



Analysis of Financial Performance at Pt Mercor Indonesia 2012-2019 Period

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ABSTRACT

In the financial aspect, the company can see the financial performance of a company which then becomes one of the benchmarks to assess the extent of the strength and health of a company. companies, as well as to what extent a company can develop and compete. One of the construction service companies in Makassar is PT. Mercor Indonesia is a company in the middle category as a construction service provider that is aware of the competition in construction service technology innovation. This research was conducted to measure the company's financial performance through financial ratio analysis methods, vertical analysis, and horizontal analysis which can assess the financial condition and development of PT Mercor Indonesia for the period 2012-2019. This research uses a descriptive quantitative approach. The research data source is secondary data, namely the financial statements of PT Mercor Indonesia. Data analysis with financial ratio analysis, vertical-horizontal analysis.

The results of this study are based on the results of PT Mercor Indonesia's financial ratio analysis for the 2012-2019 period, the profitability ratio is optimal. Liquidity ratio of a company in a liquid state. Solvency Ratio in good condition activity ratio is less than optimal in asset management, it is necessary to increase operational activities and activities of PT Mercor Indonesia. the results of vertical analysis PT Mercor Indonesia's balance report is quite optimal and the income statement is less than optimal, while the results of the Horizontal analysis of the PT Mercor Indonesia balance report show good financial performance and the income statement is fluctuating and the need to improve the financial performance of PT Mercor Indonesia.

Keywords: Financial Performance, Financial Ratio Analysis, Vertical Analysis, Horizontal Analysis.

INTRODUCTION

The progress of a company can be seen from its financial aspects. Financial aspects are the aspects used to assess and evaluate the company's finances as a whole and provide an overview related to company profits. In the financial aspect, the company can see the financial performance of a company which then becomes one of the benchmarks to assess the extent to which the level of strength and health of a company, as well as to what extent a company can develop and compete in the world of business competition. Financial performance is a picture of the achievement of the company's success or the results that have been achieved on various activities in the company's operations. Therefore, in assessing the company's financial performance, relevant information relating to the company's activities in a certain period is needed. Company performance can be shown using financial statements that describe the financial posts of a company in one period.

One of the construction service companies in Makassar is PT. Mercor Indonesia as a construction service provider company that realizes the importance of financial performance PT Mercor Indonesia has 3 types of business fields, namely the Construction Sector, the Maintenance Sector, the Procurement Sector. Financial reporting practices can influence company growth and performance. Mc Mahon et al (1994).

Table 1.
Total Equity, Total Asset, Net Profit PT Mercor Indonesia

Year	Total Equity	Total Asset	Net Profit
2012	7.921.989.544	7.949.998.254	593.355.544
2013	3.949.354.583	4.181.273.518	2.577.609.983
2014	4.339.267.584	7.329.683.123	389.313.002
2015	6.313.306.451	10.115.534.567	1.974.038.867
2016	6.501.923.621	7.685.885.089	335.353.484
2017	8.291.941.045	10.907.575.431	1.790.017.424
2018	9.613.833.814	13.064.864.564	1.321.892.769
2019	13.193.557.879	13.991.733.467	3.579.724.065

Source: Financial Report of PT. Mercor Indonesia

From table 1 shows the period 2012-2019 where the results show a fluctuating movement each year, namely the net profit for the year, total equity, and total liabilities of PT Mercor Indonesia. The table shows that in 2016 there was a significant decrease in net income for the current year compared to the previous year. Based on this financial report data, the need for measurement and assessment of the company's financial performance. The effectiveness and efficiency of a company in carrying out its operations are determined by the company's ability to obtain profitability and activities within the company. Thus the use of financial analysis can describe the financial performance that has been achieved. To support business continuity and improvement, companies need to analyze financial reports so that information about the company's financial position can be obtained. Sivakumar (2017) states that there are 3 analysis tools used for financial analysis, namely Ratio Analysis, Vertical Analysis, and Horizontal Analysis.

LITERATURE REVIEW

Financial Performance

According to Horne and Wachowicz (2001) financial performance is a measure of company performance, hence profit is a tool used by companies in assessing. As well as Financial Performance is a measure of how much the ability of a company to create profits or income Didin et al (2018). Financial performance is the company's achievement and information that can be reviewed through financial reports, information about performance, financial position, and cash flow within the company which is contained in the financial statements.

Financial Statements Financial

Reports are very important tools for obtaining information regarding the financial position and results that have been achieved by the company concerned. Furthermore, this information can be used as a description of the company's financial performance. Financial statements describe the company's financial posts obtained in a period. By doing so, it is hoped that financial reports will help both external and internal users to make financial-economic decisions Krishna & Healy (2013). In practice, there are several types of financial reports and each report has its financial component, objectives, and purposes, including balance sheets, income statements, reports of changes in capital, cash flow reports, and notes to financial statements.

Financial Statement Analysis Financial

Statement analysis includes 2 (two) things, namely: (1) comparing the performance of the company with other companies in the same industry and (2) evaluating the trend of the company's financial position over time (Brigham & Houston, 2001; 78). Trend analysis both on the ratio and on the absolute number is very important because the trend will give a sign of whether the company's financial condition will improve or worsen. Lan Joe (2012) states that ratio analysis is one of the most widely used fundamental analysis techniques. Ratio analysis is a tool developed to perform quantitative analysis of the numbers found in financial statements. According to Kieso, Weygandt, Warfield (2011: 221), financial ratios are as follows:

"Ratio expresses the mathematical relationship between one quantity and another. Ratio analysis expresses the relationship among pieces of selected financial statement data, in a percentage, a rate, or a simple proportion."

METHODOLOGY

A method in which this research uses a descriptive quantitative approach, which is a method that will examine a group of people or objects or a condition that will be described systematically and accurately with the relationship of existing phenomena. And descriptive method The purpose of descriptive research is to explain the conditions to be studied with the support of literature study.

Financial Ratio Analysis

Ratios are profitability ratios, liquidity ratios, solvency ratios, activity ratios.

1. Profitability Ratio Profitability

Ratio is the company's ability to earn profits in relation to sales, total assets and own capital.

Profitability ratio consists of:

a. Return On Asset (ROA)

It is a ratio used to measure the ability of capital invested in all assets to generate net income. Return On Asset is an indicator to see how well management is managing its assets to increase company value or Return On Asset is used to see how much net profit is obtained from the Company's assets..This ratio can be calculated by the following formula:

$$ROA = \frac{\text{Net profit after tax}}{\text{Total Asset}} \times 100\%$$

b. Profit Margin (Net Profit Margin)

Net profit margin is the comparison between profit after interest and tax and sales. Lan Joe (2012) states that net profit margin is a ratio to measure a company's ability to translate sales into revenue net profit margin can be calculated by the following formula:

$$NPM = \frac{\text{Net Profit After Tax}}{\text{Sales}} \times 100\%$$

c. Ratio results pengembalian equity (return on equity/ ROE)

Ratio of remuneration on equity (ROE) is also called the ratio of the results for this ratio illustrate the company's ability to generate welfare profits for the owner of capital or investors. The return on equity (ROE) ratio is also called the rate of return to return ratio, this ratio describes the company's ability to generate profits on the welfare of capital owners or investors. This ratio can be found by comparing the net profit after tax with equity, which means how much profit is obtained to increase owner's capital. This ratio the higher the better. Return on equity/ ROE can be calculated with the following formula:

$$ROE = \frac{\text{Net Profit After Tax}}{\text{Total Equity}} \times 100\%$$

2. Liquidity

Ratio Liquidity Ratio is the company's ability to meet its obligations. The liquidity ratio shows the relationship between the company's cash and other current assets and current debt Liquidity Ratio can be measured by:

a. Current Ratio

Current Ratio This is the ratio used to measure the company's ability to meet short-term liabilities that are due immediately. This ratio is a balance between Current Assets and Current Liabilities, can be calculated using the following formula:

$$\text{Current Ratio} = \text{Current} \frac{\text{Assets Current}}{\text{Liabilities}} \times 100\%$$

b. Cash Ratio

The cash ratio or cash ratio is a tool used to measure how much cash is available to pay liabilities. Cash ratio shows the company's ability to meet its short-term liabilities with its current assets. The higher the cash ratio, the higher the level of bank liquidity, and vice versa, the lower the cash ratio, the lower the level of liquidity. A cash ratio value of more than 1 indicates that the company has more cash to pay for its debts. However, if the value is less than 1, this indicates that the company has less cash to pay off debts. Cash Ratio can be calculated with the following formula:

$$\text{Cash Ratio} = \frac{\text{Cash or Cash Equivalents}}{\text{Current Liabilities}} \times 100\%$$

c. Quick Ratio or Acid Test Ratio

Quick Ratio Is a ratio used to measure a company's ability to pay its short-term liabilities using current assets, Quick Ratio or Acid Test Ratio can be calculated with the following formula:

$$\text{Quick Ratio} = \frac{\text{Cash + Securities + Receivable}}{\text{Current Accounts}} \times 100\%$$

3. Solvency

Ratio Solvency Ratio is the company's ability to pay off debts, both long-term and short-term debt. The solvency ratio is a ratio that shows how the company is able to manage its debt in order to make a profit and is

also able to pay off its debt. In principle, this ratio provides an overview of the company's debt adequacy level. That is, how big is the portion of debt that is in the company when compared to the existing capital or assets. Solvency ratio can be measured by:

a. *Debt to Asset Ratio (DAR)*

This ratio also reflects how much the company's assets are financed by debt and the *Debt to Asset Ratio (DAR)* shows how much risk the company will face in using debt to fund assets. The *Debt to Assets Ratio (DAR)* is:

$$\text{Debt to Asset Ratio (DAR)} = \frac{\text{Total Debt}}{\text{Total Asset}} \times 100\%$$

b. *Debt to Equity Ratio (DER)*

Debt to Equity Ratio (DER) is used to find out how much each rupiah of own capital is provided by the borrower which is used as collateral for debt. *Debt to Equity Ratio* with the ratio of total debt or liabilities to the company's total equity. The following is the formula for *Debt to Assets Ratio (DER)*:

$$\text{Debt to Equity Ratio (DER)} = \frac{\text{Total Debt}}{\text{Total Equity}} \times 100\%$$

4. Activity Ratio

Ratio is a ratio to measure how effective a company is using various assets owned by the company. Activity Ratio can be measured is by:

a. *Turnover of total assets (Total Asset Turnover)*

Turnover ratio of total assets or total assets turnover ratio is the ratio that measures the activity of efficiency of use of assets of the company on the sale of products or services. Total Asset turnover shows how effective the company is in generating sales which will affect the level of company profit or how much sales can be generated for the company Krishna G & Healy (2013; 13). The higher the total asset turnover of the company, the better because it reflects the company using all assets efficiently used to support the company's operational activities. The following is the formula for the *Total Assets Turnover Ratio*:

$$\text{Total Assets Turnover Ratio (TATO)} = \frac{\text{Sales}}{\text{Total Asset}} \times 1 \text{ Time}$$

b. *Working Capital Turn Over (Turnover of Working Capital)*

Working Capital Turn Over is the ratio between sales and working capital. Own working capital can be obtained with current assets reducing current debt. Working capital is said to be effective in rotating within the company as long as the company concerned carries out business operations. The working capital turn over period starts from when cash is invested in the components of working capital until it returns to cash. The shorter the period, the faster the turn over rate. The working capital turnover period depends on the duration of the turnover period of each component of the working capital, if the result is low, there is an excess of working capital. This ratio is calculated using the formula:

$$\text{Working Capital Turn Over} : \frac{\text{Sales}}{\text{Total Asset}} \times 100$$

c. *Fixed Assets Turnover. This*

Ratio is used to determine how optimally fixed assets support the company's sales. *Fixed Assets Turnover* is a balance between sales and total fixed assets. Fixed Assets Turnover is a ratio used to measure the number of times the funds invested in fixed assets rotate in one period. This ratio is used to determine how optimally fixed assets support the company's sales. This ratio serves to evaluate the company's ability to utilize its assets effectively so that revenue increases, which is recorded according to the type of financial report. This ratio is calculated using the formula:

$$\text{Fixed Assets Turnover} = \frac{\text{Sales}}{\text{Working Capital}} \times 100$$

4.1 Vertical Analysis

The vertical analysis method (static) is a method of analysis carried out by analyzing financial statements in a certain period by comparing one item to another in the same financial report. It is called the Static Method because this method only compares financial statement items in the same period. The vertical analysis focuses on the financial relationship between financial statement items for one period. How to analyze the statement of financial position and analyze profit and loss as follows:

$$\text{Statement of Financial Position (Balance Sheet)} = (\text{Items in the Balance Sheet}) / (\text{Total Assets}) \times 100\%$$

$$\text{Income Statement} = (\text{Items in the Profit and Loss report}) / (\text{Total Sales}) \times 100\%$$

4.2 Horizontal Horizontal

The analysis is an analysis performed by comparing financial statements for several periods. From the results of this analysis, it will be seen the company's development from one period to another. While this method is a method of analysis carried out by comparing financial reports for several years (periods), so that developments and trends can be known. It is called the horizontal analysis method because it compares the same item for different periods. Dr. V. Andal et al (2019) Called the dynamic analysis method because this method moves from year to year (period). Calculation of Horizontal Analysis as follows:

$$\text{Change in Absolute Amount (IDR)} = \text{Number of items this year} - \text{Base Year items}$$

$$\text{Percentage Change} = (\text{Change in absolute Amount}) / (\text{Amount of IDR per Base Year Post}) \times 100\%$$

FINDING AND DISCUSSION

Tabel 2.

PT Mercor Indonesia's Financial Ratio Analysis for the Period 2012-2019

Ratio		Year's								Average
		2012	2013	2014	2015	2016	2017	2018	2019	
Profitability Ratio	ROA	7,46	61,64	5,31	19,51	4,36	16,41	10,11	25,58	18,00
	NPM	9,63	17,05	3,64	17,06	1,53	8,14	23,50	40,34	15,11
	ROE	7,48	65,26	8,97	31,26	5,15	21,58	13,74	27,13	22,57
Liquidity Ratio	Current Ratio	39,7	13,66	1,58	2,01	3,62	3,93	2,39	10,16	9,63
	Cash Ratio	29,82	8,68	1,06	0,03	1,38	0,22	0,59	2,65	5,55
	Quick Ratio	39,47	13,66	1,55	0,59	3,36	3,88	1,68	8,97	9,14
Solvency Ratio	DAR	0,35	5,54	40,79	37,58	15,40	23,97	26,41	5,70	19,47
	DER	0,35	5,87	68,91	60,22	18,20	31,54	35,89	6,04	28,38
Activity Ratio	TATO	0,77	3,61	1,45	1,14	2,83	2,01	0,43	0,63	1,61
	Working Capital Turnover	1.08	2.93	1.73	3.85	3.10	4.51	4.80	7.31	4,28
	Fixed Asset Turnover	0.90	14.91	3.80	4.70	6.41	4.52	1.17	1.50	4,74

Source: Data processing 2021

Based on the results of PT Mercor Indonesia's ratio analysis research in 2012 to 2019, it shows that The profitability ratio as measured by Return On Asset, Net Profit Margin, Return On Equity shows a fairly optimal performance but the need to improve the management of company assets, and the liquidity ratio is measured by Current Ratio (CR), Quick Ratio, and cash ratio that PT Mercor Indonesia is capable of. pay short-term liabilities even though the movement of fluctuations and the results of the Solvency Ratio shown by the Debt to Asset Ratio and Debt to Equity Ratio fluctuate but are still in quite a good condition where the company provides fairly good equity funding. As well as the results of the Activity Ratio analysis as measured by Total Asset Turnover (TATO), Working Capital Turn Over and fixed asset turnover show that PT Mercor Indonesia is less than optimal in asset management, the need for an increase in operational activities and activities of PT Mercor Indonesia.

Tabel 3.

Vertical Analysis of PT Mercor Indonesia's Balance Sheet for the period 2012 - 2019

Account	Percent 2012	Percent 2013	Percent 2014	Percent 2015	Percent 2016	Percent 2017	Percent 2018	Percent 2019
Assets								
Total Current Assets	13.99	75.77	64.50	75.67	55.77	55.50	63.22	57.98
Total fixed assets	86.01	24.23	38.22	24.33	44.23	44.50	36.78	42.02
Total Assets	100	100	100	100	100	100	100	100
Liability and Equity								
Short-Term Liabilites	0.35	5.55	40.80	37.59	15.40	14.10	26.41	5.70
Long-Term Liabilites					15.40	9.88		
Total liabilities	0.35	5.55	40.80	37.59	15.40	23.98	26.41	5.70
Total Equity	99.65	94.45	59.20	62.41	84.60	76.02	73.59	94.30
Total Liability and Equity	100	100	100	100	100	100	100	100

Source: Data processing 2021

Based on the results of vertical analysis PT Mercor Indonesia's balance sheet for the 2012-2019 period shows that the financial statements, namely on the assets side, are influenced by the proportion of current assets and non-current assets or fixed assets then on the liabilities side of the balance sheet the proportion of pos- posts in the balance sheet of PT Mercor Indonesia where each period has a different proportion in the 2012-2019 period shows that total current assets constitute the largest proportion in forming assets even though in 2012 total current assets are low this is because PT Mercor Indonesia will only start its activities. operations, especially in the field of construction and building services wherein that field the importance of using fixed assets that can be to support operational activities, in 2012 non-current assets contributed more than the percentage of current assets, in the balance sheet of PT Mercor Indonesia the supporting assets were sourced from local assets, namely cash accounts, banks, trade accounts receivable, employee receivables, directors' receivables, other accounts receivable. -Other, prepaid taxes, deferred fees, and advances, while on the non-current assets forming side, namely land, buildings, land and buildings, equipment and machinery, namely the proportion of total liabilities and total equity

In the 2012-2019 period, the largest proportion of those who formed the liabilities side was total equity consisting of share capital account, retained earnings, and profit for the year. Then the low proportion on the liability side of PT Mercor Indonesia is total liabilities consisting of short-term liabilities, namely tax payable, Pasero payable, trade payable, BRI bank debt, Panin Bank debt, other debt, and the proportion of long-term liabilities means that PT Mercor Indonesia prefers to spend a large amount. owner rights or shareholders' funds to the assets owned by the company, so there is the highest percentage in the equity of PT Mercor Indonesia.

Tabel 4.

Vertical Analysis of PT Mercor Indonesia's Income Statement for the Period 2012-2019

Account	Percent Tahun 2012	Percent Tahun 2013	Percent Tahun 2014	Percent Tahun 2015	Percent Tahun 2016	Percent Tahun 2017	Percent Tahun 2018	Percent Tahun 2019
Sales/Income	100	100	100	100	100	100	100	100
Cost of Good Sold	77.32	73.16	79.61	60.77	83.02	76.79	78.12	80.18
Gross Profit	22.68	26.84	20.39	39.23	16.98	23.21	21.88	19.82
Operational and General Expenses	13.11	9.33	15.31	19.58	13.85	13.06	14.93	10.75
Operating Profit/Loss	9.57	17.51	5.08	19.65	2.15	9.22	6.95	9.07
Non operational income (expenses)								
Current Account Income	0.07	0.06	0.24	0.09	0.08	0.17	0.13	0.06
Other Income							0.03	0.01
Bank Administrasi Fee		0.51	1.67	0.85	0.69	1.25		
Depreciation Cost Of Assets					0.97	0.93		
Other Expenses Net							1.94	1.14
Total Non operational income (expenses)	0.07	0.45	1.43	0.76	-1.59	-2.01	1.81	1.07
Net Income For the year	9.64	17.06	3.65	17.06	1.54	9.22	5.14	8.00

Source: Data processing 2021

In the vertical analysis of the income statement, each item is expressed as a percent of total revenue or income as reflected in form of profit or loss over a certain period. Based on the results of vertical analysis on PT Mercor Indonesia's income statement for the period 2012-2019, it shows that PT Mercor Indonesia's income statement has fluctuating items with a fluctuating percentage each period. Sales in the PT Mercor Indonesia income statement are the largest revenue received by the company from project operational activities, however, several items have a proportion of revenue to affect PT Mercor Indonesia's profit for the year.

As for the items of the company's income statement, namely the cost of goods sold is the main cost in the company from the income that represents what the company pays to project work. From the vertical results of PT Mercor Indonesia's income statement, the cost of goods sold is the absorption of the largest proportion in the 2012-2019 period of revenue. compensation of the cost of goods sold, namely the use of project materials, material transportation costs, labor wages, overhead costs, other project costs. Then after reducing the cost of goods sold, PT Mercor Indonesia's gross profit and loss in 2012 amounted to 22.68%, in 2013 it was 26.84%, in 2014 it was 20.39%, in 2015 it was 39.23%, in 2016 it was 16.98% in 2017 23.21%, in 2018 it was 21.88% and in 2019 it was 19.82%.

In terms of operational and general expenses, PT Mercor Indonesia is all expenses other than the Cost of Goods Sold that occur to carry out normal company activities. The costs included are employee salary costs, equipment costs, document delivery costs, marketing costs, telephone costs, electricity and water, food and drinking costs, office maintenance costs, official travel costs, fuel costs, dues fees, taxes, and social security. , insurance costs, administrative and general costs, bank administration costs, vehicle maintenance costs, depreciation costs, other operating costs, the total operating and general expenses have a proportion each year, namely in 2012 amounted to 13.11%, in 2013 amounted to 9.33%, in 2014 amounted to 15.31%, in 2015 amounted to 19.58%, in 2016 amounted to 13.85% in 2017 amounted to 13.06%, in 2018 amounted to 14.93% and in 2019 amounted to 10.75%.

Then on the other side of the operational costs of PT Mercor Indonesia, there is an additional side, namely non-operating income, namely current accounts, and other income and there is a deduction on the side of the non-operating expenses, namely bank administrative expenses, asset depreciation costs, and other net

other expenses. then the net profit for the current year obtained at PT Mercor Indonesia is fluctuating every year in the year the percentage of net income for the current year in 2012 was 9.64% and in 2013 it was 17.06% which was the profit with the highest percentage because in the 2013 period it occurred due to the cost of goods sold. and operational and general costs with a proportional percentage of the income received by PT Mercor Indonesia and in 2014 had a current year profit of 3.65% and in 2015 17.06% was a misunderstanding of current year profit with the highest percentage from 2012-2019 due to calculations proportions are optimal in related posts. And in 2016 the profit for the year of 1.54% was PT Mercor Indonesia's smallest profit because there was a large proportion of reduction in operational and non-operational costs in the company. In 2017, the current year's profit was 9.22% and in 2018 PT Mercor Indonesia had a current year's net profit percentage of 5.14% of the revenue received then in 2019 PT Mercor Indonesia had a current year's net profit percentage of 8.00%.

Tabel 5.
Horizontal Analysis of PT Mercor Indonesia's Financial Position Report (Balance Sheet) for the 2012-2019 Period

Account	Ups/Downs 2012-2013	%	Ups/Downs 2014	%	Ups/Down 2015	%	Ups/Downs 2016	%	Ups/Downs 2017	%	Ups/Downs 2018	%	Ups/Downs 2019	%
Assets														
Current Assets														
Total Current Assets	2,056,268,456	1.85	1,559,681,168	0.49	2,926,625,277	0.62	(3,367,969,226)	(0.44)	1,766,604,441	0.41	2,206,856,508	0.36	(147,289,647)	(0.02)
Fixed Assets														
Total Fixed Assets	(5,824,993,192)	(0.85)	1,788,728,437	1.77	(340,743,833)	(0.12)	938,289,748	0.38	1,455,085,901	0.43	(49,585,375)	(0.01)	1,074,176,550	0.22
Total Assets	(3,768,724,736)	(0.47)	3,148,409,605	0.75	2,785,881,444	0.38	(2,429,679,478)	(0.24)	3,221,690,342	0.42	2,157,271,133	0.20	926,886,903	0.07
Liability and Equity														
Short-Term Liability	203,910,225	7.28	2,758,496,604	11.89	811,842,577	0.27	(2,618,296,648)	(0.69)	354,448,559	0.30	1,912,602,723	1.24	(2,652,837,162)	(0.77)
Long-Term Liability									1,077,224,359					
KPR Debt							1,183,961,468		(106,737,109)	(0.09)				
Total Liability	203,910,225	7.28	2,758,496,604	11.89	811,842,577	0.27	(2,618,296,648)	(0.69)	1,431,672,918	1.21	835,378,364	0.32	(2,652,837,162)	(0.77)
Equity														
Total Equity	(3,972,634,961)	(0.50)	389,913,001	0.10	1,974,038,867	0.45	188,617,170	0.03	1,790,017,424	0.28	1,321,892,769	0.16	3,579,724,065	0.37
Total Liability and Equity	(3,768,724,736)	(0.47)	3,148,409,605	0.75	2,785,881,444	0.38	(2,429,679,478)	(0.24)	3,221,690,342	0.42	2,157,271,133	0.20	926,886,903	0.07

Source: Data processing 2021

Based on the results of the Horizontal Analysis of PT Mercor Indonesia's balance sheet reports for the 2012 to 2019 period, it has found good performance. Horizontal analysis is an analysis carried out by comparing financial reports for several periods. From the results of this analysis, it will be seen that the company's development from one period to another. by showing financial information or other data either in rupiah or in percentages. The Statement of Financial Position or Balance Sheet is a type of financial report of PT Mercor Indonesia, namely a construction service company that presents the position of the company's assets, liabilities, and capital at the time of compilation.

The Horizontal analysis shows that the condition of PT Mercor Indonesia's financial statements in terms of assets, namely total assets, shows the movement of fluctuations every year where total assets in 2013 decreased from the previous year and in 2016 total assets decreased from the previous year, the decline was caused by several posts. which moved down in that year, namely in 2012 due to a decrease in total non-current assets and 2016 due to a decrease in total current assets from the previous year then when viewed on the liabilities side, PT Mercor Indonesia's total liabilities showed an upward movement even though in 2019 it decreased and equity total PT Mercor Indonesia continued to increase from 2014-2019 even though in 2013 it decreased.

Tabel 6.
Horizontal Analysis of PT Mercor Indonesia's Income Statement for the Period 2012-2019

Account	Up/Down 2012-2013	%	Up/Down 2014	%	Up/Down 2015	%	Up/Down 2016	%	Up/Down 2017	%	Up/Down 2018	%	Up/Down 2019	%
Sales/Income	8,957,886,392	1.46	(4,443,257,929)	(0.29)	898,990,479	0.08	10,224,376,177	0.88	174,557,868	0.01	3,729,555,048	0.17	19,067,377,060	0.74
Cost of Good Sold	6,297,846,060	1.32	(2,562,424,204)	(0.23)	(1,464,798,075)	(0.17)	11,062,704,185	1.57	(1,223,649,793)	(0.07)	3,205,328,976	0.19	15,817,348,765	0.79
Gross Profit	2,660,040,332	1.91	(1,880,833,725)	(0.46)	2,363,788,554	1.09	(838,328,008)	(0.18)	1,398,207,661	0.38	524,226,072	0.10	3,250,028,295	0.58
Operational and General Expenses	602,787,742	0.75	223,365,980	0.16	632,476,324	0.39	753,164,344	0.33	(150,634,633)	(0.05)	967,997,048	0.34	978,036,491	0.25
Operating Profit/Loss	2,057,252,590	3.49	(2,104,169,705)	(0.80)	1,731,282,230	3.19	(1,803,704,002)	(0.79)	1,556,421,044	3.31	(239,138,076)	(0.12)	2,271,991,804	1.27
Non operational income (expenses)	64,247,431	14.68	83,527,276	1.22	(63,965,468)	(0.42)	(434,684,062)	(4.93)	(94,178,354)	0.27	905,709,313	(2.06)	14,160,508	0.03
Net Income For the year	1,984,254,439	3.34	(2,187,696,981)	(0.85)	1,584,125,865	4.06	(1,638,685,383)	(0.83)	1,690,708,857	5.04	(704,169,572)	(0.35)	2,257,831,296	1.71

Source: Data processing 2021

The construction project company's income statement is a type of report that presents the company's performance which is reflected in the form of profit and loss over a certain period. Based on the results of Horizontal analysis in the PT Mercor Indonesia income statement for the period 2012-2019, it shows that the income statement of PT Mercor Indonesia has fluctuating items so that the current year profit of PT Mercor Indonesia also fluctuates. In the sales post, PT Mercor Indonesia has sales that increase every year even though there is a declining comparison from the previous year in 2014 but the cost of goods sold is a fluctuating movement which is influenced by fluctuations in the post-project material usage, material transportation costs, labor wages, costs overhead, other project costs, this also causes gross profit to fluctuate, namely, there is an increasing movement in 2013, 2015 and 2017, 2018 and 2019 and the year compared to the previous year then decreased in 2015 than in 2014 and, 2016 is back Down.

On the side of the operating profit and loss movement, it fluctuates which is influenced by changes in items in operational and general expenses, namely employee salaries, equipment costs, document delivery costs, marketing costs, telephone costs, electricity and water, food, and drink costs, office maintenance costs. , official travel costs, fuel costs, dues, taxes and social security costs, insurance costs, general and administrative costs, bank administration costs, vehicle maintenance costs, depreciation costs, and on the other side of operational costs, and there is an additional side, namely non-operating income, namely current account income and other income and there is a deduction on the non-operating expense account, namely bank administrative expenses, asset depreciation costs, and other net expenses, so these accounts can affect changes in net income for the current year of PT Mercor Indonesia. 2012-2019 shows that the movement of net income for the current year is fluctuating, hence increasing and decreasing every item in the financial statements will affect the profit obtained by PT Mercor Indonesia. In the horizontal analysis of the income statement, there was an increase in sales, but the net profit for the current year fluctuated.

Conclusion

- Based on the results of PT Mercor Indonesia's financial ratio analysis for the 2012-2019 period,
 - The profitability ratio seen in ROA, NPM, ROE shows that the profitability ratio is quite optimal, meaning that the company's performance must be increased so that the profit generated by the company can also be optimal.

- b. Liquidity ratio analysis as measured by the current ratio, cash ratio, quick ratio from the results of the analysis that PT Mercor Indonesia for the 2012-2019 period shows that PT Mercor Indonesia can pay its obligations at maturity, meaning that the company is in a liquid state.
 - c. Solvency Ratio Analysis as measured by Debt to Equity Ratio and Debt to Asset Ratio shows that PT Mercor Indonesia for the 2012-2019 period where the solvency ratio is used to measure how much a company uses funds from debt (loans) through DAR and DER shows a state that is still in a state good, namely DAR shows that the company is in good condition in using debt even though the movement of fluctuation
 - d. Activity ratio analysis is a ratio used to measure the effectiveness of a company is using its assets with TATO, Cash Turnover, fixed asset turnover measuring instruments for the period 2012-2019 showing that PT Mercor Indonesia is lacking optimal asset management needs to increase operational activities and activities of PT Mercor Indonesia.
2. Based on the results of vertical analysis, PT Mercor Indonesia's balance report for the period 2012 to 2019 is quite optimal. This is shown in the balance sheet on the asset side, the largest proportion of the forming part is current assets from non-current assets or fixed assets and on the liabilities side, PT Mercor Indonesia has the largest percentage of liabilities forming total equity and liabilities forming with the smallest contribution, namely the total liabilities of PT Mercor Indonesia which shows that the guarantor from PT Mercor Indonesia is good enough to avoid PT Mercor Indonesia's financial difficulties. As for the vertical analysis, PT Mercor Indonesia's income statement for the period 2012-2019 shows that PT Mercor Indonesia's financial performance is not optimal, because the large percentage of business operating costs has experienced a very significant increase affecting the fluctuating operating profit from 2012-2019.
3. Based on the results of the analysis of PT Mercor Indonesia's Horizontal Balance Sheet from 2012 to 2019, it shows good financial performance, namely an increase in total assets but also followed by total liabilities. So that PT Mercor Indonesia's balance report from 2012 to 2019 has been optimal, seeing that assets continue to increase and the percentage increase in liabilities is quite adequate and PT Mercor Indonesia's equity also shows an increasing trend. Then the Horizontal analysis of PT Mercor Indonesia's income statement shows that the total income or sales has increased from 2012 to 2019 with a positive trend and the net profit for the current year from 2012-2019 has a fluctuating movement because several profit and loss accounts experiencing fluctuations especially in the cost of goods sold as well as influencing income from operating and non-operating expenses.

Recommendation

Based on the findings obtained, this study has the following recommendations:

1. Theoretical Recommendations
This research can be used as additional empirical evidence regarding the measurement of financial performance based on the ratio analysis method, vertical analysis and horizontal analysis.
2. Practical Recommendations
This research can be used as material for consideration by practitioners regarding decision making related to the company's operational activities.

Research Limitations

This study has limitations on the availability of data and the scope of the research is only in one company. This has an influence on the final results of this study.

Suggestion

Based on the research results that have been put forward, it can be put forward as suggestions as follows:

- 1) For further research, researchers use different event periods especially for comparison of financial performance, thus providing a better picture of financial performance analysis
- 2) For further research, researchers can also use other financial ratios, as well as different methods of analysis. This can provide a better picture of the company's financial performance
- 3) For further research, the researcher can use several companies as a comparison with the time period and in the same industrial sector

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