



ECONOMIC SHARE EXAMINATION IN ADDITION TO GENERAL SIZE TO REVIEW ECONOMIC CONCERT

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Abstract

From the Economic statements can find out how the Economic performance of the company. Economic share examination and common size examination can produce useful conclusions. This study aims to determine the Economic performance of Glyco palm oil Corporation which refers to the balance sheet and income statement for 2021-2022 using Economic shares and the common size method. The research method applied in this research is using descriptive research with a quantitative approach. The results of the research conducted showed that the performance of Glyco palmoil Corpn in covering its current liabilities with current assets can still be said to be quite good. From the Gross Profit Margin share of Glyco palm oil experienced a fairly large increase, namely 4.09%. From the results of the calculation of the common size method at Glyco palm oil which is listed on the Indonesian stock exchange in 2021-2023, shows that it allocates more of its funds to fixed assets. In using its capital Glyco palm oil uses its equity more than liabilities. There is an increase of 3.75% in the common size of the company, which explains that the company is getting better in terms of profitability.

Keywords: *Economic Statements, Economic Shares, Common Size Method, Economic Performance.*

Introduction

In the midst of increasingly fierce and global business and business competition, companies need to show good or bad performance in the company, because by knowing the performance, especially in the Economic sector, the company can determine competitive strategies against its competitors, and can also find out whether the actions and policies what the company does in its business is it right? If the performance is good, it can be utilized as optimally as possible, and if the performance is bad, it can be reduced to a minimum. If the company's performance is good, the company's performance will also increase and creditors can provide loan proposals to be realized (Tyas, 2022).

Economic statements are used as a tool to find out how the Economic performance of a company is and can produce useful conclusions. Per component percentage examination or the so-called common size method, is the method used to compare one account to the total account. This examination can also be said to be an illust share of comparative share examination because in rupiah nominal each element of the Economic statements is described as a percent of the total.

Common Size viewed from the balance sheet can provide an overview of the relative position of current assets and non-current assets from total assets, as well as an overview of the position of liabilities and equity of total liabilities. When viewed from the income statement, the common size method can provide an overview of the distribution of sales to costs and profits, this allows an analyst to know and assess the company's Economic performance from the calculated percentage.

The object used in this research is Glyco palm oil Corporation and Subsidiaries (AALI), which is an industrial company that was established more than 30 years ago. In fact, this company has been registered and listed on the Indonesia Stock Exchange. The company started as a cassava plantation,



and then developed rubber plantations, until in 1984, oil palm cultivation began in Riau Province. Now, the Company continues to grow and is currently one of the best-managed oil palm plantation companies with an area of 297,011 hectares spread across the islands of Sumatra, Kalimantan and Sulawesi. Since its inception, the company has built partnerships with the community in the form of Intiplasma partnerships and IGA (Income Generating Activity) or community economic improvement activities, both through oil palm cultivation and non-oil palm cultivation in managing their oil palm plantations. As of 2016, the Company has collaborated with 51,709 oil palm farmers who have joined 2,396 farmer groups since 1982.

Literature Review

Economic statements

According to Jumingan (2017, 2) Economic statements are the result of the accounting process that can be used as a tool to communicate with interested parties with the Economic condition and results of the company's open shares. Economic reports are presented and prepared by management for internal and external parties. The portrait of the decisions made by management will be reflected in the company's Economic statements. The purpose of Economic statements is to provide information about the company's Economic position, performance and cash flows useful for most users of the report in order to make economic decisions and demonstrate management responsibility (stewardship) for the use of the resources entrusted to them. Based on the above definition, it can be concluded that the Economic report is a report on the company's Economic condition which is presented to determine the company's activities in a certain period.

Economic Share Examination

According to Hery (2018,139) Share examination is an examination carried out by connecting various estimates in the Economic statements in the form of Economic shares. This Economic share examination can reveal important relationships between report estimates and can be used to evaluate the company's Economic condition and performance. Meanwhile, according to Jumingan (2018, 242) Economic share examination is an examination by comparing one post with other Economic statement posts, either individually or jointly in order to determine the relationship between certain items, both in the balance sheet and profit and loss. From the above understanding it can be concluded that Economic shares are an examination carried out to determine the relationship between certain posts.

According to Kasmir (2019, 104) Understanding Economic Shares is an activity to compare the numbers in the Economic statements by dividing one number by another. According to Hery (2018, 138) Economic Shares are numbers obtained from the comparison between one Economic statement post and other items that have a relevant and significant relationship. Comparisons can be made between one item and another in one Economic statement or between items that exist between Economic statements. From the above understanding, it can be concluded that Economic shares are a comparison of the numbers contained in the Economic statements that have a relevant and significant relationship.

Share examination is divided into 5 types, namely

- a. Liquidity Share
- b. Solvency Share
- c. Profitability Share
- d. Activity Share
- e. Market Share



Common Size Examination

According to Hery (2018:135) Percentage examination per component (common size) is a technique examination used to determine the percentage of each component of assets to total assets; the percentage of each component of debt and equity to total liabilities (total assets); the percentage of each component of the income statement to net sales. According to Kasmir (2019: 91) Percentage examination per component (common size) is a report examination technique Economic statement by analyzing the components in the Economic statements, both on the balance sheet and income statement. Meanwhile, according to Jumingan (2018,242) Examination percentage per component (Common Size) is an analytical technique to determine the percentage of investment in each asset to the total assets as a whole. Also, to find out how big is the proportion of each asset and debt item to the total assets and debts. From the understanding of the experts above, it can be concluded that the common size examination is an analytical technique that calculates the percentage of the components of the balance sheet and income statement to compare the results of the annual analyses.

In balance sheet examination, common size examination emphasizes the distribution of funding between current liabilities (short term liabilities), non-current liabilities (long term liabilities) and equity and emphasizes the distribution of asset composition between current assets and non-current assets fluent. In addition, common size examination is also often continued to assess accounts that form certain subgroups.

According to Kasmir (2019, 91) Common Size is the comparison of any changes in items with total assets or total liabilities or total sales. Thus, it will be seen an increase or decrease whether it will be meaningful or have a certain meaning.

In the common size report, all accounts are expressed as a percentage and the monetary amount is not shown. In Economic statements the common size (reports of the same size) is because the total number of accounts in the group concerned is 100%.

Company Economic Performance

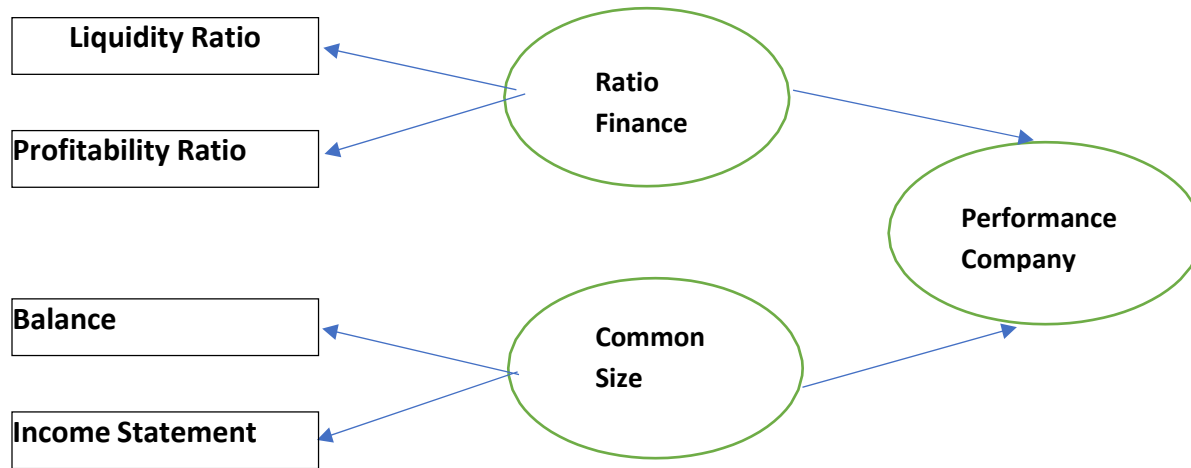
Performance is the ability to work as indicated by the results of work. Company performance is something produced by the company in a certain period with reference to the established standard. Company performance should be a measurable result and describe the empirical condition of a company of various agreed sizes. To find out the performance achieved, a performance assessment is carried out.

According to Irham Fahmi (2019, 239) Economic performance is an examination carried out to see the extent to which a company has implemented by using Economic implementation rules properly and correctly. According to Rudiant o (2018, 189) Economic performance is the result or achievement that has been achieved by the company's management in carrying out its function of managing company assets effectively for a certain period.

From the above understanding it can be concluded that Economic performance is an achievement through the company's Economic recording activities to determine the extent to which the company has carry out its performance according to predetermined standards.



Conceptual Framework



Research Methods

The research method applied in this research is using descriptive research with a quantitative approach to find and get answers to the problems studied by describing the Economic performance of the Economic shares of Glyco palmoil Corpn in 2021-2023 using the common size method. Data collection techniques are carried out secondary in the form of company documentation by obtaining report data finance Glyco palmoil Corpn in the form of a balance sheet and income statement for the years 2021-2023.

Results and Discussion

A. Economic Share

Table 1 Balance Sheet of Glyco palm oil Corporation

Approximate Name	31 December 2022	31 December 2021
Cash and cash equivalents	3,896,022	978,892
Accounts receivable	584,217	1,389,984
Current inventory	3,023,478	2,165,603
Total current assets	9,414,208	5,937,890
Total non-current assets	20,985,698	21,843,341
Total assets	30,399,906	27,781,231
Total current liabilities	5,960,396	1,792,506
Total long-term liabilities	3,268,337	6,740,931
Total liability	9,228,733	8,533,437
Total equity	21,171,173	19,247,794
Total liabilities and equity	30,399,906	27,781,231



1. Liquidity Share

Liquidity Share is an indicator of a company's ability to meet its short-term obligations without external assistance, such as loans from banks.

The following is a table of the average liquidity shares of the palm oil industry:

Table 1.1 Industry Average Liquidity Share

Share Type	Industry Average
Current Share/CR	1,751
Quick Share/QR	1.151

a. Current Share

Current Share is used to assess whether current assets can cover current liabilities or not.

Table 1.2 Current Shares

Information	year 2022	Year 2021
Total Current Asset	9,414,208	5,937,890
Total Current Liabilities	5,960,396	1,792,506
Current Share	1.58	3.31

In 2021, the Current Share has decreased compared to 2020. This shows that the company's performance in covering its current liabilities with its current assets is declining, although it can still be said to be quite good.

b. Quick Share

Quick Share is used to measure the percentage of current liabilities that can be covered by the most liquid current assets.

Table 1.3 Quick Shares

Information	year 2022	2021
Total Current Asset	9,414,208	5,937,890
Supply	3,023,478	2,165,603
Total Current Liabilities	5,960,396	1,792,506
Quick Share	1.07	2.10

In 2022, the Quick Share has decreased compared to 2021. This shows that the company's performance in covering its current liabilities with its most liquid current assets is decreasing, although it can still be said to be quite good.

2. Profitability Share

Derived from the word profit, which means profit or profit. Thus, the profitability share is the share used to determine the level of profit or profit of the company based on capital, assets, or other accounts that affect the assessment of certain parties to find out how the level of profit generated by the company. There are several shares to be able to determine the level of profit earned by the company as follows:



3. Gross Profit Margin (GPM)

This share shows the level of gross profit to sales. Gross profit in question is sales less cost of goods sold (HPP) or cost of goods sold (COGS). This value can indicate the fairness of the company towards sales to related parties. In addition, each type of industry also has its own level of fairness for the GPM share. For example, the type of service company has a large GPM because the HPP issued is small and for a type of business such as PT AALI it charges quite a lot for the HPP. The following are the results of Glyco palm oil Corporation GPM calculation for the 2021-2023 period.

Table 2.1 Gross Profit Margin

Information	31 Dec 2022	31 Dec 2021	Ascension	%
Sales and operating income	24,322,048	18,807.043	5,515,005	29.32%
Cost of goods sold and revenue	19.492.034	15,844.152	3,647,882	23.02%
Total gross profit	4,830.014	2,962,891	1,867,123	63.02%
Gross Profit Margin	19.86%	15.75%		

Based on table 2.1. it can be observed that from 2020 to 2021 there was an increase in sales of 29.32%. In addition, the gross profit generated also increased by 63.02%. Thus, it can be said that based on the GPM share, PT AALI experienced a fairly large increase, namely 4.09%. Although the HPP charge also increases, it can still increase the company's gross profit. This can give an indication that the gross profit generated by the company is better.

4. Net Profit Margin (NPM)

This share shows the level of net profit compared to company sales. Net profit in question is gross profit minus operating expenses, expenses outside of business, plus income outside of business, and less income tax. This net profit indicates the actual profit or loss experienced by the company. If gross profit minus expenses results in a negative net profit value, the company needs to cut expenses that are considered unnecessary and increase sales. In the profit and loss statement of PT AALI, the company's profit (loss) has increased. From previously only Rp893.779 billion to Rp2.067 trillion from the period 2020 to 2021. Below are the results of Glyco palm oil Corporation NPM calculation for the 2021-2023 period.

Table 2.2. Net Profit Margin

Information	31 Dec 2022	31 Dec 2021	Ascension	%
Sales and operating income	24,322,048	18,807.043	5,515,005	29.32%
Net profit	2,067,362	893,779	1,173,583	131.31%
Net Profit Margin	8.50%	4.75%	3.75%	

Based on table 2.2. it can be concluded that the company's NPM share increased from 4.75% to 8.5%. An increase in net profit of 131.31% indicates that the company is getting better at increasing profits and reducing operating expenses and other expenses. In addition, it can also be seen that there is an increase of 3.75% in the company's NPM share which explains that the company is getting better in terms of profitability.



5. Common Size Examination

a. Balance

The calculation of the common size method that describes the Economic performance of Glyco palm oil Corporation which is listed on the Indonesia stock exchange in 2021-2023 as seen from the Balance Sheet in the table below

Table 3 Common Size Method on the Balance Sheet of GLYCO PALM

Approximate Name	31 December 2022	31 December 2021
Cash and cash equivalents	12.82%	3.52%
Accounts receivable	1.92%	5.00%
Current inventory	9.95%	7.80%
Total current assets	30.97%	21.37%
Total non-current assets	69.03%	78.63%
Total assets	100.00%	100.00%
Total current liabilities	19.61%	6.45%
Total long-term liabilities	10.75%	24.26%
Total liability	30.36%	30.72%
Total equity	69.64%	69.28%
Total liabilities and equity	100.00%	100.00%

From the results of the calculation of the common size method at Glyco palmoil Corpn which is listed on the Indonesia stock exchange in 2021-2023 shows that the assets of PT. Astra Argo Lestari Tbk allocate more of its funds to fixed assets, as can be seen from the comparison of the percentage of fixed assets and current assets for 2021-2023. In 2020, fixed assets were 78.63%, while current assets were 21.37%. While in 2021 fixed assets of 69.03% decreased compared to 2020, while current assets of 30.97% experienced an increase.

Acquisition of current assets of Glyco palmoil Corpn in 2020 of 21.37% is very good compared to the current liabilities of 6.45% borne by the company. This shows that the company's ability to meet its short-term obligations with its current assets is very good. Meanwhile, in 2021, current assets increased by 30.97%, as well as short-term liabilities by 19.61%. Although the company's ability to meet its short-term obligations will decline in 2021, it is still quite good.

Seeing the cash acquisition owned by Glyco palmoil Corpn in 2020, the company is quite good in meeting its short-term liabilities, as seen from the cash percentage of 3.52% and short-term liabilities of 6.45%. Meanwhile in 2021 cash amounted to 12.82%, an increase compared to 2020, followed by short-term liabilities of 19.61% which also increased. However, the company's ability to meet its liabilities with the most liquid assets can still be said to be quite good.

Regarding the liability of Glyco palm oil Corporation can be seen in the liability and equity items for 2021-2021, that the company uses its capital by using more of its equity, in 2020 it is 69.28% and in 2021 it is 69.64%. while the liability in 2020 is 30.72% and in 2021 it is 30.36%. This shows that the company's solvency is quite good.



b. Income statement

Table 4. Common Size Method in the LR Report of GLYCO PALM

Information	31 Dec 2022	31 Dec 2021	Common Size 2021	CommonSize 2020
Sales and operating income	24,322,048	18,807.043	100.00%	100.00%
Cost of goods sold and revenue	-19.492.034	-19.492.034	-80.14%	-84.25%
Total gross profit	4,830.014	2,962,891		
Total profit (loss)	2,067,362	893,779	8.50%	4.75%

Based on table 4, it can be concluded that the company's gross profit increased from 4.75% in 2020 to 8.5% in 2021. This increase occurred because sales and operating revenues increased by 29.32%, while cost of goods sold and revenues increased only 23.02%. This indicates that the company is getting better at increasing profits and reducing operating expenses and other expenses. In addition, it can also be seen that there is an increase of 3.75% (8.50%-4.75%) in the common size of the company's gross profit, which explains that the company is getting better in terms of profitability.

Conclusion

From the results of the examination above, the authors conclude as follows:

1. Glyco palm oil Corporation Economic performance in generating profits, both gross profit and net profit increased from 2020 to 2021. This can be seen by the increase in the company's profitability share. Even though the covid-19 pandemic is still ongoing, the company is able to maintain its performance to continue to generate and increase profits.
2. The company's ability to meet its short-term obligations is generally increased or better, but to pay off current debt using cash and cash equivalents is still considered not optimal because the share value is still below one (1). In addition, the fulfillment of long-term obligations has decreased, but not so significantly that it is still said to be good enough to pay off the company's long-term obligations.

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