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Original Article

Cash Flow Statement Analysis of PT Astra Agro Lestari Tbk. Jakarta

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Abstract

Cash flow fluctuations in companies can indicate financial instability, making it essential to analyze whether cash is generated from sustainable operations or external financing. The study investigates PT Astra Agro Lestari Tbk cash flow statement performance from 2022 to 2024 while evaluating the company's capacity to generate operating cash flows and finance its investments and fulfill its funding needs. The research question in this study is how the company's cash flow performance is reviewed from cash flow ratios and common size analysis in operating, investing, and financing activities. The research method employed in this study uses quantitative descriptive research to analyze secondary data which includes cash flow statements obtained from the Indonesia Stock Exchange. The analysis technique used operating cash flow ratio calculation and current liability cash coverage ratio calculation and capital expenditure ratio calculation and total debt ratio calculation and common size analysis to determine cash flow component proportions. The results indicate that operating cash flow showed variable performance throughout the period yet reached its highest point which resulted in increased company liquidity. Companies spent most of their investment funds on fixed assets and biological assets while their financing activities depended on bank loans. The study results emphasize that companies need to achieve operational efficiency through better investment planning and funding structure control to achieve long term financial stability.

Keywords: Cash Flow Ratio, Common Size Analysis, Financing Activities, Investing Activities, Operating Activities.

1. Introduction

The increasingly competitive business world requires companies to be able to manage their finances effectively and transparently. Precise fiscal data is required by executives, shareholders, lenders, and other concerned entities as a foundation for commercial decision-making. A significant origin of such data is financial reports, Sirait (2021) note that financial reports are the ultimate output of a bookkeeping procedure, encapsulating monetary exchanges during the present interval, which include reports of financial standing, profit statements, reports of shifts in capital, and cash flow reports.

The figures presented in financial statements are insufficient merely to be read; they must be comprehended in depth, necessitating financial statement analysis to derive meaningful insights for decision-making. Financial statement analysis is a fundamental approach to predicting future company profitability and performance (Binz et al., 2025).

Among these financial statement components, the cash flow statement plays a very important role because it shows the real condition of a company's ability to generate and use cash. Cash flow information is an important indicator in company assessment because cash flow expectations have a strong relationship with stock prices and are able to predict future performance (Chaudhry, 2025). Substantial earnings do not inherently indicate robust

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liquidity if the firm lacks adequate cash to fulfill its operational commitments. Consequently, evaluation of the cash flow report is essential to determine a company's liquidity, solvency, and fiscal adaptability in sustaining its commercial viability. As explained by Olayinka (2022) cash flow statement analysis is utilized by prospective investors, owners, lenders, securities analysts, financial institutions, managers, government regulatory bodies and tax authorities, labor unions, clients, and numerous other stakeholders who depend on monetary data for making both fiscal and economic decisions regarding a corporation.

PT Astra Agro Lestari Tbk ranks among the foremost palm oil agricultural firms in Indonesia traded on the Indonesia Stock Exchange. As an entity with public ownership, PT Astra Agro Lestari Tbk is obligated to sustain its fiscal performance and stakeholder trust. However, based on the 2022–2024 financial reports, there have been fluctuations in operating, investment, and financing cash flows, as well as changes in cash and cash equivalents each year. It is very clear that in 2022 the amount of cash and cash equivalents at the end of the year was Rp. 1,619,616,000 in 2023 it was Rp. 2,089,508,000,000 and in 2024 it was Rp. 3,236,012,000,000. Based on the volume of monetary funds and liquid assets, there were varied expansions and contractions in currency annually. Where in 2022 to 2023 there was an increase of Rp. 469,892,000,000, and in 2024 there was an increase of Rp. 1,146,504,000,000.

The cash flow of PT Astra Agro Lestari Tbk is a crucial concern in supporting business continuity and the efficiency of the company's financial management. This phenomenon reflects how the company's cash flow growth is influenced by increased sales, an increase in the number of investors, and an increase in loans obtained by the company. Furthermore, this phenomenon also indicates how the company allocates the cash generated, specifically whether cash is prioritized for debt repayment over other uses. Consequently, comprehending this monetary flow occurrence is vital for grasping the origins and applications of liquidity and the fiscal strategies employed by PT Astra Agro Lestari Tbk, encompassing whether cash expansion is propelled by operational endeavors, investment pursuits, or funding actions.

These fluctuations raise questions about the main source of the company's cash generation, whether it comes from effective operational performance or from external financing such as loans. If cash comes more from debt, the company's financial risk will increase. Conversely, if cash is generated from operating activities, the company's financial condition is considered healthier and more sustainable. Therefore, a comprehensive analysis is needed to determine the overall quality of the company's cash flow.

Robust and steady cash flow from business functions denotes a sound fiscal posture, minimal liquidity vulnerability, and the enterprise's capacity to satisfy commitments and fund acquisitions without depending on leverage. Conversely, if monetary movement arises mainly from funding actions, stakeholders might view the firm as possessing elevated financial hazard. Thus, cash flow data is a vital foundation for investors in evaluating an organization's attainment and outlook prior to formulating investment choices.

To address these issues, this study uses cash flow ratio analysis and common size analysis. Ratio analysis is used to measure the company's ability to meet short-term obligations, finance investments, and repay debts, while common size analysis is used to determine the proportion of each component of cash flow so that the structure and trends in the company's cash management can be seen. Through this approach, it is hoped that a clearer picture of cash flow performance and the effectiveness of the company's financial management will be obtained.

There are several studies on Cash Flow Statement Analysis. In an investigation by Ramadhani et al. (2023) it was discovered the operating cash flow of PT. Gudang Garam Tbk.

experienced a decline, while the investment and financing cash flow experienced an increase. Then, a study conducted by Arysuwanty et al. (2025) on PT. Mayora Indah Tbk found that, based on the conclusions of several cash flow ratios that had been analyzed (2019-2021), it can be seen that the ratio related to debt continued to decline and was below 1. This decline was caused by a decrease in operational costs, an increase in current debt, and a decrease in EBIT. Meanwhile, research conducted by Ngala et al. (2020) revealed that the results of the analysis of the operating cash flow performance of PT United Tractors Tbk. (2014-2018) were generally good, as evidenced by the strong ability to pay current liabilities, debt, and interest.

Based on the phenomena and research findings, there are still several mixed results and emerging issues, creating research gaps that require further study. Previous research has focused more on different industrial sectors, such as cigarettes, food, and heavy equipment, thus ignoring the current dynamics in the palm oil agribusiness sector. Furthermore, this study not only uses cash flow ratios but also assesses the company's financial performance using common size analysis. This approach presents each cash flow component as a percentage of total cash flow, thus demonstrating the proportion, structure, and pattern of the company's cash usage more clearly and systematically. Thus, this study not only assesses liquidity through ratios but also assesses the composition and stability of cash flow, making the analysis results more informative for management and investors in decision-making.

2. Literature Review

2.1. Agency Theory

Based on Syafriadi et al. (2023), agency theory outlines the association between two core groups in a corporation, specifically the principal (proprietor or shareholder) and the agent (administrator or official). Agency theory reflects the existence of a contractual agreement that regulates the rights and obligations of both parties so that the company's objectives can be achieved efficiently.

Nevertheless, this doctrine also recognizes the likelihood of information inequality, wherein the agent possesses greater knowledge than the principal. Disputes emerge because agents might not constantly operate in the prime interest of principals owing to information inequality and divergent goals, therefore necessitating a supervision instrument to diminish the risk of maneuvers that are damaging to the principal (Kunst & Beugelsdijk, 2025).

In agency theory, there is a strong correlation with cash flow statement analysis due to the conflict of interest between principals (shareholders), who place greater importance on investment and financing activities to increase the long-term value of the company, and agents (managers), who tend to focus on operational activities for day-to-day operational stability. Therefore, it is necessary to analyze cash flow statements to determine whether cash flow has increased due to investment and financing activities or due to operating activities. Thus, this analysis becomes an effective monitoring tool to ensure alignment of interests, where an increase in operating cash flow indicates agent efficiency, while investment/financing cash flow reflects commitment to principal objectives.

2.2. Efficient Market Hypothesis Theory

In evaluating a corporation's fiscal movement, data regarding cash flow from operating activities (CFO) is immediately mirrored in equity valuations. According to Manao et al. (2025) investors cannot reliably exceed the market by employing examination of publicized data, as prices have already adapted to that information.

The capital market needs to be efficient so that stock prices always accurately reflect the latest information. This ensures that investors' money flows to the best companies, which ultimately drives economic growth and creates jobs. The benefit is Efficient capital markets facilitate the allocation of funds to their most productive uses (Gans, 2025). Meanwhile, companies can obtain funds at low cost to grow.

Therefore, although capital markets are considered efficient, the quality of financial information disclosed by companies remains crucial. Monetary movement from functional actions delivers a more dependable gauge of a firm's authentic performance because it mirrors actual cash generation rather than bookkeeping accruals. This data assists stakeholders and lenders in evaluating sustainability of operations, future dividend potential, and the enterprise's capacity to satisfy its fiscal commitments.

2.3. Cash Flow Statement

The cash flow report is inseparable from the financial statements since it yields data regarding cash inflows and cash outflows that transpire within an enterprise during a definite interval (Suciani & Setyawan, 2022). PSAK No.2 (Ikatan Akuntan Indonesia (IAI), 2021) states that "Cash flow is the inflow and outflow of cash and cash equivalents." Cash is cash and cash equivalents owned by the company, including bank account balances that can be immediately used to meet existing payment needs and obligations. Cash is classified as the most liquid asset because it can be easily and quickly converted without experiencing a decline in value.

A monetary flow report is a document that delivers pertinent data regarding a firm's cash acquisitions and expenditures for a specific interval by categorizing transactions into operating, investing, and funding endeavors (Harahap, 2020). The cash flow statement constitutes one of the core elements of financial reports that furnishes data about monetary movement during a designated duration. This information is displayed with suitable classifications based on the kinds of undertakings that induce cash inflows and cash outflows.

According to PSAK No. 2 (Ikatan Akuntan Indonesia (IAI), 2021) "Data regarding an entity's monetary movements is beneficial in offering consumers of financial reports with a foundation for estimating the entity's capacity to produce currency and liquid assets and for assessing the entity's requirement to utilize those monetary movements. The commercial decision-making procedure by consumers necessitates an appraisal of the entity's capacity to generate currency and liquid assets and the reliability of acquiring them."

Cash flow information helps investors assess a firm's ability to generate future cash and evaluate its capacity to meet obligations (Mo et al., 2025). Cash flow statements are important for investors, creditors, and other related parties because cash represents the most liquid resource and reflects the company's capacity to maintain its operations, make investments, and meet financial commitments. Through cash flow statements, users are able to assess changes in net assets, financial composition including liquidity and solvency, and the company's effectiveness in managing cash flows from operating, investing, and financing activities.

2.4. Cash Flow Statement Analysis

An investigation of the enterprise's fiscal attainment is conducted to ascertain the corporation's monetary status. This evaluation serves as an instrument in the procedure of appraising the firm's financial condition and functional outcomes (Sutjiady, 2023). Monetary movement examination plays a highly critical role in assessing a company's performance because it offers a transparent and exhaustive representation of cash entrances and exits over a duration of time. Cash flow report assessment can be executed employing ratio examination,

utilizing elements from the balance sheet, profit statement, and cash flow statement. The cash flow ratios necessitated to appraise company attainment are as follows:

1. Operating Cash Flow Ratio

The operating cash flow ratio is a metric utilized to gauge the capacity of monetary movement produced from an enterprise's functional endeavors to satisfy immediate liabilities or short-term obligations. The formula for this ratio is:

$$\textbf{Operating Cash Flow Ratio} = \frac{Operating\ Cash\ Flow}{Current\ Liabilities}$$

2. Cash Coverage Ratio on Current Liabilities

The Cash to Current Liabilities Coverage Ratio is a ratio that measures the company's ability to pay current debt obligations that must be met immediately using cash flow from operations plus cash dividends received. The formula for this ratio is:

$$\textbf{Cash Coverage on Current Liabilities} = \frac{Total\ Operating\ Cash\ Flow + Cash\ Dividends}{Current\ Liabilities}$$

3. Capital Expenditure Ratio

The Capital Expenditure Ratio is a metric utilized to gauge an enterprise's functional monetary flow capacity in funding capital expenditures (Capex) employed to acquire or rehabilitate fixed assets such as real estate, manufacturing plants, and machinery. The formula for this ratio is:

$$\textbf{Capital expenditure} = \frac{Total\ Operating\ Cash\ Flow}{Capital\ expenditure}$$

4. Total Debt Ratio

The Total Debt Ratio gauges the proportion of a corporation's aggregate liabilities (debt) to its aggregate assets. This metric denotes how much of a firm's holdings are funded by leverage, thus delivering an indication of the company's magnitude of indebtedness or fiscal hazard originating from employing debt to operate its commerce. The formula for this ratio is:

$$\textbf{Total Debt} = \frac{Total\ Operating\ Cash\ Flow}{Total\ Debt}$$

In addition to ratio analysis, common size analysis can also be used in analyzing cash flow statements. (Hery, 2022) states that “In common-size financial statements, all accounts are expressed as percentages and do not show monetary amounts”. Common size analysis is a financial statement analysis technique that converts absolute numbers into percentages to see the proportion of each item to the total base. For example, cash receipts from customers amounted to 21,267,225. This figure is divided by total cash flows of 1,835,397 and then multiplied by 100 percent, resulting in 1,158 %. This indicates that cash inflows from customers contributed more than the total net cash flow, reflecting that operational cash receipts were the primary source of the company’s cash generation during the period

2.5. Theoretical Study

According to Rudianto (2021), a statement of cash flows is a report that shows the cash received and used by the Company during an accounting period, along with its sources. Cash flow reports perform a critical function in appraising a corporation's fiscal status because they display the firm's genuine capacity to produce currency, unlike bookkeeping profits which can be manipulated by non-cash accounting procedures. Companies that consistently have positive operating cash flows demonstrate that their operational activities are able to finance internal needs without high dependence on external funding.

The application of monetary flow ratio examination permits a more thorough appraisal of a corporation's capacity to satisfy immediate commitments, fund acquisitions, and govern leverage. Cash flow metrics are employed as an instrument to evaluate an enterprise's fiscal attainment because the monetary movement report furnishes pertinent data regarding cash entrances and exits for administration, lenders, and stakeholders (Ningrum, 2024). A high cash flow ratio reflects good liquidity and lower financial risk. Conversely, a low ratio indicates potential financial problems.

In addition, common size analysis helps identify the structure of a company's cash flow. Fiscally robust enterprises are generally characterized by a preponderance of monetary flow from functional endeavors, while the prevalence of cash flow from funding actions may signify reliance on leverage or external capital sources.

Thus, a combination of cash flow ratio and common size analysis can provide a comprehensive picture of the quality of cash management and financial performance of a company. This approach is relevant for evaluating the financial condition of PT Astra Agro Lestari Tbk. during the research period.

3. Methods

This study uses a quantitative approach with a descriptive research design. A quantitative approach was used because the research utilized numerical data sourced from company financial reports for systematic and measurable analysis. This study analyzes the cash flow statements of PT. Astra Agro Lestari Tbk, located in Jakarta at Jl. Puloayang Raya Blok OR-1, Kawasan Industri Pulogadung, Jakarta 13930. The object of this study is the company's cash flow statements for the period 2022-2024.

The data employed in this investigation are secondary in nature and data acquisition approach utilized in this investigation was the documentation method. The documentation technique was executed by gathering information in the form of financial statements that had been registered and formally disclosed on the Indonesia Stock Exchange (IDX). The financial report data was taken from official documents available on the IDX website at www.idx.co.id, so that the data used was valid and reliable secondary data.

The data analysis methods used by the author in this study are descriptive analysis and common size analysis or vertical analysis. According to Sugiyono (2022), descriptive method aims to describe the state or value of one or more variables independently. In this study, the researcher did not compare the variables in other samples and did not seek relationships between the variables and other variables. The objective of descriptive analysis is to furnish a summary or depiction of the information so that the accessible data is more straightforward to comprehend. The steps taken by the author in analyzing the data are as follows:

1. Collecting financial report data for PT. Astra Agro Lestari Tbk Jakarta for the 2023 and 2024 periods from the official website of the Indonesia Stock Exchange (IDX).
2. Analyzing cash flow statements and performing common size analysis.
3. Calculating and analyzing cash flow ratios such as Operating Cash Flow (OCF), Cash Coverage Ratio to Current Liabilities (CKHL), Capital Expenditures (PM), and Total Debt (TH). The standard cash flow ratios are outlined in table 1.
4. Draw conclusions about the condition of the company based on its operating activities, investing activities, and financing activities.

Thus, it can provide answers to the problems that have been formulated previously.

Table 1. Cash Flow Ratio Standard

No	Cash Flow Ratio	Cash Flow Ratio Standard
1	Operating Cash Flow	>1= Good <1= Not Good
2	Cash Coverage of Current Liabilities	>0,4= Good <0,4= Not Good
3	Capital Expenditure	>1= Good <1= Not Good
4	Total Liabilities	>1= Good <1= Not Good

4. Results and Discussion

4.1. Research Results

4.1.1. Operating Cash Flow Ratio

The operating cash flow ratio is used to measure a company's ability to generate cash flow from operating activities to meet current liabilities. This ratio is calculated by dividing cash flow from operating activities (CFO) by total current liabilities. If the ratio exceeds 1 (100%), the company's ability to meet current liabilities through operating cash flow is considered adequate, while a value below 1 (100%) indicates a potential cash liquidity shortage. The following table 2 provide the calculation of the operating cash flow ratio of PT. Astra Agro Lestari Tbk. for the 2022-2024 period.

Table 2. Calculation Results of PT. Astra Agro Lestari Tbk. Operating Cash Flow Ratio for the 2022-2024 Period

Year	Operating Cash Flow	Current Liabilities	Operating Cash Flow Ratio
2022	1,835,397,000,000	2,052,939,000,000	89%
2023	2,538,738,000,000	3,882,141,000,000	65%
2024	3,379,195,000,000	3,237,653,000,000	104%

Source: Processed Secondary Data

4.1.2. Cash Coverage Ratio on Current Liabilities

The Monetary Coverage Index for Immediate Liabilities is employed to gauge a firm's capacity to produce fiscal movement from functional endeavors to satisfy all short-term obligations. This metric is computed by aggregating cash flow from operations (CFO) and cash dividends, subsequently dividing by aggregate current debt. Should the proportion surpass 0.4 (40%), the enterprise's competence to meet immediate liabilities via operating monetary flow is deemed sufficient, whereas a figure inferior to 0.4 (40%) denotes prospective cash liquidity scarcity. The following table 3 provide the calculation of the Cash Coverage Ratio of Current Debt for PT. Astra Agro Lestari Tbk. for the 2022-2024 period.

Table 3. Calculation Results of Cash Coverage Ratio on Current Liabilities of PT. Astra Agro Lestari Tbk. for the 2022-2024 Period

Year	Operating Cash Flow	Cash Dividends	Current Debt	Cash Coverage Ratio on Current Liabilities
2022	1,835,397,000,000	913,784,000,000	2,052,939,000,000	133%
2023	2,538,738,000,000	813,511,000,000	3,882,141,000,000	86%
2024	3,379,195,000,000	507,037,000,000	3,237,653,000,000	120%

Source: Processed Secondary Data

4.1.3. Capital Expenditure Ratio

The Capital Expenditure Ratio is used to measure a company's ability to generate cash flow from operating activities to fund capital expenditures or fixed asset investments. This ratio is calculated by dividing cash flow from operations (CFO) by total capital expenditures (Capex). If the ratio exceeds 1 (100%), the company's ability to fund capital expenditures through operating cash flow is considered adequate, while a value below 1 (100%) indicates dependence on external financing. The following table 4 provide the calculation of the capital expenditure ratio of PT. Astra Agro Lestari Tbk. for the 2022-2024 period.

Table 4. Calculation Results of Capital Expenditure Ratio of PT. Astra Agro Lestari Tbk. for the Period of 2022-2024

Year	Operating Cah Flow	Capital Expenditure	Capital Expenditure Ratio
2022	1,835,397,000,000	1,153,778,000,000	159%
2023	2,538,738,000,000	943,184,000,000	269%
2024	3,379,195,000,000	695,075,000,000	48%

Source: Processed Secondary Data

4.1.4. Total Liabilities Ratio

The Aggregate Obligation Proportion is employed to gauge a firm's capacity to produce fiscal movement from functional endeavors to settle all immediate and prolonged indebtedness. This metric is computed by dividing cash flow from operations (CFO) by total liabilities. Should the proportion surpass 1 (100%), the enterprise's competence to meet its aggregate obligations via operating fiscal movement is deemed sufficient, whereas a figure inferior to 1 (100%) denotes prospective reliance on alternative funding sources.

Table 5. Calculation Results of Total Debt Ratio of PT. Astra Agro Lestari Tbk. for the 2022-2024 Period

Year	Operating Cash Flow	Total Liabilities	Total Liabilities Ratio
2022	1,835,397,000,000	7,006,119,000,000	26%
2023	2,538,738,000,000	6,280,237,000,000	40%
2024	3,379,195,000,000	5,591,163,000,000	60%

Source: Processed Secondary Data

4.1.5. Common Size Analysis

Standardized cash flow examination is a vertical analysis technique that presents each monetary movement item, such as functional, investing, and funding cash flows. This approach converts absolute figures into proportions by dividing cash flow accounts by total cash flow, for example, accounts receivable divided by the total functional monetary flow. This reveals the proportion of each cash activity to the overall cash flow, for example, showing whether the portion of operating cash flow dominates or is shifted by investment activities. This analysis is useful for evaluating cash management efficiency, trends in cash flow structure changes, and company operational performance. The following table 6 provide the results of the Common Size Analysis Calculation on the Cash Flow Statement of PT. Astra Agro Lestari Tbk.

Table 6. Results of Common Size Analysis Calculations on the Cash Flow Statements of PT. Astra Agro Lestari Tbk. for the 2022-2024 Period

Description	Year			Common Size Analysis		
	2022	2023	2024	2022	2023	2024
Cash Flow Operating Activities						
Receipts from customers	21,267,225	20,887,611	22,126,286	1159%	823%	655%
Payments to suppliers	(17,032,385)	(17,623,354)	(18,507,678)	928%	694%	548%
Cash obtained (used by) operating activities	**4,234,840**	**3,264,257**	**3,618,608**	**231%**	**129%**	**107%**
Interest receipts	76,424	99,65	211,496	4%	4%	6%
Receipts (payments) of income taxes from operating activities	(1,699,607)	119,350	330,518	93%	0%	10%
Other cash receipts (disbursements) from operating activities	(776,078)	(944,334)	(781,427)	42%	37%	23%
Cash flow before changes in assets and liabilities obtained from (used for) operating activities%	1,835,397	2,538,738	3,379,195	100%	100%	100%
Amount of cash flow obtained (used for) operating activities	**1,835,397**	**2,538,738**	**3,379,195**	**100%**	**100%**	**100%**
Cash flow from investing activities						
Payments for the acquisition of plantation crops	(588,031)	(520,652)	(528,942)	51%	51%	56%
Payments for the acquisition of fixed assets	(791,413)	(715,685)	(411,661)	69%	70%	44%
Receipt of accounts receivable payments from related parties	237,226	215,362	0	21%	21%	0%
Amount of cash flow obtained (used for) investment activities	**(1,142,218)**	**(1,020,975)**	**(940,603)**	**100%**	**100%**	**100%**
Cash flow from financing activities						
Bank loan receipts	1,700,000	0	1,500,000	57%	0%	113%
Bank loan payments	(3,374,786)	(5,000)	(2,139,710)	112%	0%	161%
Dividend payments from financing activities	(913,784)	(813,511)	(507,037)	30%	78%	38%
Interest payments from financing activities	(417,581)	(269,819)	(507,037)	14%	26%	38%
Other cash receipts (expenditures) from financing activities	0	44,612	91,916	0%	4%	7%
Amount of cash flow obtained (used for) financing activities	**(3,006,151)**	**(1,043,718)**	**(1,325,763)**	**100%**	**100%**	**100%**
Net increase (decrease) in cash and cash equivalents	(2,2776,406)	469,892	1,146,504			
Cash and cash equivalents at beginning of period	3,896,022	1,619,616	2,089,675			

Description	Year			Common Size Analysis		
	2022	2023	2024	2022	2023	2024
Cash and cash equivalents at end of period	1,619,616	2,089,675	3,236,012			

Source: Processed Secondary Data

4.2. Discussion

4.2.1. Analysis of Cash Flow from Operating Activity

From the calculations in Table 2, it can be analyzed that the operating cash flow for 2022 is 0.89, which means that every hundred rupiah of current liabilities is secured by 89 rupiah of operating cash flow. Then, in 2023, the operating cash flow ratio is 0.65, which means that every hundred rupiah of current liabilities is secured by 65 rupiah of operating cash flow. Meanwhile, in 2024, the operating cash flow ratio is 1.04 rupiah, which means that every hundred rupiah of current liabilities is secured by 104 rupiah of operating cash flow. The following are the results of the operating cash flow ratio calculations for PT. Astra Agro Lestari Tbk. Jakarta for the 2022-2024 period.

Consequently, it is evident that during the 2022-2024 period, the proportion fluctuated annually. Throughout 2022 and 2023, the index remained below 1 or 100%, signifying that the corporation was incapable of settling its immediate obligations without utilizing monetary movement from alternative endeavors because the value of current liabilities exceeded the firm's functional cash flow. Nevertheless, in 2024, the proportion surpasses 1 or 100%, indicating that the enterprise is capable of satisfying its immediate obligations using functional monetary flow, because the current liabilities are smaller than the company's operating cash flow.

Therefore, based on the computations in Table 3, it can be analyzed that the monetary movement coverage proportion for immediate liabilities in 2022 was 133%, signifying that the corporation's capacity to settle current obligations was 1.33 times. Conversely, in 2023, the cash flow coverage ratio for immediate liabilities diminished to 86%. Then, in 2024, the cash flow coverage ratio to current liabilities increased to 1.20. Thus, it can be seen that the cash flow coverage ratio to current liabilities for the 2022-2024 period fluctuated each year but consistently remained above the minimum industry standard. In 2022-2024, the ratio was above 0.4 or 40%, which means that the company was able to pay its current liabilities using cash.

Based on the analysis results, the company's operating cash flow during the research period showed fluctuations from year to year. At the beginning of the period, the operating cash flow was still insufficient to cover current liabilities, so the company was not yet able to fully meet its short-term obligations from operational activities alone. This condition worsened in the following year, indicating liquidity pressure due to increased current liabilities and suboptimal operational performance. However, in the last year, there was a significant improvement, marked by an increase in the ability of operating cash flow to cover current liabilities without having to rely on cash sources from other activities. Overall, despite a decline, the company's operating cash flow showed a recovery trend, reflecting improved operational efficiency and better liquidity management.

From a theoretical perspective, these findings can be explained through agency theory and efficient market theory. Under agency theory, management acts as an agent responsible for managing the company’s resources on behalf of shareholders. Strong operating cash flows serve as an objective and reliable indicator of managerial performance because cash flows are

less susceptible to manipulation than accrual-based earnings, thereby reducing information asymmetry between managers and investors. Consequently, higher AKO and CKHL values signal that management has effectively utilized company resources in line with shareholders' interests.

Furthermore, according to efficient market theory, relevant financial information such as the company's ability to generate sufficient operating cash and cover short-term liabilities is quickly incorporated into investors' decisions and reflected in market prices. Therefore, stronger operating cash performance provides a positive signal to the market, enhancing investor confidence and indicating lower financial risk.

4.2.2. Analysis of Cash Flow from Investing Activity

From the calculations in Table 4, it can be analyzed that the capital expenditure ratio in 2022 is 1.59, which means that the company's ability to finance capital expenditures is 1.59 times. In 2023, the capital expenditure ratio increased to 2.69, which means that the company's ability to finance capital expenditures is 2.69 times. Meanwhile, in 2024, the capital expenditure ratio experienced a very drastic decline, namely 0.48, which means that the company's ability to finance capital expenditure is only 0.48 times. The capital expenditure ratio shows that the company's ability to finance capital expenditure during 2022-2024 fluctuated each year. The higher the ratio, the better the company's ability to finance capital expenditures using cash flow. In 2022 and 2023, the ratio was above 1 or 100%, but in 2024, the ratio was below 1 or 100%.

Based on the examination findings, the investment monetary movement reflected in the capital expenditure proportion during the investigation period displayed fluctuations annually. At the commencement of the interval, the enterprise maintained a robust capacity to fund capital outlays by relying on monetary flow, and this capability grew in the subsequent year. Nevertheless, in the final year, a substantial reduction occurred, which signaled a deterioration in the firm's aptitude to finance capital expenditures exclusively from cash flow. Generally, this situation demonstrates that the company's capacity to fund investment endeavors is not yet consistent and still necessitates more meticulous administration.

From an agency theory perspective, this condition indicates that management, as an agent, is capable of optimally managing company funds in accordance with the interests of shareholders as principals, thereby reducing agency conflicts and information asymmetry. Furthermore, based on the theory of efficient capital markets, information regarding a company's ability to generate internal cash to support investments will be perceived by investors as a positive signal regarding the company's stability and growth prospects, ultimately influencing risk perceptions and investment decisions in the market. Thus, the PM ratio not only reflects the ability to fund investments but also reflects the quality of management performance and the market's response to the company's financial information.

4.2.3. Analysis of Cash Flow from Financing Activity

From the calculations in Table 4, it can be analyzed that the total debt ratio in 2022 is 0.26, which means that the total debt secured by cash flow is 0.26. In 2023, the total debt ratio will increase to 0.40, which means that the total debt secured by cash flow will be 0.40. Then, in 2024, the total debt ratio increased again to 0.60, which means that the total debt secured by cash flow is 0.60. It is observable that the aggregate obligation proportion for 2022-2024 remains below 1 or 100%, signifying that the corporation possesses a deficient capacity to satisfy all its indebtedness with fiscal movement from its functional endeavors. The company's liabilities during 2022-2024 are greater than its operating cash flow.

Based on the analysis results, the cash flow conditions of financing activities reflected in the total debt ratio during the research period indicate that the company's ability to cover all its obligations with operating cash flow is still relatively limited. Although there is a tendency for debt guarantee capabilities to increase from year to year, the ratio remaining below 1 or 100% indicates that operating cash flow is not yet strong enough to pay off all of the company's obligations. This shows that the company's dependence on external funding sources is still quite high, so that the company's funding structure still needs to be managed more carefully in order to reduce liquidity and financial risks.

In agency theory, management as an agent is responsible for managing the debt structure carefully so as not to create financial risks that are detrimental to shareholders, so that the TH ratio that indicates good debt repayment capacity reflects prudent management and is aligned with investor interests. Based on the theory of efficient capital markets, information regarding a company's ability to meet its obligations will be responded to immediately by the market, where a high TH ratio is seen as a positive signal because it indicates lower financial risk, while a low ratio can reduce investor confidence.

4.2.4. Discussion of Common Size Analysis

From the common size analysis of operating activities, it can be seen that:

1. The proportion of cash receipts from customers to operating cash flow has declined consistently from 1159% in 2022 to 823% in 2023 and 655% in 2024, although it remains the main source.
2. Payments to suppliers and employees have relatively decreased from 928% in 2022 to 694% in 2023 and 548% in 2024, indicating an increase in operational cost efficiency.
3. Net cash from operating activities decreased significantly from 231% in 2022 to 129% in 2023 and 107% in 2024, reflecting the company's improved operating performance.
4. The contribution of interest income to operating cash flow remained low at 4% during 2022-2023, increasing slightly to 6% in 2024 as additional income.
5. Income tax payments fluctuated, reaching 93% in 2022, zero in 2023 due to fiscal loss compensation, and rising to 10% in 2024.
6. Other cash expenditures from operations decreased from 42% in 2022 to 37% in 2023 and 23% in 2024, supported by active working capital management to maintain cash flow stability.

Based on the results of the common size analysis of cash flows during the 2022–2024 period, operating activities remain the company's main source of cash, although the proportion of receipts from customers shows a downward trend. However, the increase in net cash from operating activities indicates an improvement in performance and operational efficiency, particularly reflected in the decline in the proportion of payments to suppliers and employees, while interest income only makes a relatively small contribution. Furthermore, from the common size analysis of investment activities, it can be seen that:

1. Cash payments for crop acquisitions remained relatively stable at 51% in 2022-2023 and rose to 56% in 2024 relative to investment cash flows, reflecting consistent investment in biological assets for business sustainability.
2. Payments for fixed asset acquisitions fluctuated, namely 69% in 2022, 70% in 2023, and decreased to 44% in 2024, indicating a reduction in expansion and optimization of existing assets.
3. Cash receipts from related receivables sales decreased from 21% in 2022-2023 to 0% in 2024, indicating an end to dependence on this source of investment cash.

In investment activities, the results of common size analysis show a decrease in the proportion of cash expenditures for the acquisition of fixed assets. This indicates that the company tends to reduce expansion activities and focus more on optimizing existing assets. However, investment in biological assets continues to be carried out consistently, which shows the company's commitment to maintaining long-term business sustainability. In addition, the decline in cash receipts from the sale of receivables to related parties indicates that the company no longer relies on the release of receivables as its main source of investment cash. This condition can be interpreted as the company having more stable receivables management and not relying on transactions with related parties to obtain cash. Meanwhile, from the common size analysis of cash flows from financing activities, it can be seen that:

1. The proportion of cash receipts from bank loans to fluctuating cash flows, which was 57% in 2022, zero percent in 2023, and jumped to 113% in 2024, indicates an increase in dependence on debt.
2. Bank loan repayments are also volatile at 112% in 2022, zero percent in 2023, and 161% in 2024, reflecting an aggressive debt management strategy with outflows exceeding inflows.
3. Dividend payments fluctuate from 30% in 2022 to 78% in 2023 and down to 38% in 2024, indicating a flexible dividend policy that is responsive to liquidity.
4. Loan interest payments gradually increase from 14% in 2022 to 26% in 2023 and 38% in 2024, in line with the increasing financial burden due to debt accumulation.
5. Other cash receipts from financing contributed minimally, at zero percent in 2022, 4% in 2023, and 7% in 2024, indicating limited alternative sources of financing.

In funding activities, the results of common size analysis show an increase in cash receipts from loans, indicating that the company is increasingly utilizing external funding, which has the potential to increase financial risk if not managed optimally, even though these loans can help maintain liquidity and meet short-term operational needs. On the other hand, the increase in dividend payments reflects the company's commitment to providing returns to shareholders, but this needs to be balanced with operating cash flow capacity so as not to disrupt financial stability. In addition, the increase in interest payments in line with the increase in loans indicates an increase in financial expenses, so the company needs to pay attention to its funding structure so as not to put pressure on cash flow in the future.

Based on the findings of the standardized cash flow examination, the cash flow structure of PT Astra Agro Lestari Tbk demonstrates that the largest proportion of cash receipts consistently originates from functional endeavors, while investing and funding activities tend to fluctuate with smaller contributions. This dominance of operating cash flow indicates that the enterprise is capable of generating cash sustainably from its core business operations and is less reliant on external funding sources to maintain operations. This pattern reflects healthier and more efficient cash management because investment needs and financial obligations are largely supported by internal cash.

From an agency theory perspective, this situation demonstrates that management, as an agent, is capable of effectively and transparently managing company resources in accordance with shareholder interests, thereby reducing the potential for agency conflicts and information asymmetry. Furthermore, based on efficient capital market theory, information regarding the dominance of operating cash and the stability of cash flow structures are positive signals that investors can readily respond to, reflecting lower financial risk and more sustainable business prospects. Therefore, the results of the common size analysis not only describe the

composition of cash flow but also emphasize the quality of management performance and the market's perception of the company's financial stability.

5. Conclusion

The cash flow analysis of PT Astra Agro Lestari Tbk for the 2022–2024 period shows mixed financial performance dynamics. Operating cash flow was initially volatile with liquidity pressures, but improved at the end of the period based on the operating cash flow ratio and cash coverage of current liabilities. Investment cash flow experienced instability in internal funding, with a decline in capacity at the end of the period that could potentially increase dependence on external sources. Financing cash flow reflects an increase in debt guarantee capacity, although the total debt ratio indicates external liabilities that require more careful risk management. Overall, the common size analysis confirms operating activities as the main source of cash with increased efficiency in 2024, while investments are focused on fixed and biological assets for long-term development, and funding fluctuations reflect adjustments to financing policies.

This study contributes theoretically and practically to the development of cash flow statement analysis as a tool for evaluating corporate financial performance. Theoretically, this study enriches the financial accounting literature through the application of cash flow ratio analysis and the common size method to assess a company's liquidity, internal financing capabilities, and cash flow structure. Practically, the results of this investigation furnish pertinent information for management, investors, and creditors in assessing a corporation's capacity to generate cash from functional endeavors, fund capital outlays, and satisfy financial obligations. These findings confirm that cash flow statements can be utilized as a foundation for more objective decision-making than relying exclusively on accounting profits.

However, this study has limitations because it only focuses on one company with a relatively short observation period and uses a descriptive approach, so it is not yet able to test the causal relationship between variables. Consequently, further investigation is suggested to expand the object and period of study, conduct comparative examination between companies, and utilize inferential quantitative methods or statistical models to examine the effect of cash flow on financial performance, profitability, and company value in order to acquire more comprehensive results with broader generalizability.

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