both theoretically and practically, Theoretical Benefits are long-term in the development of the theory of Financial Reports and Financial Performance. Practitioner Benefits have a direct impact on the components of the Financial Report and Financial Performance.

II. LITERATURE REVIEW

A. Definition of Financial Reports

In practice, financial statements by companies are made and compiled in accordance with applicable rules and standards. This is necessary so that financial statements are easy to read and understand. However, it can provide information for parties who need and are interested in financial statements according to Irham Fahmi, (2011:22) financial statements are information that describes the condition of a company, which will then become information that describes the performance of a company. Meanwhile, Munawir in Irham Fahmi, (2011:22) said, "Financial statements are a very important tool for obtaining information regarding the financial position and results achieved by the company concerned." Thus, financial statements are expected to help users make financial economic decisions.

B. Definition of Financial Ratio

Horne in Kasmir (2012:104), Ratio is an index that connects two accounting numbers obtained by dividing one number by another. Financial ratios are used to evaluate the financial condition and performance of a company, from the results of the financial ratio, the health condition of the company concerned can be seen. So the financial ratio is an activity and compares the numbers in the financial report by dividing the number and other numbers. Comparisons can be made between components in a financial report.

Subranyam (2005:36), Financial ratio is a number obtained from the results of a comparison of one financial report item with another item that has a relevant and significant relationship. Financial ratios simplify information that describes the relationship between these items. With this simplification, users of financial reports can quickly assess the relationship between these items and can compare them with other ratios so that information can be obtained and assessments can be made. Wisely when the expert argues above that discussing financial ratio analysis, the author concludes that financial ratio analysis is very important in a company because the ratio is a tool to measure financial value, therefore the ratio is a condition of the company's health.

Based on the data source, it is divided into three types of ratio numbers, namely:

Balance sheet ratio which is included in this category is all ratios whose data is taken or sourced from the balance sheet.

Income statement ratio, namely the numbers that in compiling all data taken from the income statement, for example GPM, Net Operating Margin, Operating Ratio.

Inter-statement ratio is all ratio numbers that compile data from the income statement, for example the level of receivables turnover.

C. Definition of Financial Performance

Fahmi (2011:2) financial performance is an analysis conducted to assess the extent to which a company has implemented it properly and correctly. Husnan and Pudjiastuti (2004:200) a financial analyst requires a certain measure, the most frequently used is the ratio or index that shows the relationship between financial data.

Muchlis (2000:44) Financial performance is the financial achievement reflected in the company's financial statements, namely the balance sheet and profit/loss and financial performance describes the company's business (operating income). Mulyadi (1997:419), Financial performance is the periodic determination of the operational effectiveness of an organization, organizational divisions and its employees based on previously set targets, standards and criteria.

From the definition above, it can be concluded that the company's financial performance is an achievement or real result achieved by a business entity in a certain period that can reflect the level of financial health of the business entity and is used to indicate the achievement of positive results.

In terms of financial management, a company is said to have good performance or not can be measured by (Sugiono, 2009: 65):

The company's ability to meet obligations (debt) that will mature (Liquidity).

The company's ability to structure funding, namely the ratio between debt and capital (leverage).

The company's ability to make a profit (profitability)

The company's ability to develop (growth) and

The company's ability to manage assets optimally (activity).

D. Conceptual Framework

In this proposal research, the researcher can develop a conceptual framework (Figure 1) that describes the analysis of financial reports to assess the company's financial performance using financial ratios.

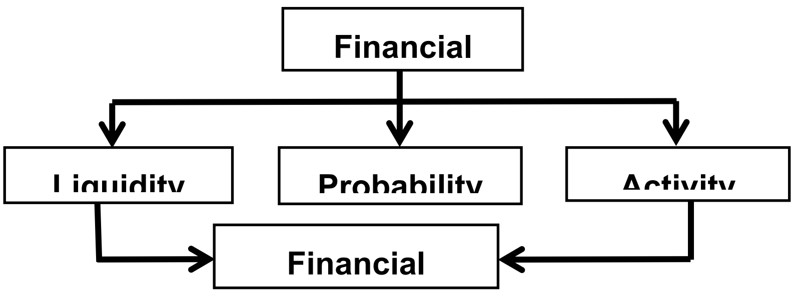

Figure 1. Conceptual Framework

III. RESEARCH METHODOLOGY

A. Type of Research

This type of research is quantitative descriptive research, namely a type of research based on numbers, starting from data collection, interpretation of data and the appearance of the results, (Arikunto, 2015:16).

B. Operational Definition of Variables and Measurement

In this study, the research variables include: Liquidity, Profitability, Activity.

Liquidity

Liquidity is the ability of the Auto Toyota Dili Company, Timor-Leste to pay its short-term obligations in the period 2019 to 2022. The formula used includes (Kasmir; 2018:130).

1. Current Ratio = (Current Assets) / (Current Liabilities) x100%

2. Quick Ratio = (Current Assets-Inventory) / (Current Liabilities) x100%

Profitability

Profitability is a ratio to assess the ability of the Auto Toyota Dili Company, Timor-Leste in seeking profits in the period 2019 to 2022. So the profitability formula used includes (Kasmir 2018:196).

1. Gross Profit Margin = (Gross Profit) / Sales x 100%

2. Net Profit Margin = (Net Profit-tax) / Sales x 100%

3. Return On Asset (R0A) = (Net Profit) / Assets x 100%

Activity

Activity is a ratio used to assess how effective a company is in utilizing all of its assets or resources in carrying out daily activities (Kasmir (2019: 174). So there are four (4) formulas used as follows:

1. Average age of receivables

The average age of receivables looks at how long it takes to pay off receivables (change receivables into cash). The longer the average receivables, the greater the funds that are known in receivables.

Average Age of Receivables = Receivables / Sales x 100%

2. Inventory turnover

Inventory turnover can be calculated as follows:

Turnover Inventory = (Cost of Inventory) / Inventory x 100%

3. Fixed Asset Turnover

This ratio measures the extent to which a company is able to generate sales based on the fixed assets owned by the company. This ratio shows the extent to which the use of fixed assets is effective.

Fixed Asset Turnover = Sales / (Fixed Assets) x 100%

C. Data Analysis Techniques

The analysis technique used is quantitative descriptive analysis to assess the company's financial performance, so data analysis is the process of simplifying data into a form that is easier to read and interpret. In this study, the data analyzed came from financial reports, consisting of balance sheet data and income statements for four periods.

The stages of data analysis can be detailed as follows:

Measuring the company's financial performance using financial ratios in 2019-2022. Calculating the financial ratios of PT. Auto Toyota Dili, Timor-Leste

Analyzing and interpreting the financial ratios of PT. Auto Toyota Dili, Timor-Leste, by comparing from 2019 to 2022.

Conducting a comprehensive assessment of the company's financial performance from the results of the financial ratio analysis using time series analysis.

Tabler 1. Financial Ratio Industry Standards

No	Type Ratio	Industry Standards
	Liqudity ratio	
1	Current Ratio	2 kali
2	Quick Ratio	1,5 kali
	Activity ratio	
1	Average Age of Receivables	7,2 kali
2	Inventory Turnover	3,4 kali
3	Fixed Asset Turnover	5 Kali
	Probability ratio	
1	GPM (Gross Profit Margin)	30 %

2	NPM (Net Profit Margin)	20 %
3	ROA (Return On Asset)	30 %

Source: Kasmir 2015 & Lukviarman 2006;36

IV. RESULTS AND DISCUSSION

The results of processing secondary data show that the percentage levels of Liquidity, Solvency, Activity and Profitability to measure the level of financial performance at the Auto Toyota Timor-Leste company, starting from 2019 - 2022 are stated in the explanation below, as follows:

1) Liquidity Ratio Analysis

The data analysis technique used in this study is the financial ratio, namely the Liquidity ratio fahmi (2011: 121), the liquidity ratio is a ratio that regulates the company's ability to meet short-term obligations. as below:

$$\textbf{1. Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}} \boldsymbol{x}\textbf{100}\%$$

Year 2019 $= \frac{3.507.928{,}27}{523.344{,}70} X\ 100\% = 670{,}2\%$

Year 2020 $= \frac{3.696.521{,}98}{523.344{,}70}\ X\ 100\% = 706{,}3\%$

Year 2021 $= \frac{3.816.536{,}38}{429.534{,}08}\ X\ 100\% = 888{,}5\%$

Year 2022 $= \frac{3.844.851{,}24}{226.619{,}79}\ X\ 100\% = 1.696\%$

Table 2. *Current Ratio* year 2019-2022

Year	Current Assets (a)	Current Liabilities (b)	Current Ratio (c = a/b)	Standard
2019	3.507.928,27	523.344,70	670,2 %	2 x (200%)
2020	3.696.521,98	523.344,70	706,3 %	
2021	3.816.536,38	429.534,08	888,5 %	
2022	3.844.851,34	226.619,79	1.696 %	

So from the results of 4 years Current ratio always increases to meet short-term obligations. This means that every US$. 1.00 current debt in these 4 years is guaranteed by (6.702%), (7.063%), (8.885%), and (16.96%) by current assets. So, when viewed from the Current Ration value, it can be concluded that the Auto Toyota Timor-Leste company is better than the industry ratio standard of 2 times (200%).

$$\textbf{2. Quick Ratio} = \frac{\boldsymbol{Aktiva\ Lancar - Persedian}}{\boldsymbol{Hutang\ Lancar}} \boldsymbol{x}\textbf{100}\%$$

Tahun 2019 $= \frac{3.507.928.27-1.713.053,00}{523.344,70} X\ 100\% = 350{,}7\%$

Tahun 2020 $= \frac{3.696.521,98-1.593.139,29}{523.344,70} X\ 100\% = 369{,}6\%$

Tahun 2021 $= \frac{3.816.536,38-1.541.747,70}{429.534,08} X\ 100\% = 381{,}6\%$

Tahun 2022 $= \frac{3.844.851,24-1.541.747,70}{226.619.79} X\ 100\% = 384{,}4\%$

Table 3. *Quick Ratio* Year 2019-2022

Year	Current Assets - Inventories (a)	Current Liabilities (b)	Quick Ratio (c = a/b)
2019	3.507.928,27 - 1.713.053,00	523.344,70	350,7%
2020	3.696.521,98 - 1.593.139,23	523.344,70	369,6%
2021	3.816.536,38 - 1.541.747,70	429.534,08	381,6%
2022	3.844.851,34 - 1.541.747,70	226.619,79	384,4%

This means that US$. 1.00 of current liabilities in these 4 years are guaranteed by (350.7%), (369.6%), (381.6%) and (384.4%) by current assets (Hery, 2015:184).

So, when viewed from the Quick Ration value, it can be concluded that the Auto Toyota Timor-Leste company is better or greater than the industry ratio standard of 1.5 times or 150%

Activity Ratio Analysis

This ratio looks at the company, then determines some level of activity of those assets at a certain level of activity. Low assets at a certain level of sales will result in greater

$\textbf{Average Age of Receivables} = \frac{\textbf{receivables}}{\textbf{sale}}\textbf{x100\%}$

Year 2019 $= \frac{659.524,81}{5.050.163,47} X\ 100\% = 13{,}05\%$

Year 2020 $= \frac{568.592,44}{2.926.246,00} X\ 100\% = 19{,}43\%$

Year 2021 $= \frac{682.310,93}{9.752.763,24} X\ 100\% = 6{,}99\%$

Year 2022 $= \frac{921.639,20}{10.646.141,47} X\ 100\% = 8{,}65\%$

Table 4. *Rata-rata Umur Piutang* Year 2019-2022

Year	**Receivables** (a)	Sale (b)	**Average Age of Receivables** (c = a/b)

2019	659.524,81	5.050.163,47	13.05%
2020	568.592,44	2.926.246,00	19,43%
2021	682.310,93	9.752.763,24	6,99%
2022	921.639,20	10.646.141,47	8,65%

So, when viewed from the Total asset turnover value, it can be concluded that the Auto Toyota Timor-Leste Company is better compared to the Industry ratio standard of 7.2 times, but in 2021 it decreased when compared to the total industry ratio standard of 7.2 times.

2) $\textbf{Inventory Turnover} = \frac{\textbf{Cost of Goods Sold}}{\textbf{Supply}}$**x100%**

Year 2019 $= \frac{4.454.698,20}{1.593.139,29}\ X\ 100\% = 279,6\%$

Year 2020 $= \frac{2.306.061,95}{1.541.747,70}\ X\ 100\% = 149,5\%$

Year 2021 $= \frac{8.535.266,72}{1.387.572,93}\ X\ 100\% = 615,1\%$

Year 2022 $= \frac{9.843.616,26}{1.079.223,39}\ X\ 100\% = 912,1\%$

Table **5. Inventory Turnover** year 2019-2022

Year	Cost of Goods Sold (a)	Supply (b)	HPP (c = a/b)
2019	4.454.698,20	1.593.139,29	279,6%
2020	2.306.061,95	1.541.747,70	149,5%
2021	8.535.266,72	1.387.572,93	615,1%
2022	9.843.616,26	1.079.223,39	912,1%

So, when viewed from the ITO value, it can be concluded that the Timor-Leste Auto Toyota Company. In 2021 and 2022 it is better than the Total Industry standard ratio of 3.4 times, while in 2019 and 2020 depreciation increased because the company could not manage HPP properly.

3). $\textbf{Fixed Asset Turnover} = \frac{\textbf{Sale}}{\textbf{Fixed assets}}$**x100%**

Year 2019 $= \frac{5.050.163,47}{353.163,68}\ X\ 100\% = 1.429\%$

Year 2020 $= \frac{2.926.246,60}{310.297,68}\ X\ 100\% = 943,0\%$

Year 2021 $= \frac{9.752.763,24}{267.431,68}\ X\ 100\% = 3.646\%$

Year 2022 $= \frac{10.646.141,47}{224.565,68}\ X\ 100\% = 4.740\%$

Table 6. **Fixed Asset Turnover** Year 2019-2022

Year	Sale (a)	Fixed Asset (b)	PAT (c = a/b)
2019	5.050.163,47	353.163,68	1.429%
2020	2.926.246,60	310.297,68	943,0%
2021	9.752.763,24	267.431,68	3.646%
2022	10.646.141,47	224.565,68	4.740%

And it can be proven by the ability of assets to generate company profits, which is proven by the increasing net profit value. So, when viewed from the FATO value, it can be concluded that the Auto Toyota Timor-Leste Company in 20219 to 2022 has a fluctuating financial performance of the company is better than the Total Industry standard ratio of 5 times.

3) Profitability Ratio Analysis

Irham Fahmi (2011:135) Profitability Ratio uses the company's ability to gain profit through all its capabilities and existing sources such as sales activities, cash, equity, number of employees, number of branches and so on.

$\mathbf{1).\ Gross\ Profit\ Margin} = \frac{\mathbf{Gross\ profit}}{\mathbf{Sale}}$ **x 100%**

Year 2019 $= \frac{595.465,27}{5.050.163,47}\ X\ 100\% = 11,79\ \%$

Year 2020 $= \frac{620.184,65}{2.926.246,60}\ X\ 100\% = 21,19\ \%$

Year 2021 $= \frac{1.217.496,52}{9.752.763,24}\ X\ 100\% = 12,48\ \%$

Year 2022 $= \frac{802.525.21}{10.646.141,47}\ X\ 100\% = 7,53\ \%$

Table 7. *GPM* Year 2019-2022

Year	Gross Profit (a)	Sale (b)	GPM (c = a/b)
2019	595.465,27	5.050.163,47	11,79 %
2020	620.184,65	2.926.246.60	21,19%
2021	1.217.496,52	9.752.763,24	12,48%
2022	802.525,21	10.646.141,47	7,53%

So, if we look at the GPM value, it can be concluded that the Timor-Leste Toyota Auto Company is below average when compared to the Total Industry Standard Ratio of 30%, but it can be said that it is good if the GPM decreases or is below the industry average.

1). Net Profit Margin $= \frac{\textbf{Net Profit}-\textbf{Tax}}{\textbf{Sale}}$**x100%**

Year 2019 $= \frac{132.556,87-14.728,54}{5.050.163.47} X\ 100\% = 132,5\%$

Year 2020 $= \frac{145.727.71-16.191,97}{2.926.246,60} X\ 100\% = 145,7\%$

Year 2021 $= \frac{170.959,02-18.995,45}{9.752.763,24} X\ 100\% = 170,9\%$

Year 2022 $= \frac{188.363,15-20.929,24}{10.646.141,47} X\ 100\% = 188,3\%$

Table 8. *NPM* Year 2019-2022

Tahun	Laba Bersih - Pajak (a)	Penjualan (b)	NPM (c = a/b)
2019	132.556,87 - 14.728.54	5.050.163,47	132,5%
2020	145.727,71 - 16.191,97	2.926.246,60	145,7%
2021	170.959,02 - 18.995,45	9.752.763,24	170,9%
2022	188.363,15 - 20.929,24	10.646.141,24	188,3%

This means that Rp. 1.00 net sales, then from the net profit of 4 years it also contributed (132.5%), (145.7%), (170.9%), and (188.3%) (Hery, 2015:236). So, when viewed from the NPM value, it can be concluded that the Auto Toyota Timor-Leste Company can increase net profit and be more productive when compared to the Total Industry standard ratio of 20%.

2). Return On Asset (ROA)= $\frac{\textbf{\textit{Net profit}}}{\textbf{\textit{assets}}}$**x100%**

Year 2019 $= \frac{132.556,87}{3.861.091,95} X\ 100\% = 34,33\ \%$

Year 2020 $= \frac{145.727,71}{4.006.819,66} X\ 100\% = 36,36\ \%$

Year 2021 $= \frac{170.959,02}{4.083.968,06} X\ 100\% = 41,86\ \%$

Year 2022 $= \frac{188.363,15}{4.069.416,92} X\ 100\% = 46,28\ \%$

Table 9. *ROA* Year 2019-2022

Year	Net Profit (a)	Assets (b)	ROA (c = a/b)

2019	132.556,87	3.861.091,95	34,33%
2020	145.727.71	4.006.819,66	36,36%
2021	170.959,02	4.083.968,06	41,86%
2022	188.636,15	4.069.416,92	46,28%

When viewed from the established industry standard of 30%, the ROA ratio figures can be said from 2019, 2020, 2021 and 2022 to be better or increasing from year to year. So, when viewed from the ROA value, it can be concluded that the Auto Toyota Timor-Leste Company if the ROA is higher, the better the financial performance when compared to the Total Industry standard ratio of 30%.

V. CONCLUSION

Based on the description and discussion of the research results that have been conducted, if viewed from the liquidity ratio, the current ratio in 2019, 2020, 2021 and 2022, the percentage of which is above the industry average, namely 670.2%, 706.3%, 888.5% and 1,696%. while the Quick ratio is also the same as the Current ratio from 2019, 2020, 2021 and 2022, the percentage of which is above the industry average, namely 350.7%, 369.6%, 381.6% and 384.4%. So the financial condition of the Auto Toyota company can be said to be good because it is above the industry average of 1.5 times. So, if we look at the Current Ratio and Quick Ratio values, it can be concluded that the Auto Toyota Timor-Leste company is better or bigger compared to the industry ratio standards of 2 times (2.00) and 1.5 times (150%).

Based on the Activity Ratio at the Toyota Auto Company, this in 2021 is TATO is not good because the results are below the standard, which is 7.2 times. So, it is concluded that the Timor-Leste Toyota Auto Company. is better compared to the Total Industry standard ratio of 7.2 times, but in 2021 it decreased when compared to the total industry standard ratio of 7.2 times. The ITO activity ratio at the Toyota Auto Company is only good in 2022. While 2020 to 2021 is not good. because the results obtained by the company in 2019 and 2020 for this activity ratio are below the standard, which is 3.4 times, while for 2021 and 2022 it has exceeded the standard value. So, it is concluded that the Timor-Leste Toyota Auto Company. In 2021 and 2022 it is better compared to the Total Industry standard ratio of 3.4 times, while in 2019 and 2020 depreciation increased because the company could not manage HPP properly. The FATO activity ratio at the Auto Toyota Company from 2019 to 2022 is good. because the results obtained by the company for this activity ratio are above the standard, which is 5 times. So, it can be concluded that the Auto Toyota Timor-Leste Company in 20219 to 2022 has fluctuating financial performance, the company is better than the Total Industry standard ratio of 5 times.

Based on the Profitability Ratio seen from the GPM in 2019, 2020, 2021, and 2022, although it is close to the industry average of 30%, in these four years the profits generated have always fluctuated in each period, indicating that the company's financial performance is not good. So, it can be concluded that the Auto Toyota Timor-Leste Company is below average when compared to the Total Industry standard ratio of 30%, but it can be said that it is good if its GPM decreases or is below the industry average.

NPM in 2019 and 2020 was above the industry average of 20% and has shown that the company's financial performance is good because the profits generated have increased. While in 2021 and 2022, although it is close to the industry average. So, it can be concluded that the Auto Toyota Timor-Leste Company can increase net profit and be more productive when compared to the Total Industry standard ratio of 20%.

ROA in 2019, 2020, 2021, and 2022 has been above the industry average of 30%, and has shown that the financial performance of the Auto Toyota company is good because the profits generated have increased. So, when viewed from the ROA value, it can be concluded that the Auto Toyota Timor-Leste Company if the ROA is higher, the better the financial performance when compared to the Total Industry standard ratio of 30%.

A. Recommendations

Based on the results of the analysis and conclusions obtained, several recommendations in this study include:

Auto Toyota Timor-Leste Company should increase Net Profit Margin (NPM), Gross

Profit Margin (GPM) and ROA by increasing sales prices gradually or slowly and increasing asset turnover or both while maintaining debt levels.

To increase revenue prices, Auto Toyota Timor-Leste Company should also improve the quality of service to consumers so that consumers are satisfied with the services provided, for example, friendly service to customers, adequate facilities.

Investors and company management can see the condition of the company through

financial ratio analysis. For management, this financial ratio analysis is used as an evaluation of the achievement of company goals.

REFERENCES

Brigham, E.F. dan Houston, J. F, 2001 "*Manajemen Keuangan*" Edisi Kedelapan. Penerbit Erlangga Jakarta

Cascio Wayne, 2003,*Personnel Management,* Prentice Hall,New york.

Dwi Prastowo, Rifky Juliaty.2002. *Analisis Laporan Keuangan konsep dan Aplikasi.*Yogyakarta : Unit Penerbit dan Percetakan AMP YKPN.

Fahmi, Irham, 2011 "*Analisis Laporan Keuangan*" Cetakan Pertama Penerbit Alfabeta.Bandung.

Harahap, Sofyan S, 2007 "*Analisis Kritis atas Laporan Keuangan*"Edisi Kesatu PenerbitPT. Raja Grafindo Persada Jakarta.

Husnan, Saud dan Enny Pudjiastuti, 2004 "*Dasar – Dasar Manajemen Keuangan Seri Penutup Pembelanjaan"* Penerbit UPP AMP YKPN Yogyakarta

Akter, H., Sentosa, I., Hizam, S. M., Ahmed, W., & Akter, A. (2021). Finding the contextual gap towards employee engagement in financial sector: a review study. arXiv preprint arXiv:2106.06436.

Horne, J. C. V. Dan Wachowicz, J. M, 2005 "*Prinsip-Prinsip Manajemen Keuangan"* Edisi kedua belas (Diterjemahkan oleh Fitriasari, D. Dan Kwary, D. A.) Penerbit Salemba Empat. Jakarta.

Hartanto,2002, *Akuntansi Keuangan MenengahI,* Buku Kedua, BPFE.Yogyakarta.

Handayani, Ika. 2011. Analisis Laporan Keuangan Untuk Menilai Kinerja Keuangan Perusahaan pada Perusahaan Industri Tekstil Ynag Terdaftar Dibursa Efek Indonesia. *(Skripsi)*.

Ikatan Akuntasi Indonesia 2004"*Standar Akuntansi Indonesia*" PenerbitSalemba Empat Jakarta

Kasmir, 2009 "*Pengantar Manajemen Keuangan"*Edisi Pertama Penerbit Kencana Prenada Jakarta

Munawir, 2007 "*Analisa Laporan Keuangan"*Edisi KeempatPenerbit Liberty Yogyakarta.

Meycih,Tan.2009. Analisa Laporan Keuangan Untuk Mengukur Kinerja Keuangan Melalui Penilaian Tingkat Likuiditas, Solvabilitas, Aktivitas dan Profitabilitas Pada PT. Kalbe Farma Tbk. *(Skripsi)*.

Mulyadi, 1997, *Sistem Akuntansi,* Edisi keempat, Penerbit Salemba Empat, Jakarta. Martono dan Agus harjito 2002, *Manajemen Keuangan* Penebit Ekonisia, Yogyakarta.

Praytino, Ryanto Hadi.2010. Peranan Analisa Laporan Keuangan dalam Mengukur Kinerja Keuangan Perusahaan. Study Kasus pada PT. X. *(Skripsi)*.

Ridwan S. Sundjaja dan Barlian, 2003 "*Manajemen Keuangan"* Edisi keempat Penerbit Literata Lintas Media Jakarta

Riyanto,Bambang, 2004 "*Dasar – Dasar Pembelanjaan Perusahaan"*Edisi Keempat.Penerbit. BPFE- Yogyakarta.

Gunaldi Gunaldi, 2021. PERBANDINGAN ANALISIS RASIO KEUANGAN PT.

INDONESIA PONDASI RAYA TBK. DENGAN TOTAL INDUSTRI SUB SEKTOR BUILDING CONSTRUCTION PERIODE 2014 – 2019, *Volume 2, Issue 3, Januari 2021 E-ISSN 2686-4924 P-ISSN 2686-5246 Available Online:https://dinastirev.org/JIMT Page 314 DOI: https://doi.org/10.31933/jimt.v2i3 Received: 21 November 2020, Revised: 25 Desember 2020, Publish: 15 Februari 2021*