



Analysis of Cash Flow Statements Using Sharia Accounting Principles as a Tool for Measuring Investment Decisions

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ABSTRACT: The purpose of this study was to determine the application of sharia accounting principles in analyzing cash flow statements can be used as an effective tool for measuring and making investment decision decisions at PT Adhi Karya (Persero) Tbk. This research uses a qualitative approach with descriptive methods. Data obtained from the company's cash flow statement in the period 2019-2023. The results of the analysis of the cash flow statement at PT Adhi Karya (Persero) Tbk show the use of the ratio analysis method, by paying attention to several key ratios. Liquidity ratios, such as Operating Cash Flow (OCF), show figures of 2%, 5%, 5%, 5%, 0%. The Funds Flow Coverage Ratio (CAD) has values of 1.61 times, 0.70 times, 0.89 times, 0.85 times, 0.81 times. The ratio of Operating Cash Flow to Interest (OCF) has a value of 2.62 times, 3.77 times, 3.57 times, 3.48 times, 2.54 times. The Capital Expenditure (CPE) ratio reached 2,136.60 times, 5,395.08 times, 3,770.59 times, 1,296.07 times, 273.36 times. Meanwhile, the Total Debt (TH) ratio ranged from 2%, 4%, 4%, 4%, 0%. In addition, the results of the Cash Flow Adequacy Flexibility Ratio (ACC) show values of 0.020 times, -0.015 times, -0.004 times, -0.006 times, -0.012 times. From this analysis, investment decisions can be made based on the performance of the cash flow statement of PT Adhi Karya (Persero) Tbk, indicating that the company's financial reporting reflects compliance with Islamic accounting principles. Fairness and accountability in the company's liquidity reflect accountability.

Keywords: Cash Flow, Investment Decisions, Ratio Analysis



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INTRODUCTION

Every organization in the cutting-edge business world full of development and competition must look far ahead to expect different potential outcomes that can affect their progress. Every organization has goals that it wants to achieve, such as earning more money, making profits and making success for society ([Herman & Chaidir, 2023](#); [Ningsih & Kamilah, 2024](#); [Perdana, 2019](#)). From accounting reports, we can understand the financial condition of a company and the changes that occur in it ([Harahap & Yusrizal, 2023](#)). Companies submit financial statements to various stakeholders with the intention of providing relevant and timely information, which is useful for

investment decision-making, monitoring, performance evaluation, and also for the creation of contracts addressed to companies or interested parties ([Ansari et al., 2023](#); [Lee & Kim, 2019](#); [Suranta et al., 2023](#); [Wardani & Christiyanti, 2018](#)).

In the decision-making process, company management needs information, especially regarding future projections. The analysis of cash flow statements is carried out with the aim of evaluating the financial performance of the company, with a focus on measuring the extent to which the organization achieves efficiency and effectiveness in achieving the goals that have been set ([Saputri et al., 2022](#)). Cash flow statements provide the use of important data about the money disbursed from the entity over a period of time. Financial performance reflects the results of various actions taken by the company to manage and utilize existing fund resources ([Ramli & Yekini, 2022a](#); [Zhong & Huang, 2023](#)).

Evaluation of the company's financial performance is an important step for management to fulfill its obligations to shareholders and other parties, besides that investment decisions also aim to achieve the goals that have been set by the company in an increasingly complex business environment ([Putriani et al., 2022](#)). In calculating financial ratios, financial statements are an inevitable necessity. Financial statements play an important role as the main source of information in evaluating business developments and planning relevant business steps for the past, present, and future ([López-Gutiérrez et al., 2015](#); [Moloney & McKeogh, 2014](#); [Sapriani & Kamilah, 2022](#)).

A Cash Flow Statement is a report that presents a company's cash flow from operations, investments, and funding activities. Companies need to report information about events that led to cash changes over a period of time in the cash flow statement. In the preparation of the cash flow statement, the Company's activities are grouped into three main parts. First, Operational Cash Flow, which includes activities that generate profits through the sale of goods and services, is a routine activity of the company. Second, Investment Cash Flow, which reflects how the company manages the assets used for its operations. And third, Funding Cash Flow, which is related to the management of the company's source of funds. This activity is irregular and can sometimes lead to significant spikes in funds ([Ansyu et al., 2020](#); [Khoerulloh & Janwari, 2021](#); [Ososukpor, 2021](#)).

Cash flow statements are one of the important elements in financial statements that provide critical information about cash flows in and out of an entity. This information is invaluable in investment decision-making, as it provides an overview of a company's liquidity, solvency, and financial flexibility ([Meisari, 2019](#)). However, when talking in the context of sharia accounting, there are fundamental differences compared to conventional accounting. Sharia accounting follows principles that aim to ensure compliance with Islamic law, including prohibitions on *riba* (interest), *gharar* (uncertainty), and *haram* (prohibited) transactions. This requires adjustments in the presentation and analysis of cash flow statements ([Mutende et al., 2017](#); [Ramli & Yekini, 2022b](#)).

In the context of Islamic economics, the primary source for decision-making is found in the teachings of the Qur'an. The Qur'an emphasizes that wisdom in decision-making requires a solid foundation, which is reflected in the Qur'an verse Surah Sad verse 26, where Allah declares to the Prophet David. "O David, we have appointed you as a ruler over this earth. Therefore, settle conflicts between individuals with the principle of justice, and do not be tempted by lustful impulses that can hinder you from the right path according to God's instructions. Remember,

those who go astray from the way of God will face serious consequences because they neglect the day of retribution."

The verse emphasizes that in decision-making, Muslims are obliged to refer to Allah's law, namely to carry it out fairly without being influenced by personal desires that can be misleading. Investment, as an act of investing capital or commitment at this time, is expected to generate profits in the future. Profits from investments will be realized if the value of the investment increases. Investment decisions have a crucial role because they have an impact on the prosperity of shareholders through the company's investment activities. The main focus in making the goal of making an investment is to obtain maximum returns that are proportional to the acceptable level of risk ([Utami, 2021](#)).

If there is a profitable investment opportunity, the manager will try to make the best use of it to increase profits for shareholders. Investment decisions are long-term decisions that require careful consideration because they have an important impact. PT. Adhi Karya (Persero) Tbk, as a project-oriented company, often faces unique challenges in cash flow management. Therefore, an in-depth understanding of the Cash Flow Statement is important to measure the impact of large projects on a company's liquidity. As the construction industry grows in Indonesia, the analysis of the Cash Flow Statement is not only an internal need of the company but also a highlight for investors, lenders, and other stakeholders ([Nurvianda et al., 2018](#)).

Sharia accounting is part of the accounting field that follows the principles and regulations that apply in Islamic sharia. These principles involve aspects of transparency, accountability, fairness, and the use of funds in accordance with sharia and halal provisions ([Musfirah & Kamilah, 2024](#)). It is important for companies to provide transparency in accounting means providing clear, accurate, and easy-to-understand information to all stakeholders. This includes the timely and relevant presentation of financial statements, as well as disclosure regarding management decisions and company performance ([Kusmilawaty et al., 2024](#)).

In a business environment that is increasingly evolving with the adoption of sharia principles, it is important to understand how cash flow statements can be prepared and analyzed in accordance with sharia accounting principles ([Nurdin et al., 2020](#)). This research is relevant in this context because it provides insight into how cash flow statements prepared according to sharia principles can be used effectively in investment decision-making, especially in the midst of changing global economic dynamics.

In recent years, there has been significant progress in sharia accounting research, especially in terms of the application of sharia principles in financial statements. Recent studies show that cash flow statements that comply with sharia principles not only comply with the provisions of Islamic law but can also provide more relevant and appropriate information for investment decision-making ([Sahrullah et al., 2022](#)).

PT Adhi Karya (Persero) Tbk conducts its financial transactions fairly and the financial statements issued can be accounted for, giving an indication that the company consistently applies sharia accounting principles, including accountability and fairness. This illustrates the company's commitment to business practices that are in line with moral principles and sharia law, which has the potential to strengthen stakeholders' trust in the company as a responsible and fair entity in all

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its operations. These advancements also include the development of better analytical methodologies for evaluating sharia cash flow statements ([Yansah, 2018](#)).

The application of sharia accounting principles related to accountability can also be optimized through accounting digitalization. The use of software such as Microsoft Excel as well as increased digital literacy in financial technology and artificial intelligence (AI) enable automated and transparent recording of transactions, real-time monitoring and reporting, and ensure accurate and reliable financial data. The integration of this technology ensures that every transaction can be accounted for clearly and transparently, creating an accountable business environment. Thus, the digitization of accounting at PT Adhi Karya increases the efficiency, transparency, and accuracy of financial statements, supporting investment decision-making in accordance with the principles of accountability in sharia accounting ([Kamilah & Nasution, 2024](#)).

Some of the previous studies related to this research topic are: first ([Rahim & Mardiana, 2021](#)) entitled "Analysis of Cash Flow Statements as a Measuring Tool for Investment Decisions in PT. Brick Shoes Tbk. Period 2016-2020". The results of the study show that checking cash flow statements is useful for investors as a tool that supports the investment decision-making process. From the horizontal analysis, cash flow from operational activities shows a positive trend, while cash flow from investment and funding activities tends to be negative, although not in the bad category. Financial ratios are also an important consideration, where three ratios, namely CKB, PM, and AKBB, meet the minimum standard of number 1, thus attracting investors. However, the other five ratios, such as AKO, CAD, CKHL, TH, and KAK, did not reach these standards, indicating difficulties for companies in obtaining investment. In addition, from the analysis of ratio trends over the five years of research, the ratio values tend to be low, which has the potential to reduce the attractiveness for investors to invest.

Second, ([Yusuf et al., 2018](#)) research entitled "Principles of Sharia Accounting in Maintaining Accountability of the 2015 Financial Statements at PT. Bank Mandiri Syariah Palopo City". The concept of accountability is a principle that has been widely known among Muslims, always connected to the idea of Trust. For Muslims, the issue of Amanah is an integral part of the relationship between humans and the creator, starting from the time the individual is in the womb. The results of the data analysis also show that the principle of justice, as explained in Surah Al-Baqarah verse 282, emphasizes the importance of justice in all transactions. This principle is not only a key value in social and business ethics, but it is also an integral part of human nature.

Third, research conducted by ([Rambe et al., 2023](#)) with the title "Analysis of Cash Flow Statements as a Performance Evaluation Tool at PT. Rantau Prapat Branch Pawnshop from 2019 to 2022" resulted in the finding that several ratios, such as the Operational Cash Flow Ratio, the Cash Coverage to Current Liabilities Ratio, and the AKO to Total Debt Ratio, showed a downward pattern from 2016 to 2018. On the other hand, ratios such as the Operating Cash Flow to Interest Ratio, the Capital Expenditure Ratio, the Fund Coverage Ratio, the Net Free Cash Flow Ratio, and the Cash Flow Adequacy Ratio increased during the same period, albeit at different levels of human nature.

**PT. Adhi Karya (Persero) Tbk
Cash Flow Statement**

No	Year	Cash Balance
1.	2019	3,255,009,864,614
2.	2020	2,363,649,065,033
3.	2021	3,152,278,749,730
4.	2022	4,336,901,032,233
5.	2023	4.503.731.722.859

Source: www.idx.co.id

In the table, there are changes every year in the cash flow statement of PT. Adhi Karya (Persero). With cash known as the most liquid asset, its ability to pay the company's obligations makes it crucial in keeping the company's activities running smoothly. It can be seen that in 2020 there was a decrease in cash balances, apart from the occurrence of covid, there was also an increase in debt. And whether the principles of sharia accounting are applied in the analysis of cash flow statements to assess the financial performance of the company.

This research is significant because it fills a gap in the existing literature regarding the analysis of cash flow statements based on sharia accounting principles and its influence on investment decision-making. By focusing on the 2019-2023 period, this study can examine the current impact of the application of sharia principles in the midst of global economic changes and the COVID-19 pandemic crisis. This provides important insights into how sharia principles can be applied in cash flow statements and how this information can be used effectively in investment decision-making.

For this reason, the author is interested in reviewing the cash flow statement of PT. Adhi Karya (Persero) Tbk to assess the success of its analysis in measuring changes in cash flows in a certain period, which can be a guideline in making investment decisions. The purpose and benefits of this study are to analyze how cash flow statements prepared based on sharia accounting principles can be used as a tool to measure investment decisions, as well as beneficial for investors who want to comply with sharia principles in their investment decisions. In addition, the results of this study can help in the development of better sharia accounting theories and practices, as well as contribute to a deeper understanding of how sharia principles can be effectively applied in cash flow statements and investment decisions. Against this background, the author intends to compile a journal with the title "Analysis of Cash Flow Statements Using Sharia Accounting Principles as a Tool to Measure Investment Decisions".

METHOD

The In this study, researchers adopted a qualitative method with a descriptive approach. Data was collected from the cash flow statement of PT Adhi Karya (Persero) Tbk for the 2019-2023time span. The data source used is secondary data taken from the company's annual report which has been officially published on the Indonesia Stock Exchange website www.idx.co.id during that period.

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In addition to using information sources from the official website of the Indonesia Stock Exchange, this research also refers to several other references such as books, journals, previous research results, and references related to cash flow analysis and investment decision measurement tools. The data collection methods applied include literature study and documentation study.

The ratios used:

1. Cash Flow Liquidity Ratio

a. Operating Cash Flow Ratio

$$AKO = \frac{\text{Operating Cash Flow}}{\text{Current Liabilities}}$$

b. Funds Flow Coverage Ratio

$$CAD = \frac{EBIT}{\text{Interest} + \text{Taxes} + \text{Preferred Dividends}}$$

c. Cash to Interest Coverage Ratio

$$CKB = \frac{(\text{Operating Cash Flow} + \text{Interest} + \text{Taxes})}{\text{Interest}}$$

d. Capital Expenditure Ratio

$$PM = \frac{\text{Operating Cash Flow}}{\text{Capital Expenditures}}$$

e. Total Debt Ratio

$$TH = \frac{\text{Operating Cash Flow}}{\text{Total Debt}}$$

2. Cash Flow Flexibility Ratio

f. Cash Flow Adequacy Ratio

$$ACC = \frac{EBIT - \text{Interest} - \text{Taxes} - \text{Capital}}{\text{Average current debt over 5 years}}$$

RESULT AND DISCUSSION

PT Adhi Karya (Persero) Tbk, a State-Owned Enterprise (SOE) entity specializing in the construction services sector in Indonesia, was established on 11 March 1960 after undergoing a nationalization process from a Dutch company. The company operates various businesses including construction services, energy, property, manufacturing, and investment. Adhi Karya has departmental units and subsidiaries spread across various parts of Indonesia. The following financial data from 2019 to 2023 serves as the basis for the cash flow statement analysis:

Table 1. Total Cash Flow of PT Adhi Karya (Persero) Tbk for the 2019-2023 Period

Year	Total Cash Flow from Operating Activities	Total Cash Flow from Investing Activities	Total Cash Flow from Financing Activities	Net Cash Flow
2019	539.161.836.488	(1.557.856.475.751)	1.010.667.876.639	(8.026.762.624)
2020	1.378.098.474.761	(518.541.144.157)	(1.750.918.130.185)	(891.360.799.581)
2021	1.516.184.833.702	(529.348.663.613)	(198.146.485.392)	788.629.684.697
2022	1.224.436.816.989	(1.329.394.367.215)	1.289.579.832.728	1.184.622.282.502
2023	83.852.724.255	(382.346.692.396)	465.324.658.768	166.830.690.627

Source: www.idx.co.id 2024

The following are the results of the calculation of the cash flow ratio at PT Adhi Karya (Persero) Tbk during the period 2019 to 2023:

1. Cash Flow Liquidity Ratio

Table 2
Operating Cash Flow Ratio

Year	Total Operating Cash Flow	Current Liabilities	Ratio AKO
2019	539.161.836.488	24.562.726.968.328	2%
2020	1.378.098.474.761	27.082.649.503.604	5%
2021	1.516.184.833.702	31.127.451.942.313	5%
2022	1.224.436.816.989	24.618.080.064.517	5%
2023	83.852.724.255	24.981.176.224.581	0%

Source: data processed 2024

Ratio analysis of PT Adhi Karya (Persero) Tbk shows that current liabilities peak from 2020 to 2022. Overall, the company's operating cash flow liquidity appears favorable. This is reinforced by the average operating cash flow ratio for the last four years (2019-2022) which is above one, signaling the company's ability to pay current liabilities only with operating cash flow. Overall, the financial condition of PT Adhi Karya (Persero) Tbk looks positive, with current liabilities peaking from 2020 to 2022 and consistent operating cash flow liquidity over the period.

Table 3
Fund Flow Coverage Ratio

Year	EBIT	Interest expense	Tax Expense	Deviden Preferen	Ratio CAD
2019	1.441.986.307.340	545.262.339.980	346.903.724.027	0	1,61 Kali
2020	1.008.032.859.535	743.094.365.790	683.364.082.555	0	0,70 Kali
2021	1.121.060.745.373	772.077.735.044	473.670.072.636	0	0,89 Kali
2022	1.069.919.829.414	709.889.513.581	537.596.219.040	0	0,85 Kali
2023	1.444.124.639.006	729.772.362.426	1.043.225.355.911	0	0,81 Kali

Source: data processed 2024

Analysis of the fund flow coverage ratio of PT Adhi Karya (Persero) Tbk in 2019 shows that the company is able to pay commitments such as interest, taxes, and preferred dividends as much as 1.61 times the profit earned in that one year. However, from 2020 to 2023, the fund flow coverage ratio has decreased below 1, indicating that the company faces difficulties in paying commitments such as interest, taxes, and preferred dividends that will mature within one year. This decline is due to the company's reduced profits and significant interest and tax debt payments.

Table 4
Cash Flow to Interest Coverage Ratio

Year	Operating Cash Flow	Interest Expense	Tax Expense	Ratio CKB
2019	539.161.836.488	545.262.339.980	346.903.724.027	2,62 Kali
2020	1.378.098.474.761	743.094.365.790	683.364.082.555	3,77 Kali
2021	1.516.184.833.702	772.077.735.044	473.670.072.636	3,57 Kali
2022	1.224.436.816.989	709.889.513.581	537.596.219.040	3,48 Kali
2023	83.852.724.255	729.772.362.426	1.043.225.355.911	2,54 Kali

Source: data processed 2024

In 2020, PT Adhi Karya (Persero) Tbk experienced an increase in the cash-to-interest coverage ratio of 3.77. The data shows that from 2019 to 2023, the ratio has consistently reached a good level, reflecting the company's financial health. The increase in the cash-to-interest coverage ratio indicates that PT Adhi Karya (Persero) Tbk has the capacity to generate sufficient cash flow to pay the outstanding interest. In other words, the Company is able to overcome the financial burden associated with its debt with adequate cash resources. This can be considered as a positive indicator related to the operational sustainability and financial sustainability of the Company.

Table 5
Capital Expenditure Ratio

Year	Operating Cash Flow	Capital Expenditure	Ratio PM
2019	539.161.836.488	252.345.000	2.136,60 Kali
2020	1.378.098.474.761	255.436.000	5.395,08 Kali
2021	1.516.184.833.702	402.108.000	3.770,59 Kali
2022	1.224.436.816.989	944.726.000	1.296,07 Kali
2023	83.852.724.255	306.744.000	273,36 Kali

Source: data processed 2024

The results of the capital expenditure ratio analysis at PT Adhi Karya (Persero) Tbk in 2020 showed a significant increase, reaching a value of 5,395.08, which is the result of rapid growth compared to the previous year. The significant increase from the previous year occurred probably due to the rapid growth in operating cash flow generated by the company. Based on this ratio, it can be concluded that operating cash flow has the ability to support capital expenditure has the ability to support capital expenditures.

Analysis of the capital expenditure ratio over the 2019-2023 period shows a consistent positive performance, with the ratio value remaining positive and exceeding one, characterizing a good financial condition. Despite a decline in 2023, the ratio remains above one, indicating that the Company can still face capital expenditure without significant difficulty. This decline, while below the previous year, is still within the normal range and does not threaten the Company's ability to finance capital investments.

Table 2.5
Total Debt Ratio

Year	Operating Cash Flow	Total Debt	Ratio TH
2019	539.161.836.488	29.681.535.534.528	2%
2020	1.378.098.474.761	32.519.078.179.193	4%
2021	1.516.184.833.702	34.242.630.632.194	4%
2022	1.224.436.816.989	31.162.625.753.138	4%
2023	83.852.724.255	31.273.238.239.002	0%

Source: data processed 2024

The calculation results show that the total debt ratio of PT Adhi Karya (Persero) Tbk is quite satisfactory. From 2019 to 2022, the total debt ratio continued to be above the set standard consistently. This ratio analysis indicates that the company is able to pay obligations efficiently using the cash flow generated from its routine operational activities.

Table 2.6
Cash Flow Coverage Ratio

Year	EBIT	Interest Expense	Tax Expense	Capital Expenditure	Average Current Debt	Ratio KAK
2019	1.441.986.307.340	545.262.339.980	346.903.724.027	252.345.000	26.471.726.712.515	0,020 Kali
2020	1.008.032.859.535	743.094.365.790	683.364.082.555	255.436.000	26.471.726.712.515	-0,015 Kali
2021	1.121.060.745.373	772.077.735.044	473.670.072.636	402.108.000	26.471.72 6.712.515	-0,004 Kali
2022	1.069.919.829.414	709.889.513.581	537.596.219.040	944.726.000	26.471.726.712.515	-0,006 Kali
2023	1.444.124.639.006	729.772.362.426	1.043.225.355.911	306.744.000	26.471.726.712.515	-0,012 Kali

Source: data processed 2024

The results of the analysis of the cash flow adequacy ratio at PT Adhi Karya (Persero) Tbk for the last four years show an unsatisfactory trend, where the cash flow adequacy ratio in the period 2019 to 2023 continues to show numbers below one. This phenomenon can be related to fluctuations that occur in factors, such as EBIT, interest expense, tax expense and capital expenditure. Increases and decreases in these variables have a significant impact on the company's ability to create adequate cash flow to meet its financial obligations.

From the descriptions above, it can be seen that this is in line with the research conducted by (Adawiyah, 2021), the results of the research show that the results of the calculation of the cash flow ratio consist of: First, the results of the Operating Cash Flow Liquidity Ratio (AKO) are 56%, 71%, 66%, 62%. The results of the Fund Flow Coverage Ratio (CAD) were 3.92 times, 5.23 times, 3.99 times, 3.56 times. The results of the Operating Cash Flow to Interest Ratio (CKB) were 650.91 times, 3,983.19 times, 864.06 times, 699.19 times. The results of the Capital Expenditure Ratio (PM) were 4.39 times, 7.92 times, 5.88 times, 5.20 times. The results of the Total Debt Ratio (TH)

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are 51.5%, 66%, 56%, 53%. The results of the Cash Flow Adequacy Flexibility Ratio (KAK) are 0.43 times, 0.65 times, 0.48 times, 0.42 times, while other studies conducted by (Meisari, 2019), also presented similar results where the results of the research show that the finances of PT. Unilever Indonesia Tbk. Especially from the analysis of the cash flow statement in 2015-2018 is quite good. This can be seen from the value of the cash flow ratio which changes every year. Cash flow statement analysis can be a measuring tool for investment decisions, This can be seen from the calculation of the cash flow ratio such as in the AKO ratio which is 62%, 61%, 56%, 73% respectively, CAD ratio 4.12 times, 4.19 times, 3.94 times, 5.21 times, CKB ratio of 555.50 times, 669.33 times, 1,416.7 times, 786.06 times, CKHI ratio of 1.17 times, 1.15 times, 1.08 times, 1.33 times, PM ratio of 4.27 times, 3.75 times, 4.39 times, 7.92 times, TH ratio of 57%, 55%, 51%, 66%, AKBB ratio of 1.749%, 1.328%, 1.440%, 2.353%, and KAK ratio of 0.40 times, 0.42 times, 0.50 times, 0.73 times, which illustrates that the Company has a positive cash flow so that the Company is worthy of getting investment from investors.

From the comparison of several previous studies with this study, it can be concluded that PT Adhi Karya's cash flow report not only shows the company's financial stability and accountability but also plays an important role in influencing investment decisions. A strong cash flow position, coupled with adherence to ethical accounting practices, can increase investor confidence and potentially increase investment interest in the company.

CONCLUSION

From the results and discussions that have been described above regarding the analysis of cash flow statements using sharia accounting principles as a measuring tool for investment decisions in PT. Adhi Karya (Persero), the researcher gave the following conclusions: The results of the cash flow analysis from 2019-2023, using the operating cash flow ratio (AKO), show that current liabilities reached their peak from 2020 to 2022. Overall, the company's operating cash flow liquidity appears favorable. This is reinforced by the average operating cash flow ratio for the last four years (2019-2022) which is above one, namely 2%, 5%, 5%, 5%, so it can be concluded that it is possible that PT. Adhi Karya (Persero) was unable to pay its current liabilities through cash flow from the operating activities was very small. Analysis of the fund flow coverage ratio (CAD) of PT. Adhi Karya (Persero) Tbk in 2019 showed that the company was able to pay commitments such as interest, taxes, and preferential dividends as much as 1.61 times of the profit earned in one year. However, from 2020 to 2023, the fund flow coverage ratio declined below 1, indicating that the company faces difficulties in paying commitments such as interest, taxes, and preferred dividends that will mature within one year. In 2020, PT. Adhi Karya (Persero) Tbk experienced an increase in the cash to interest coverage ratio (CKB) of 3.77. The data shows that from 2019 to 2023 they were 2.62 times, 3.77 times, 3.57 times, 3.48 times, 2.54 times, respectively, the ratio has consistently reached a good level, reflecting the Company's financial health. The analysis of the capital expenditure (PM) ratio during the 2019-2023 period shows positive performance consistency, with the ratio value remaining positive and exceeding one, namely 2,136.60 times, 5,395.08 times, 3,770.59 times, 1,296.07 times, 273.36 times, characterizing good financial conditions. The results of the calculation show that the total debt ratio (TH) of PT. Adhi Karya (Persero) Tbk is quite satisfactory. From 2019 to 2022 i.e. 2%, 4%, 4%, 4%, the total debt ratio

continued to be above the set standard consistently. This ratio analysis indicates that the company is able to pay its obligations. The results of the analysis of the cash flow adequacy ratio (KAK) at PT. Adhi Karya (Persero) Tbk over the past four years has shown an unsatisfactory trend, where the cash flow adequacy ratio in the period 2019 to 2023 continues to show numbers below one, namely 0.020 times, -0.015 times, -0.004 times, -0.006 times, -0.012 times. From the research data above, it can be seen that the financial condition of PT. Adhi Karya (Persero). Especially from the analysis of the cash flow statement in 2019-2023 is quite good. This can be seen from the value of the cash flow ratios above that change every year. The analysis of cash flow statements can be a tool to measure investment decisions, this can be seen from the calculation of cash flow ratios such as AKO, CAD, CKB, PM, TH, and KAK which describe the company having a positive cash flow.

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