Current Issues & Research in Social Sciences, Education and Management (CIR-SSEM) Vol. 2 No. 1, pp. 157-169, May, 2024
E-ISSN: 3032-324X
https://www.ejournal.aibpmjournals.com/index.php/ssem/index

Analysis Current Ratio and Debt to Assets Ratio on Profit Growth Mediated by Return on Asset at PT. Perkebunan Nusantara IV Medan

Julita[1]
[1]Universitas Muhammadiyah Sumatera Utara, Indonesia
Correspondence Email: julita@umsu.ac.id

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE

Julita, J., (2024). Analysis Current Ratio and Debt to Assets Ratio on Profit Growth Mediated by Return on Asset at PT. Perkebunan Nusantara IV Medan. *Current Issues & Research in Social Sciences, Education and Management, 2* (1), 157-169.

Received: 5 March 2024
Accepted: 3 April 2024
Published: 6 May 2024

ABSTRACT

The research purposes determine the effect of the current ratio on return on assets, determine the effect of debt to asset ratio on return on assets. knowing the effect of return on assets on profit growth, knowing the effect of the current ratio on profit growth, knowing the effect of debt to asset ratio on profit growth, knowing the effect of the current ratio on profit growth mediated by return on assets, and knowing the effect of debt to asset ratio on profit growth which is mediated by return on assets at PT. Perkebunan Nusantara IV Medan. The method in this research uses quantitative research, the sample used in this study is the entire population in the form of financial reports of PT Perkebunan Nusantara IV Medan for the last 10 years from. The data collection technique in this study uses documentation techniques. The data analysis technique used panel data regression analysis. The data processing in this study uses Eviews 9. Based on the research shows that the current ratio has a significant effect on return on assets, the debt to asset ratio has no significant effect on return on assets, the current ratio has a significant effect on profit growth, the debt to asset ratio has a significant effect on profit growth, return on assets does not have a significant effect on profit growth, return on assets mediate the relationship between current ratio to profit growth, return on assets does not mediate the relationship between debt to asset ratio to profit growth.

Keywords: Profit Growth; Return on Assets; Current Ratio; Debt to Asset Ratio

INTRODUCTION

PT Perkebunan Nusantara IV Medan, is a Subsidiary of a State-Owned Enterprise Indonesia which operates in the plantation sector palm oil and tea . This BUMN is headquartered in Medan , North Sumatra and was officially founded in 1996 as a merger of several other companies. 90% of the Indonesian government's shares in PT. Perkebunan Nusantara IV Medan were transferred to PT. Perkebunan Nusantara III and the holding company for the Plantation BUMN. PT. Perkebunan Nusantara IV Medan also processes the oil palm seed center located in the Adolina Business Unit, located in Perbaungan, Serdang Bedagai , North Sumatra . Which has branches in 9 locations, namely Langkat Regency, Deli Serdang, Serdang Berdagai, Simalungun, Asahan, Labuhan Batu, Padang Lawas, Coal and Mandailing Natal.

Profit growth is a change in the percentage increase in profits obtained by the company. Good profit growth indicates that the company has a good financial condition and will increase the company's value. Profit growth is calculated by subtracting the current period's profit from the previous period's profit and then dividing by the previous period's profit as used in research (Andriyani, 2015).

The following is a table of profit growth at the company PT. Perkebunan Nusantara IV Medan for the period 2013 to 2022:

Table.1 Profit Growth PT. Perkebunan Nusantara IV Medan Period (2013-2022) in millions

Period	Profit	Growth (%)
20013	417.858.799.917	47.94%
2014	804.279.495.996	92.48%
2015	890.866.393.008	10.77%
2016	697.428.997.083	(21.71%)
2017	433.344.791.637	(37.87%)
2018	752.363.591.531	73.62%
2019	204.898.252.248	(72.77%)
2020	555.577.584.843	171.15%
2021	599.059.844.945	7.83%
2022	580.373.205.080	(3.12%)
Average	**593.605.095.629**	**24.49%**

Source: PT. Perkebunan Nusantara IV Medan, 2023

One way to predict company profits is to use financial ratios. Financial ratio analysis helps business people and government officials evaluate the company's financial condition in the past, present or future. Financial ratios that influence profit growth include the current ratio, total asset turnover, receivable turnover, debt to asset ratio, debt to equity ratio, return on assets.

Table.2 Return on Assets PT. Perkebunan Nusantara IV Medan Period (2013-2022) in millions

Period	Profit	Total Assets	ROA (%)
2013	417.858.799.917	5.872.748.418.129	7.12%
2014	804.279.495.996	6.778.392.669.834	11.87%
2015	890.866.393.008	7.993.504.435.188	11.14%
2016	697.428.997.083	9.199.385.014.952	7.58%

2017	43.344.791.637	9.396.537.639.618	4.61%
2018	752.363.591.531	10.093.036.227.017	7.45%
2019	204.898.252.248	12.788.381.416.359	1.60%
2020	555.577.584.843	13.364.320.348.392	4.16%
2021	599.059.844.945	13.204.954.942.522	4.54%
2022	580.373.205.080	15.722.952.370.053	3.69%
Average	**593.605.095.629**	**10.441.421.348.206**	**5.69%**

Source: PT. Perkebunan Nusantara IV Medan, 2023

There is a tendency for the value of return on assets to increase due to an increase in total assets followed by an increase in net profit. Companies are required to be able to generate profits, if the company's profits are high then it is certain that the company can pay the debts it has, both short-term debt and long-term debt. One ratio to measure the ability to pay debts is the current ratio.

The following is a table of the current ratio at PT Perkebunan Nusantara IV Medan from 2013 -2022

Table.3 Current Ratio PT. Perkabunan Nusantara IV Medan Period (2013-2022) in millions

Period	Current Assets	Current Liabilities	Current Ratio (%)
2013	1.380.789.458.780	998.007.754.251	138.35%
2014	1.494.484.549.372	1.236.685.021.804	120.85%
2015	1.731.931.950.155	1.458.909.290.798	118.71%
2016	1.968.867.355.310	1.601.540.455.825	122.94%
2017	1.680.475.007.120	1.538.281.740.458	109.24%
2018	2.092.577.404.168	1.944.773.834.397	107.60%
2019	1.527.527.055.940	1.763.152.636.028	86.64%
2020	2.264.248.612.909	1.720.081.492.708	131.64%
2021	2.094.992.777.545	2.046.674.606.877	102.36%
2022	2.152.784.733.659	1.871.141.171.069	115.05%
Average	**1.838.867.890.496**	**1.617.924.800.422**	**115.34%**

Source: PT. Perkebunan Nusantara IV Medan, 2023

There is a tendency for the value of the current ratio to decrease due to an increase in the amount of current debt, while current assets have not increased as much as current debt. Profit growth can also be influenced by the debt to asset ratio. Debt to Asset Ratio (DAR) is often also called Debt Ratio (DR). Debt to asset ratio is one of the solvency ratios or debt ratios. This ratio is usually used to measure a company's ability to pay its debts with the assets it owns. The high value of the debt to asset ratio indicates that many of the assets owned by the company are funded by debt which can cause the company to experience difficulties in the future, so the company must be able to manage the value of its debt to asset ratio. According to Sudana (2015) the debt ratio measures the proportion of funds originating from debt to finance company assets. The greater this ratio shows that the portion of debt used to finance investment in assets is greater, which means the company's financial risk increases and vice versa.

The following is a Debt to Asset Ratio table at PT. Perkebunan Nusantara Medan,

Table.4 Debt to Asset Ratio PT. Perkebunan Nusantara IV Medan Period (2013-2022) in millions

Period	Total Amoun of Debt	Total Assets	Debt Ratio (%)
2013	3.228.982.029.669	5.872.748.418.129	54.98%
2014	3.472.418.777.378	6.778.392.669.834	51.23%
2015	4.057.482.472.917	7.993.504.435.188	50.76%
.2016	4.996.094.359.792	9.199.385.014.952	54.31%
2017	5.004.002.341.800	9.396.537.639.618	53.25%
2018	5.082.474.223.075	10.093.036.227.017	50.36%
2019	6.209.058.813.522	12.788.381.416.359	48.55%
2020	6.743.110.686.589	13.364.320.348.392	50.46%
2021	6.481.513.542.268	13.204.954.942.522	49.08%
2022	8.123.363.549.792	15.722.952.370.053	51.67%
Average	**5.339.850.076.680**	**10.441.421.348.206**	**51.46%**

Source: PT. Perkebunan Nusantara IV Medan, 2023

The debt to asset ratio to decrease, because the company's total assets are greater than the total debt it has. *Debt to equity ratio* A high (DER) has a bad impact on company performance because a higher debt level means the interest expense will be greater, which means reducing profits. On the other hand, a low DER level indicates better performance, because it causes a higher rate of return (Gunawan & Wahyuni, 2013) . The following is a table *Debt to Equity Ratio* (DER)

Table.5 Debt to Equity Ratio PT. Perkebunan Nusantara IV Medan Period (2013-2022) in millions

Period	Total Amoun of Debt	Total Equity	Debt Equity Ratio (%)
2013	3.228.982.029.669	2.643.766.388.460	122.14%
2014	3.472.418.777.378	3.305.973.892.456	105.03%
2015	4.057.482.472.917	3.936.021.962.271	103.09%
2016	4.996.094.359.792	4.203.290.655.160	118.86%
2017	5.004.002.341.800	4.392.535.297.818	113.92%
2018	5.082.474.223.075	5.010.562.003.942	101.44%
2019	6.209.058.813.522	6.579.322.602.837	94.37%
2020	6.743.110.686.589	6.621.209.661.803	101.84%
2021	6.481.513.542.268	6.723.441.400.254	96.40%
2022	8.123.363.549.792	7.599.588.820.261	106.89%
Average	**5.339.850.079.680**	**5.101.571.268.526**	**104.67%**

Source: PT. Perkebunan Nusantara IV Medan, 2023

For the debt to equity ratio to decrease due to an increase in total equity which is followed by an increase in the company's total debt. Meanwhile, *the debt to asset ratio* value has decreased because the company's total equity is greater than the total debt it has. Return on Assets (ROA) is the ratio between the company's net profit after tax and the company's total assets as a whole. ROA also describes the rate of return on the assets owned by the company. ROA shows the company's ability to generate profits from the assets used. If there is an increase in ROA, there will be an increase in profit growth. A high ROA shows that the company is trying to increase sales so that profit growth will increase too. This is in accordance with research by Hartini (2012) which states that the ROA variable partially influences profit growth with a significance level of 0.033 (smaller than 0.05).

If *the Current Ratio* (CR) is low, it can be said that the company lacks capital to pay debts. However, if the results of measuring a high ratio do not necessarily mean that the company is in good condition, this could happen because the company is not using the cash management system as well as possible (Mardiyanto, 2009) . If the company can fulfill all its obligations then the company is in liquid condition. Financial condition Good ones will have an impact on the company's high profits. In accordance with Saragih's research, (2015) shows the results of a simple linear regression equation, namely: ROA = 0.028 + 0.023 CR + ε . This shows that there is a positive influence between the current ratio and return on assets with a significant level of 0.023 (smaller than 0.05)

If the *Debt To Asset Ratio* (DAR) value is high, it means that the company will have more debt funding, but if the value is low it does not necessarily mean that the company will be able to finance the operational activities it carries out because of the small amount of capital it has (Hery, 2015) . A higher Debt to Asset Ratio (DAR) can result in a decrease in profit growth. The results of Safitri's research (2016) show that the Debt to Asset Ratio has a significant value of 0.000, which is smaller than 0.05 and the tcount of 4.135 is greater than the ttable of 1.694. This shows that the t table value α = 5% is smaller than tcount so that partially the Debt variable to Asset Ratio has a significant influence on profit growth.

LITERATURE REVIEW

1. Profit Growth (Profit Growth)

According to Sihombing (2018) profit is the difference between income received and costs incurred in a certain period which can increase wealth. Meanwhile, according to Widiyanti (2019), profit is the difference between realized income arising from transactions during one period and costs related to income .

According to Harahap (2015) "Profit growth is a ratio that shows the company's ability to increase net profit compared to the previous year. Meanwhile, according to Trirahaju (2017) "Profit growth is an increase or decrease in profits per year." Meanwhile, according to Nurhadi (2011) "Profit growth shows the percentage increase in profits that a company can produce in the form of net profit, which is important for many parties such as managers, shareholders, financial analysts and so on. The main objective of reporting profits is to provide useful information for interested parties in financial reports. Profit growth from year to year can be used as a basis for measuring management efficiency and can help predict the company's direction or dividend distribution in the future.

2. Understanding Current Ratio

According to Kasmir (2013) "The *current ratio* is a ratio to measure a company's ability to pay short-term obligations or debts that will soon mature when they are collected in full. In other words, how much current assets are available to cover short-term liabilities that are due soon? According to Murhadi (2013) "The *current ratio* is a ratio that is usually used to measure a company's ability to meet short-term liabilities that will mature within one year." From the definition stated above, it can be interpreted that the

Current Issues & Research in Social Sciences, Education and Management (CIR-SSEM) Vol. 2 No. 1, pp. 157-169, May, 2024
E-ISSN: 3032-324X
https://www.ejournal.aibpmjournals.com/index.php/ssem/index

current ratio is a measure used to measure a company's ability to fulfill its short-term obligations that are due.

3. Understanding *Debt to Asset Ratio*

Debt Ratio is a ratio that indicates the portion of a company's debt compared to assets; provides a general overview of the impact on the company along with the potential risks faced by the company on debt (Guinan, 2009) .

According to Sudana (2015) , *The debt ratio* measures the proportion of funds originating from debt to finance company assets. Meanwhile, according to Kasmir (2013) , *the debt ratio* is a debt ratio that is used to measure the comparison between total debt and total assets. In other words, how much of a company's assets are financed by debt or how much company debt has an effect on asset management.

4. Understanding *Return on Assets*

According to Kariyoto (2017) "ROA is a ratio that measures the level of return on investment made by a company using all the funds (assets) it has." Meanwhile, according to Hery (2015) "The return on assets is a ratio used to measure how much net profit is generated from each rupiah of funds embedded in total assets."

Meanwhile, according to Sudana (2015) "ROA shows the company's ability to use all its assets to generate profits after tax". And according to Rambe, et al (2017) " *Return On Assets* is the comparison between net profit and total assets to measure the level of return on initial investment".
From the definition of ROA according to the experts above, it can be concluded that *Return on Assets* (ROA) is a profitability ratio value used to measure a company's ability to generate profits on the total assets used to fund the company.

5. Conceptual framework

A conceptual framework is a form of thinking framework that can be used as an approach to solving problems. The conceptual framework aims to connect or explain in depth a topic of discussion.

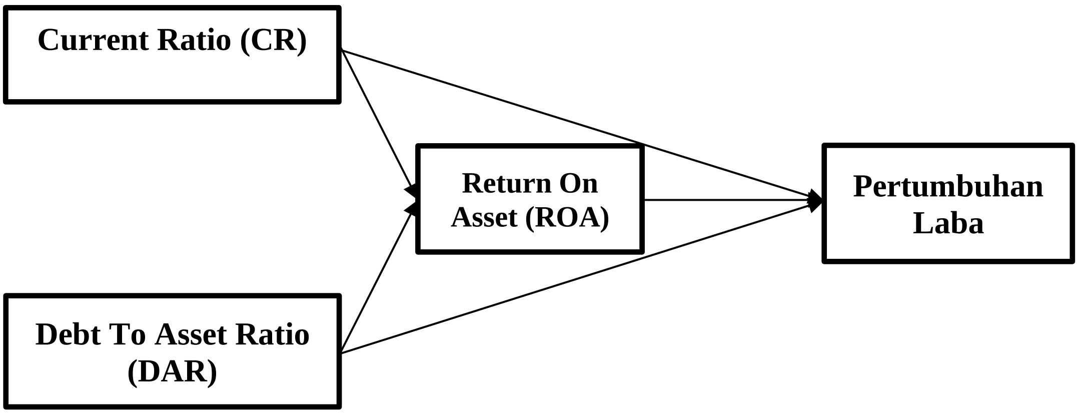

Figure 1. Conceptual Framework

6. Hypothesis

Based on the problem formulation, research objectives and framework of thought described in the previous section, the researcher assumes the hypothesis in this research is as follows:

1. There is an influence of *the current ratio* on *return on assets*
2. There is an influence of *the Debt to Asset Ratio* on *Return on Assets*
3. There is an influence of *the current ratio* on *Profit Growth*
4. There is an influence of *the Debt to Asset Ratio* on *Profit Growth*
5. There is an influence of *Return on Assets* on *Profit Growth.*
6. *Return on Assets* can mediate the influence of *the Current Ratio* on Profit Growth.
7. *Return on Assets* can mediate the influence *of Debt to Asset Ratio* on *Profit Growth*

RESEARCH METHOD

Path *Analysis*

Path analysis is used to analyze the pattern of relationships between variables with the aim of determining the direct or indirect influence of a set of independent variables on the dependent variable. *Path analysis* or path analysis is the relationship between independent variables, intervening variables and dependent variables which is usually presented in diagram form. According to Juliandi, et al (2015) There are many models used to carry out path analysis, but this research uses a two-path analysis model. The equation model used in this research is described as follows:

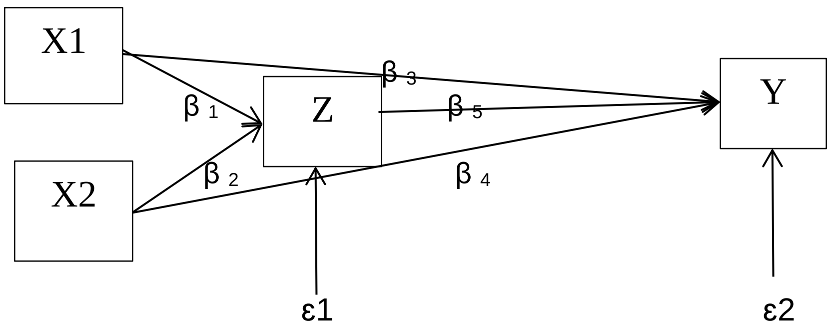

Figure 2. Path Analysis Model

The equation in the path analysis model above is as follows:

$$Y = \alpha + \beta_3 X1 + \beta_4 X2 + \beta_5 Z + \varepsilon 2$$
$$Z = \alpha + \beta_1 X1 + \beta_2 X2 + \varepsilon 1$$

Information:

α	: Constant
X1	: Current Ratio
X2	: Debt To Asset Ratio
Z	: Return On Assets
Y	: Profit Growth
β	: Regression coefficient
ε	: Error term/Error Rate

The criterion for drawing conclusions from path analysis is that if the indirect influence coefficient value > direct influence (β_2 x $\beta_5 > \beta_4$) then variable Z is an intervening variable, or in other words the actual influence is indirect and if the indirect influence coefficient value < direct influence (β_2 x $\beta_5 < \beta_4$) then variable Z is not an intervening variable, the actual influence is direct. (Juliandi et al., 2015).

RESULTS

Path Analysis Hypothesis Test Results

Path analysis *is* an analytical technique used to study the causal relationship between independent variables and dependent variables. In this research, the relationship between the independent variables (*current ratio* and *debt to asset ratio*) with the dependent variable (*profit growth*) mediated by the *intervening variable* (*return on asset*).

Table. Path Coefficient Summary

Variables	Coeff	St. Error	t-statistic	Prob.	Information
CR – ROA	2.799650	0.862291	3.246756	0.0025	Significant
DAR – ROA	-1.588532	2.767363	-0.574024	0.5694	Not significant
CR – PG	5.028888	0.754096	6.668759	0.0000	Significant
DAR – PG	-35.62736	4.873962	-7.309732	0.0000	Significant
ROA – PG	2.919493	2.498177	1.168650	0.2502	Not significant

Source: Processed data, 2023

Based on the summary table of path coefficients and calculations 1 and 2 above, the following structural equation is obtained:

a. ROA = 2,799CR + -1,588DA R + 0.836
b. PG = 5,029CR + - 35,627DAR + 2,919 ROA + 0 ,592

The following is a path diagram from the structural equation above:

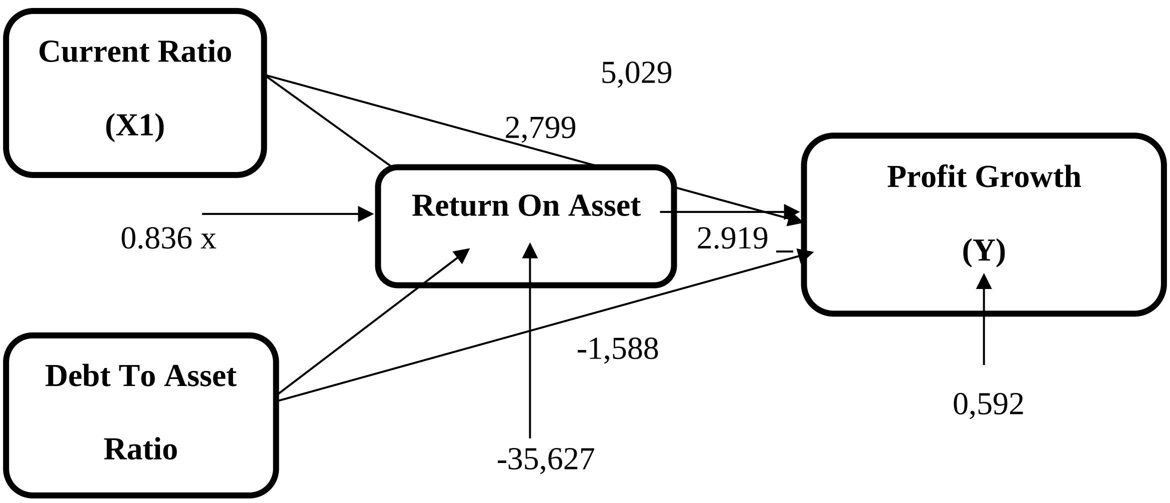

Figure 3. Path Diagram

Based on the path coefficient summary table above, it can be seen that CR has a significant effect on PG with a coefficient of 5.028888, while the indirect effect of CR on PG through ROA can be calculated as 2.799650 x 2.919493 = 6.14503. and the total influence of CR on PG is 5.028888 + 6.14503 = 11.173918. From these calculations, the direct influence coefficient value is 5.028888 and the indirect influence coefficient value is 6.14503, this means the indirect influence is greater than the direct influence or 6.14503>5.028888, this means ROA mediates the relationship between CR and PG. DAR has a significant effect on PG with a regression coefficient of -35.62736, while the indirect effect of DAR on PG through ROA can be calculated as -35.62736 x 2.919493 = - 104.013828. And the total influence of DAR on PG is -139.641188. From these calculations, the direct influence coefficient value is -35.62736 and the indirect influence coefficient value is -104.013828, this means that the indirect influence is smaller than the direct influence or -0.3562736<-104.013828, this means that ROA does not mediate. relationship between DAR and PG.

DISCUSSION

1. The Effect of Current Ratio on Return on Assets

The results of the analysis show that *the current ratio* has a significant effect on return on assets, this can be seen from the probability value of 0.0226 which is below the significance level of 0.05. This shows that the company's ability to pay off its short-term debt will affect its *return on assets* , which means the company is able to manage current assets well so that the company can carry out the company's operational activities to achieve maximum profits.

2. The Influence of *Debt to Asset Ratio* on *Return on Assets*

The results of the analysis show that *the debt to asset ratio* does not have a significant effect on *return on assets,* this can be seen from the resulting probability, which is 0.4267, which is greater than the significance level of 0.05. This shows that the decreasing debt to asset ratio could be due to the decreasing total debt as well as the company's ineffectiveness in managing the total assets it owns and the impact is that net profit also decreases.

3. The influence of *the Current ratio* on *profit growth*

The research results show that *the current ratio* has a significant effect on *profit growth,* this can be seen from the resulting probability value of 0.00 which is smaller than the significance level of 0.05. This shows that the company's ability to fulfill its short-term obligations will have an effect on increasing the value of profit growth.

4. The Influence of *Debt to Asset Ratio* on *Profit Growth*

The research results show that *the debt to asset ratio* has a significant effect on profit growth, this can be seen from the resulting probability value, which is 0.00, which is smaller than the significance level of 0.05. This shows that a small *debt to asset ratio value* will be better because the interest debt burden to external parties will decrease which will result in increased company profits.

5. The Effect of *Return on Assets* on *Profit Growth*

The research results show that *return on assets* does not have a significant effect on *profit growth*, this can be seen from the resulting probability of 0.2502 which is greater than the significance level of 0.05. This shows that if there is an increase in the value of return on assets, it will be followed by a decrease in profit growth.

6. The influence of *the Current Ratio* on Profit Growth is mediated by *Return on Assets*

The results of the mediation research show that the coefficient value of the direct influence of the current ratio on profit growth is 5.028888, while the indirect influence of CR on PG through ROA can be calculated as 2.799650 x 2.919493 = 6.14503. The coefficient value of the indirect effect is greater than the direct effect or 6.14503>5.028888, this means that ROA mediates the relationship between CR and PG.

7. The influence of *Debt to Asset Ratio* on Profit Growth is mediated by *Return on Assets*

The results of the mediation research show that the coefficient value of the direct influence of *debt to asset ratio* on *profit growth* is -35.62736, while the indirect influence of DAR on PG through ROA can be calculated as -35.62736 x 2.919493 = -104.013828. The indirect influence coefficient value is smaller than the direct influence or equal to -104.013828<-35.62736, this means that ROA does not mediate the relationship between DAR and PG.

CONCLUSION

Based on the results of research conducted at the company PT. Perkebunan Nusantara IV Medan, it can be concluded as follows:

1. *The current ratio* has a significant effect on *return on assets*, this can be seen from the probability value of 0.0226 which is below the significance level of 0.05 or 5%, so H1 is accepted.
2. *The debt to asset ratio* does not have a significant effect on *return on assets,* this can be seen from the resulting probability, which is 0.4267, which is greater than the significance level of 0.05 or 5%, so H2 is rejected.
3. *The current ratio* has a significant effect on *profit growth,* this can be seen from the resulting probability value of 0.00 which is smaller than the significance level of 0.05 or 5%, so H3 is accepted.
4. *The debt to asset ratio* has a significant effect on profit growth, this can be seen from the resulting probability value, which is 0.00, which is smaller than the significance level of 0.05 or 5%, so that H4 is accepted.
5. *return on assets* does not have a significant effect on *profit growth*, this can be seen from the resulting probability of 0.2502 which is greater than the significance level of 0.05 or 5%, so H5 is rejected.
6. *Return on assets* mediates the relationship between *current ratio* and *profit growth,* this can be seen from the indirect effect being greater than the direct effect or equal to 6.14503>5.028888, so H6 is accepted.
7. *Return on assets* does not mediate the relationship between *current ratio* and *profit growth* this can be seen from the indirect effect being smaller than the direct effect or equal to -104.013828<-35.62736, so H7 is rejected.

REFERENCES

Agustina, R. (2016). Analysis of factors influencing profit growth with company size as a moderating variable in manufacturing companies listed on the Indonesian Stock Exchange. *Journal of Microskill Economics* , *6* (1), 85–101.

Alpi, MF, & Gunawan, A. (2018). The Influence of Current Ratio and Total Assets Turnover on Return on Assets in Plastic and Packaging Companies. *Axiom Accounting Research Journal* , *17* (2), 1–36.

Andriyani, I. (2015). The Influence of Financial Ratios on Profit Growth in Mining Companies Listed on the Indonesian Stock Exchange. *Sriwijaya Journal of Management and Business* , *13* (3), 343–358.

Antriksa, NM Ci. A., & Sudiartha, GM (2019). The Role of Profitability in Mediating the Influence of Liquidity and Capital Structure. *Management E-Journal* , *8* (6), 3303–3332.

Basuki, AT, & Prawoto, N. (2016). *Regression Analysis in Economics & Business Research: Equipped with SPSS & Eviews Applications* . Jakarta: PT RajaGrafindo Persada.

Bionda, AR, & Mahdar, N.M. (2017). The Influence of Gross Profit Margin, Net Profit Margin, Return on Assets, and Return on Equity on Profit Growth in Manufacturing Companies on the Indonesian Stock Exchange. *Kalbisocio* , *4* (1), 10–16.

Dianitha, KA, Masitoh, E., & Siddi, P. (2020). The Influence of Financial Ratios on Profit Growth in Food and Beverage Companies on the IDX. *Indonesian Accounting and Finance Periodical* , *5* (1), 14–30. https://doi.org/10.20473/baki.v5i1.17172

Gischanovelia, M. (2018). Leverage Ratio Analysis to Predict Profit Growth in Food and Beverage Sub-Sector Manufacturing Companies Listed on the Indonesian Stock Exchange for the 2011-2015 Period. *Journal of Business, Management And Informatics* , *15* (2), 147–172.

Gultom, D.K., Manurung, M., & Sipahutar, RP (2020). The Influence of Current Ratio, Debt To Equity Ratio, Total Asset Turnover on Return on Assets in Cosmetics and Household Goods Sub-Sector Companies Listed on the Indonesian Stock Exchange. *Journal of the Humanities* , *4* (1), 1–14.

Gunawan, Ade; Wahyuni, SF (2013). The Influence of Financial Ratios on Profit Growth in Trading Companies in Indonesia. *Journal of Management & Business* , *13* (1), 63–84.

Handayani, SF (2019). The Influence of Profitability and Activity Ratios on Company Profit Growth (Case Study of a Mining Company Listed on the Indonesian Stock Exchange). *Jom Fisip* , *6* (2), 1–15

Harahap, SS (2015). *Critical Analysis of Financial Statements* . Jakarta: Rajawali Press.

Hartini, W. (2012). The Influence of Financial Ratio on Profit Growth with Disclosure of Corporate Social Responsibility as a Moderating Variable. *Management Analysis Journal* , *1* (2), 1–7. https://doi.org/10.15294/maj.v1i2.508

Hasanah, A., & Enggaryanto, D. (2018). Analysis of Factors That Influence Return on Assets in Manufacturing Companies Listed on the Indonesian Stock Exchange. *Journal of Applied Managerial Accounting* , *2* (1), 15–25. https://doi.org/10.30871/jama.v2i1.658

Harry. (2015). *Management Performance Analysis* . Jakarta: Grasindo.

Harry. (2017). *Balanced Scorecard for Business* . Jakarta: PT Gramedia.

Jufrizen, Putri, AM, Sari, M., Radiman, & Muslih. (2019). The Influence of Debt Ratio, Long Term Debt to Equity Ratio and Institutional Ownership on Return on Assets in Food and Beverage Sub-Sector Companies Listed on the Indonesian Stock Exchange. *Journal of Motivational Management* , *15* (1), 7–18. https://doi.org/10.31933/jimt.v1i2.51

Juliandi, A., Irfan, & Manurung, S. (2015). *Business Research Methodology Concepts & Applications* . Medan: UMSU PRESS.

Jumingan. (2011). *Financial Report Analysis* . Jakarta: PT Bumi Aksara.

Kamal, MB (2016). The Influence of Receivable Turn Over and Debt To Asset Ratio (DAR) on Return on Assets (ROA) in Agricultural Companies Listed on the Indonesia Stock Exchange (BEI). *Scientific Journal of Management and Business* , *17* (2), 68–81. https://doi.org/10.30596/jimb.v17i2.996

Kariyoto. (2017). *Analysis of financial statements* . Malang: UB Press.

Kariyoto. (2018). *Financial Management Concept & Implementation* . Malang: UB Press.

Cashmere. (2013). *Financial Report Analysis* . Jakarta: PT Rajagrafindo Persada.

Lestari, N., Chandra, J., Venessa, & Darwin. (2019). The Influence of Current Ratio (CR), Debt To Equity Ratio (DER), Return On Assets (ROA), and Total Asset Turnover (TATO) on Profit Growth in Food and Beverage sub-sector companies listed on the BEI for the 2012-2016 period. *Journal of Multiparadigm Accounting Research* , *6* (1), 59–63.

Leviani, M., & Widjaja, I. (2020). Analysis of factors influencing the capital structure of food and beverage companies listed on the Indonesian Stock Exchange for the 2013-2017 period. *Journal of Business Management and Entrepreneurship* , *4* (1), 24–29. https://doi.org/10.1017/CBO9781107415324.004

Mahaputra, INKA (2012). The Influence of Financial Ratios on Profit Growth in Manufacturing Companies Listed on the IDX. *AUD I : Journal of Accounting & Business* , *7* (2), 243–254.

Mardiyanto, H. (2009). *the essence of financial management* . Jakarta: Grasindo.

Meilyanti. (2017). Analysis of the Effect of Financial Ratios on Profit Growth in the Food and Beverage Sub-Sector on the Indonesian Stock Exchange Period. *Journal of Business Administration* , *5* (4), 1000–1013.

Munawir. (2010). *Analysis of financial statements* . Yogyakarta: Liberty.

Murhadi, WR (2013). *Analysis of Financial Reports, Projections and Stock Valuation* . Jakarta: Salemba Empat.

Nurhadi. (2011). The Effect of Asset Turnover on Profit Growth of the Cigarette Industry Listed on the Indonesian Stock Exchange. *Socialite: Journal of Administrative Sciences* , *1* (2), 1–12.

Nursatyani, A., Wahyudi, S., & Syaichu, M. (2011). Analysis of the Influence of Current Ratio, Firm Size, and Assets Tangibility on Return on Assets with Debt to Total Assets as an Intervening Variable (Study of Mining Sector Companies Listed on the IDX. *Journal of Business Strategy* , *23* (2), 97–127.

Rambe, HMF, Gunawan, A., Julita, Parlindungan, R., & Gultom, DK (2017). *Introduction to Financial Management* . Medan: Citapustaka Media.

Safitri, AM, & Mukaram. (2018). The Influence of ROA, ROE, and NPM on Profit Growth in Consumer Goods Industry Sector Companies Listed on the Indonesian Stock Exchange. *Journal of Business And Investment Research* , *4* (1), 25–39. https://doi.org/10.35697/jrbi.v4i1.990

Saladin, H., & Usman, B. (2019). Solvency Ratio Development Model to Increase Profit Growth Mediated by Profitability (Case Study of LQ-45 Companies on the IDX). *Media Wahana Ekonomika* , *16* (3), 232–247.

Sanjaya, S., & Sipahutar, RP (2019). The Influence of Current Ratio, Debt to Asset Ratio and Total Asset Turnover on Return on Assets in Automotive Companies and Their Components Listed on the Indonesian Stock Exchange. *Journal of Accounting and Business Research* , *19* (2), 136–150.

Siregar, Q., & Batubara, HC (2017). Analysis of Determinants of Profit Growth on the Indonesian Stock Exchange. *Journal of Business Finance Research* , *1* (1), 79–92.

Siregar, SA (2017). Analysis of Determinants of Profitability of Plantation Companies on the Indonesian Stock Exchange. *Journal of Business Finance Research* , *1* (2), 113–124. https://doi.org/10.5281/zenodo.10491

Sudana, IM (2015). *Financial Management Theory and Practice* . Surabaya: Airlangga University Press.

Sugiyono. (2017). *Combination Research Methods* . Bandung: ALFABETA.

Trirahaju, J. (2017). The Influence of Liquidity Ratios, Solvency, Activity, Profitability and Gross Domestic Product on Profit Growth in Textile and Garment Companies Listed on BEI. *Journal of Finance and Accounting Research* , *1* (02). https://doi.org/10.25134/jrka.v1i02.440