

## **Analysis of Company Bankruptcy Based on Cash Flow Statement at PT Visi Media Asia Tbk**

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### **Abstract**

*This research entitled "Analysis of Company Bankruptcy based on Cash Flow Statement at PT Visi Media Asia Tbk" analyzes the possibility of the company bankruptcy using the cash flow statements in the period of 2018 until 2023. Utilizing a qualitative descriptive method and case study approach, the analysis focuses on seven financial ratios: In addition, from the balance sheet and income statement perspective, Current Liability Coverage Ratio (CLCR), Cash Flow Coverage of Interest (CFCOI), Operating Cash Flow Margin (OCFM), Operating Cash Flow Return on Total Assets (OCFROA), Quality of Earnings (QOE), Quick Ratio (QR), and Years Sales Growth (YSG) have been used. Significant liquidity issues and an inability to meet short-term liabilities seen with all ratios go down. Low CLCR and QR indicate difficulty of current liabilities to cover and CFCOI decline indicate debt interest payments worries. A negative YSG is related to a reduction in market competitiveness. The research concludes that PT Visi Media Asia Tbk should apply strategic measures such as debt restructuring and operational improvement, in order to mitigate risks bankruptcy and improve financial health, and in order to ensure future sustainability.*

**Keywords:** *Bankruptcy, Cash Flow, Ratios*

### **Abstrak**

Ali bin Abi Thalib sebagai salah seorang tokoh Islam yang dikenal luas akan ilmu agamanya, menyajikan konsep pendidikan Islam yang komprehensif dan relevan dengan tantangan zaman. Permasalahan terkini seperti politeisme, penyalahgunaan kekuasaan, dan krisis pendidikan di Indonesia yang tercermin dari data rendahnya peringkat pendidikan, mendorong penelitian ini untuk menggali potensi ajaran Ali bin Abi Thalib dalam meningkatkan mutu pendidikan Islam sebagaimana dalam Buku "Tanyalah Aku Sebelum Kau Kehilangan Aku" yang berisi ungkapan-ungkapannya. Dalam kesempatan ini bertujuan untuk mengetahui konsep pendidikan Islam menurut Ali Bin Abi Thalib dalam buku "Tanyalah Aku Sebelum Kau Kehilangan Aku". Dan juga mengenai nilai-nilai pendidikan Islam yang tersimpan dalam buku tersebut. Penelitian kepustakaan (library research) adalah jenis penelitian yang digunakan dalam penelitian ini. Sumber utamanya diambil dari buku "Tanyalah Aku Sebelum Kau Kehilangan Aku". Teknik yang digunakan teknik analisis isi serta dokumentasi. Adapun teknik analisis model Miles dan Huberman menjadi tahapan yang penulis pakai. Hasil yang diperoleh akan berupa pertama, mengenai konsep pendidikan Islam menurut Ali Bin Abi Thalib dalam buku "Tanyalah Aku Sebelum Kau Kehilangan Aku" yang diantaranya ialah tujuan pendidikan, kurikulum, pendidik, peserta didik, dan metode pembelajaran. Kedua, nilai-nilai pendidikan islam menurut Ali Bin Abi Thalib.

**Kata kunci:** Konsep, Pendidikan Islam, Buku Tanyalah Aku Sebelum Kau Kehilangan Aku.

## I. INTRODUCTION

How the organization is financially positioned becomes very critical to the operational viability or competitive position of the organization in the marketplace. Cash flow from operating activities is considered a key indicator of firm's financial stability. As one of the PT Visi Media Asia Tbk companies in the media industry, the existence of financial difficulties is very significant as may be seen from its financial report. Most recently, the firm was racking huge deficits and having trouble meeting its short-term commitments, a good sign of bankruptcy risk (Al Hasan, 2024). Building on this research, instead of going through the other two financial statements of bankruptcies, this research attempts to go through the cash flow statement for greater understanding of the company's financial situation.

The cash flow statement gives you a summary of cash received and sent from operational, investing and financing activities. As compared to income statements which can have differences depending upon the accounting methods followed, the cash flow statements are general harder to manipulate and are therefore better able to determine a company's liquidity and solvency. There is previous work drawing links between specific trends in cash flow serving as early warning signs of financial problems or insolvency. For example, decreasing operating cash flow consistently represents a sign that a company is often unable to produce revenue that is adequate to cover the expenses required to conduct company operations (Aderin & Amede, n.d.; Rodríguez-Masero & López-Manjón, 2020). Within the realm of bankruptcy forecasting, cash flow models have been widely used because of their flexibility in detecting financial risks. Operating cash flow relative to current liabilities and cash flow coverage for interest are often used metrics to capture a firm's short-term capacity to settle debts and interest obligations. Besides, earlier research has shown that these metrics are immensely precise in predicting

bankruptcies compared to accrual based accounting models (Aderin & Amede, n.d.; Billios et al., 2024).

In the past years, PT Visi Media Asia Tbk has been showing an irregular cash flow. In particular, possible liquidity risks can be observed with significant drops in the historical records for operating cash flow for example in 2018 and 2022. A mismatch between cash inflows from operating activities and short-term obligations can signal early signs of financial distress (*Analisa Fundamental Saham VIVA | PT Visi Media Asia Tbk*, 2024). PT Visi Media Asia Tbk's finances are in unseemly condition as seen in its 2020-2022 financial statements, whose deficit in 2020 alone amounted to Rp2.51 trillion and total long-term liabilities exceeding current assets by Rp4.05 trillion. In addition, the company did not satisfy the requirements in the bank loan agreement and therefore constituted an event of default. Substantial debt interest expenses and a drop in cash flow from operating activities over the last three years made the state worse (Laporan Keuangan Konsolidasian Tanggal 31 Desember 2020 Dan Untuk Tahun Yang Berakhir Pada Tanggal Tersebut Beserta Laporan Auditor Independen PT VISI MEDIA ASIA Tbk DAN ENTITAS ANAK PT VISI MEDIA ASIA Tbk AND SUBSIDIARIES, n.d.).

This research is important because through examination of the cash flow statement, the reasons behind these financial issues could be identified. In addition, it is also important to delve into since bankruptcy harm not only the sustainable of an enterprise but also the shareholders, employees as well as other related parties (Kasus et al., n.d.). Therefore, this gives management a chance to adopt strategic actions to improve PT Visi Media Asia Tbk's financial position. Further it is expected that the result of this research will also serve as a cautionary signal to the stakeholders, including investors and creditors when making decisions on the company.

Previous research has generally relied on profit-oriented or balance-sheet metrics to forecast corporate failures. Nevertheless, methods based on cash flow reports are still

uncommon, particularly in the media industry like PT Visi Media Asia Tbk. This research presents innovation by utilizing the cash flow statement-based bankruptcy prediction model on a distinct research subject and by employing recent data from the firm's consolidated financial statements. The primary distinctions of this research in relation to earlier works are: (1) Concentration on media sectors with distinctive financial traits, (2) The employment of historical cash flow statement data as the primary analytical foundation, and (3) An analytic method that combines cash flow-based liquidity ratios with the assessment of operational performance. (Iswandi et al., 2024)

The objective of this research is to calculate the possible bankruptcy of PT Visi Media Asia Tbk. By using a cash flow approach with focus on identifying crucial ratios in operating cash flow / current liabilities and the coverage of interest with cash flow. This study is significant because of its practical value for corporate management in making strategic decisions regarding mitigating the bankruptcy risk, as well as the usefulness of insights for investors and creditors in making investment decisions. This study then should be valuable in academic writings and also in financial risk management practices in the Indonesian corporate environment.

## **II. METODHS**

Using a qualitative descriptive method and a case study approach, this research studies the possible insolvency of PT Visi Media Asia Tbk by doing so. The aim of this method is to describe thoroughly the cash flow trends of this company that may act as a sign of the company's possible bankruptcy. The reason for selection of the case study is the ability to study in depth the specific events, which take place in a separate company. (bpmid, 2024)

The research took place from January to December 2024. The data examined consists of the financial documents of PT Visi Media Asia Tbk from 2018 to 2023. The study was carried out through desk research by retrieving information from the Indonesia Stock Exchange - BEI ([www.idx.co.id](http://www.idx.co.id)) and

the official site of PT Visi Media Asia Tbk ([www.vivagroup.co.id](http://www.vivagroup.co.id)).

All Indonesia Stock Exchange (BEI) listed companies in the media sector constitute the population for the research. Through the purposive sampling method, the only sample in this study was PT Visi Media Asia Tbk sample. The criteria for selecting the sample are as follows: (1) The Company is in the media sector, (2) The Company publishes audited annual financial statements for the years 2018 — 2023, and (3) The Company's operating cash flow statements show large variations. Purposive sampling method was chosen because the research requires a subject that will fulfill all the research objectives. (Pada et al., n.d.)

The research was done in the preparatory phase by several stages, namely by looking for data needs in the form of annual financial statements of PT Visi Media Asia Tbk from 2018 to 2023 and gathering documents related to the data on the official sources from Indonesia Stock Exchange (BEI) and the official website of PT Visi Media Asia Tbk. The data collection technique used is by downloading the annual financial report from the website of BEI and an official website of PT Visi Media Asia Tbk. along with literature study pertaining to cash flow-based bankruptcy theory to construct an analytical framework. In the data processing technique, the researcher first comprehends the contents of PT Visi Media Asia Tbk's cash flow statement; following that, the financial ratios for the cash flow statement are computed and then compared to criterion to determine patterns that suggest the probability of bankruptcy, including identifying the pattern for cash flow, for instance decline in or unbalanced cash flow.

Next, during the data analysis stage, researchers performed a thematic examination of the financial statement data to identify the primary patterns that might suggest possible bankruptcy, i. e. contrast the outcomes of the cash flow ratio analysis with the cash flow-based bankruptcy standards to enhance the interpretation of the results. Consequently, through the analysis, researchers developed a descriptive narrative grounded in significant findings associated

with cash flow patterns and their implications for potential bankruptcy.

The tool used as the main instrument in this research is the annual financial report document of PT Visi Media Asia Tbk (secondary data). Source triangulation is done in such a way that the validity of the data remains valid, by comparing some of the details from several official documents in the form of the company's annual financial report (2018—2023), the company's annual report, and other information provided by Indonesia Stock Exchange (BEI). The reason that the tool is reliable lies in verifying that the documents from which we're referencing are from reliable sources and have gone through auditing.

The research employs qualitative data analysis methods that rely on the Miles and Huberman model, which consists of three key stages: (1) data reduction wherein the significant details from the company's cash flow statement are chosen like a cash flow ratio analysis; (2) data presentation that means organizing the results from cash flow ratio as descriptive narratives or thematic tables to aid in understanding and (3) drawing conclusion, which implies, drawing the conclusions with various results in cash flow ratio and tendency and reading those results with cash flow based bankruptcy criteria.

Data triangulation is done without interviews by looking at the cash flow ratio compared with data of financial position statement and cash flow statement of the annual report of PT Visi Media Asia Tbk itself and checking the data through external sources namely business news or capital market publications about the financial position PT Visi Media Asia Tbk. Variables of this cash flow ratio analysis that used in this study to predict bankruptcy PT Visi Media Asia Tbk are following the research titled (*Analisis Kebangkrutan Perusahaan Berbasis Laporan Arus Kas Pada Perusahaan Sub Sektor Perdagangan Besar Yang Terdaftar Di Bursa Efek Indonesia*, n.d.) namely (1) Current Liability Coverage Ratio, (2) Cash flow coverage of interest, (3) Operating cash flow margin, (4) Operating Cash Flow Return on Total Assets, (5)

Quality of earnings, (6) Quick ratio/acid ratio test, and (7) Years of sales growth.

This research was structured as an individual case study on PT Visi Media Asia Tbk, concentrating on the examination of the cash flow ratio in the financial position statement and the cash flow statement of the company over the recent five-year period (2018—2023). The research setting is online since all data is gathered via desk research utilizing digital documents.

This emerging approach aims to produce validity via triangulation of sources and without conducting interviews, and to present results clearly in order that the study may be repeated by others. An approach that uses qualitative descriptive research and does not depend on any primary data gathering techniques such as interviews and surveys is utilized to provide a holistic understanding of bankruptcy phenomena as a result of cash flow statement analysis. The research methods described above are structured in accordance with qualitative descriptive approaches and meet the completeness of information and clarity of presentation requirements of prestigious scientific journals.

### III. RESULT AND DISCUSSION

This research examines seven key financial ratios to analyze the bankruptcy of PT Visi Media Asia Tbk through the cash flow statement made from 2018 until 2023.

Below are the outcomes of the computation and explanation of each ratio:

**Table 1** Results of Cash Flow Ratios

RA TI O	20 18	20 19	20 20	20 21	20 22	20 23
	0,0 53	0,0 07	0,0 15	0,0 05	0,0 08	0,0 03
CL CR	03 1	34 4	39 4	05 31	76 1	03 05
CF CO I	0,4 11 3	0,0 97 2	0,1 93 5	0,0 63 5	0,0 90 3	0,0 26 3
OC F M	7,4 7%	2,4 7%	6,6 5%	2,5 9%	5,2 6%	3,2 4%
OC FR OA	0,0 22 35 2	0,0 06 09 8	0,0 14 18 6	0,0 05 48 3	0,0 10 06 8	0,0 04 92 1
Q OE	3,1 26 24 9	- 1,6 36 67	2,4 15 08 9	0,3 20 66 4	2,2 06 37	- 0,1 31 3
QR	0,1 43 88 9	0,0 86 54 4	0,1 44 35 2	0,1 22 45 8	0,0 37 05 3	0,0 51 96 9
CA G	- 13, 51 %	- 11, 77 %	- 13, 56 %	- - 1,0 0%	- - 6,2 7%	- 29, 55 %

Reference: Secondary data, processed

(2025)

Current Liability Coverage Ratio (CLCR). The measure of assessment of a company's ability to meet its short-term obligations from the cash flow from the operations is the ratio of this. Aside from providing a view of a company's liquidity and financial soundness, this CLCR also shows how profitable management can make the primary operations in order to pay upcoming debts.

$$\text{Current Liability Coverage Ratio} = \frac{\text{Operating Income}}{\text{Current Liabilities}}$$

The interpretation of the CLCR results is a result  $\geq 1$ : The indication that the company has enough operating cash to pay short term liabilities. If the result  $< 1$ : This implies the Company lack the ability in implementing

its short-term liability with help of operating cash flow as it might propose higher financial risk.

Based on the data obtained from PT Visi Media Asia Tbk's financial statement, the following is the CLCR value for each year from 2018 to 2023:

**Table 2** Results of Current Liability Coverage Ratio (CLCR)

R A TI O	20 18	20 19	20 20	20 21	20 22	20 23
C L C R	0,0 53 03 1	0,0 07 34 4	0,0 15 39 4	0,0 05 31	0,0 08 76 1	0,0 03 05

Reference: Secondary data, processed

(2025)

The CLCR value of 0.053 means that the company could only use 5.3% of its current liabilities through its operating cash flow in the year 2018. However, this is still a very small figure, and reflecting limited capability, it is better than the following years. A drastic decrease to 0.007 in the year 2019 shows that operating cash flow can only pay for 0.7% of current liabilities. The fact is that it reveals huge problems in company liquidity and its ability to repay short term liabilities. In 2020 this ratio has improved slightly up to 0.015, but still this ratio is showing that the company does not have enough cash flow to cover sufficient current liabilities. In 2021, the CLCR value fell even lower to 0.005, meaning that the company could only use 0.5% of its current liabilities with cashflow generated from operation. Should this continue there is an increased risk of bankruptcy. Even in 2022, despite climbing up back to 0.009, this shows that the company does not have enough cash flow to fulfil short term liabilities. In 2023 the company possesses the lowest value with a ratio of only 0.003 meaning that even though it can pay its current liabilities using its operating cash flow, the company still incarnates a very high risk of bankruptcy if these conditions persist.

The examination of the factors contributing to the reduction in CLCR is: (1) High current liabilities: current liabilities soared to Rp12.71 billion in 2023 from Rp3.38 billion in 2018 while there was no rise in operating cash flow. (2) Operating cash flow is unstable and likely to diminish: Operating activities produced Rp38.76 million in 2023, while this was Rp179.36 million in 2018. (3) Inability to produce consistent cash flow: The company's current problems concerning operational efficiency and decreasing revenues have resulted to a situation that limits its ability to generate cash flow needed to overcome the short-term liabilities.

Overall, lower CLCR value together with reducing tendency to do so over the analysis timeframe suggest that PT Visi Media Asia Tbk is facing huge problems in liquidity and its ability to meet short-term commitments. To avoid future conversion to insolvency, the organization must take actions geared at improving operating cash flow, and handling debt more effectively. These actions may involve lowering operating expenses, enhancing production efficiency, along with restructuring debt to alleviate the financial strain.

Cash Flow Coverage of Interest (CFCOI). This ratio calculates a company's ability to pay interest bearing debt obligations using only operating cash flows to supply more information as to a company's financial stability and the risks it faces as earning change. The significance of this CFCOI also includes a representation of a company's capacity to manage its liabilities and whether or not the produced cash would be adequate to meet interest payments to which this becomes useful to investors and creditors while assessing a company's financial health.

$$\text{Cash Flow Coverage of Interest} = \frac{\text{Operating Cash Flow}}{\text{Interest Expense}}$$

This ratio calculates a company's ability to pay interest bearing debt obligations using only operating cash flows to supply more information as to a company's financial stability and the risks it faces as earning change. The significance of this CFCOI also includes a representation of a company's

capacity to manage its liabilities and whether or not the produced cash would be adequate to meet interest payments to which this becomes useful to investors and creditors while assessing a company's financial health. The interpretation of the result is a value > 1: That means the company can use its operating cash flow to only pay for interest on its debt and remain in a positive cash flow position. The better the financial position of the company with respect to interest paying ability, the higher this CFCOI. If a value < 1: It shows that interest expense cannot be carried by operating cash flow which may imply that there exist higher financial risks. Based on the data obtained from the financial statements of PT Visi Media Asia Tbk, the following are the CFCOI values for each year from 2018 to 2023:

**Table 3** Results of Cash Flow Coverage of Interest (CFCOI)

<b>R A T I O</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>C F C O I</b>	0,4	0,0	0,1	0,0	0,0	0,0
	119	974	939	631	907	262
	83	12	85	15	63	53

*Reference: Secondary data, processed (2024)*

As compared to the 2018 CFCOI value of 0.412, the company was able to pay 41.2% of the total debt interest expense from the operating cash flow produced. By implication, the company will be able to meet most interest obligations and this ratio below one is to mean that the company cannot pay its interest expenses with operating cash flow. In 2019, the significant decline to 0.097 shows that operating cash flow can cover 9.7% interest expense. It is a clear indication of big problem in the company liquidity and its ability of funding debt commitments. In 2020, things got slightly better than they had been the previous year, reaching 0.193, but this ratio is well below safe levels. The company still struggles to gather enough cash flow to pay interest on its debt. Based on the stripped-

down cash flow, the 2021 CFCOI stands at 0.063, meaning that the company just can afford to service 6.3% of its interest cost from the operation cash flow. It is an high risk in terms of solvency and default risk. On the other hand, in 2022, despite a small increase to 9.1%, this ratio is showing that the firm does not have enough cash flow available to meet its interest costs fully again. The 2023 value represented the bottom of the analysis period with proportion of just 2.6%, indicating that the company can almost scrape by paying interest with operating cash flow, and is an extremely high risk of bankruptcy if this state persists.

The examination of the factors contributing to the reduction in CFCOI was: (1) The interest expense has risen considerably higher than the operating cash flow has, as the overall debt of the company has increased. (2) Drop in operating cash flow: Throughout the analysis period cash inflow from operating activities deteriorated significantly, thereby rendering the company unable to meet its obligations to pay interest. (3) Difficult market conditions: Such decreased revenues and market demand can impair, essentially, the company to obtain the sufficient cash flow from operations.

In brief, from the analysis period throughout the declining as well as low CFCOI value imply that PT Visi Media Asia Tbk is facing a very high risks at its ability to cover its debt interest payments. Going forward, there is a possibility that the organization could face bankruptcy due to which it should implement strategic actions to improve operating cash flow and manage debt as well. Specific actions might include a reduction of operating expenses, an increase in cost efficiency of production, debt restructuring to alleviate financial bottleneck and so forth.

Operating Cash Flow Margin (OCFM). This ratio tells us how efficiently a company produces cash flow from its operational activities in relation to sales revenue. This ratio gives a transparent view of the context to this firm's 'power' to create cash from operations (the cash generated from

operations), and thereby the firm's capacity to manage its expenses & further its long-term growth.

$$\text{Operating Cash Flow Margin} = \left( \frac{\text{Operating Cash Flow}}{\text{Revenue}} \right) \times 100$$

The results can be interpreted as follows: When your company has a high OCFM (for instance, a high percentage – greater than 20%), it is generating more than just income for itself – it is managing your operating expenses and generating a lot of cash. This is an indicator of the company's strong financial health, (an ability, for example, to reinvest, reduce debt and return dividends to shareholders). A low percentage: If a company is experiencing a low or approximately zero OCFM, this may signify a failing of that organization in the management of operating expenses or that the company does not generate sufficient revenue to cover the incurred expenses. Liquidity troubles and troubles in making brief term commitments may also be implied by it.

Based on the data obtained from the financial statements of PT Visi Media Asia Tbk, the following are the OCFM values for each year from 2018 to 2023:

**Table 4** Results of Operating Cash Flow Margin (OCFM)

RATIO	2018	2019	2020	2021	2022	2023
OCFM	7,47%	2,47%	6,65%	2,59%	5,26%	3,24%

Reference: Secondary data, processed (2024)

In 2018, the company converted 7.47% of the total revenue to operating cash flow, illustrating its prowess with the management of the cost and the revenue. The year 2019 marked a severe drop to 2.47%, which means the company's difficulties in obtaining cash flows from revenues. This could come from an increase in operating expense or decrease in revenue. Though OCFM increased by 6.65% compared to the previous year in 2020, which was still notable, the measure indicates that the company has not quite got back on track yet; then, in 2021, the rate fell

again to 2.59%, showing that cash flow from operations activities is still struggling to remain constant despite relatively stable revenues. Leaving 2022 aside, there was a minor improvement to 5.26%, though this metric still hints at a company that has failed to fully capitalize on revenue to generate maximum cash flow. Year 2023 finally concluded in 3.24% from the previous year and showed an unreliability of the company's ability to convert the revenues into operating cash flows.

Analysis of the Causes of OCFM fluctuations is variation in OCFM suggest that the company might have trouble controlling its expenses properly, which will require most revenues be spent satisfying these expenses. (2) Increased operating expenses: This should affect the operating cash flow margins directly, where if fixed or variable costs grew more rapidly than revenue growth then each dollar of additional costs would leave added less dollars of cash, through changes in operating cash flow margins. (3) Decrease in revenues: If total revenues can be reduced thereby lowering cash flows from operations this ratio can also be reduced. (4) Market conditions and competition: A company can only maintain or reinforce its income if it can withstand or prosper in the external components like competitive marketplaces or changes in buyer choices.

At the end of the day, the variable and perhaps low value OCFM all through the examination period demonstrates that, PT Visi Media Asia Tbk has difficulties in keeping operational efficiencies as well as controlling costs. With this, the firm has to carry out a complete evaluation of its operational strategy, so that it improves its ability to produce cash flow from the revenues and to sustain its long-term financial viability. There are strategic initiatives that a company ought to contemplate such as cutting costs, boosting production efficiency and innovating products which would improve your overall financial status of the company.

Operating Cash Flow Return on Total Assets (OCFROA). This ratio evaluates the

efficiency with which a business converts its total assets into cash flow produced from operations. Along with providing a view of the value that the company generates as a result of the utilization of its resources, this OCFROA can help investors or management assess an overall performance on financial aspects.

$$\text{Operating Cash Flow Return on Total Assets} = \frac{\text{Operating Cash Flow}}{\text{Total Assets}}$$

This ratio evaluates the efficiency with which a business converts its total assets into cash flow produced from operations. Along with providing a view of the value that the company generates as a result of the utilization of its resources, this OCFROA can help investors or management assess an overall performance on financial aspects.

The analysis of the results is Positive Value: A positive indication of the OCFROTA value is that the company can produce cash flow from its operations that is sufficient to support signaling our operational activities and honoring obligations in a financial nature. When the OCFROTA value is high, it means the buyer (usually one of the FPOs) is better at turning its assets into operating cash flow. Negative value: If, however, the OCFROA value is negative this indicates that the company finds it difficult to produce cash flow from operations, suggesting either liquidity, or efficiency, issues in asset management.

Based on the data obtained from the financial statement of PT Visi Media Asia Tbk, here is the value of OCFROA for each year from 2018 to 2023:

**Table 5** Results of Operating Cash Flow Return on Total Assets (OCFROA)

RATIO	2018	2019	2020	2021	2022	2023
OCFROA	0,02 2352	0,00 6098	0,01 4186	0,00 5483	0,01 0068	0,00 4921

*Reference: Secondary data, processed (2024)*

Examining the year 2018 OCFROA values, we see that the very first one signifies the value or cash that the company is able to

generate from its total assets and it 0.0224. This is a strong efficiency of asset usage to generate cash. This 2019 significant drop to 0.0061 implies that the company is not generating cash flow from its held assets. Revenue might be on the downturn, or operating expenses might be rising higher. Although OCFROA improved significantly in 2020 from the year before, at 0.0142, it is still below the ideal level and asset utilization efficiency did not fully recover. Once again, 2021 OCFROA has fallen to 0.0055, which continues to be a challenge to convert current assets to cash, which could be due to the external reason such as market condition or the internal reason such as ineffective asset management. In 2022, though, the ratio improved slightly to 0.0101, but the company is not yet efficient in utilizing its assets to generate the maximum return through the highest cash flow. The lowest value of 0.0049 all through the analysis period, that is by the end of 2023, shows that the company is gradually becoming less effective in deriving cash flow from the total assets, thereby exposing itself to huge problems with asset management and operations.

The examination of the reasons for the drop in OCFROA is: (1) Operational inefficiencies: the declining OCFROA, which is expected to continue, poses to question whether the company has been able to maximize the use of its assets to aid running of its business. (2) Increased costs and expenses: Operating costs growing more rapidly than revenues is bad news for operating cash flow and its subsequent metric the OCFROA ratio. (3) Decreased revenues: Diminished cash inflows may accompany the falling sales and as a result, this ratio shows decrease if total assets remain the same or they increase. (4) Ineffective investment strategy: If business invests in non-productive assets or failed to generate expected profits, this will lower the ability of the company to generate cash flow from total assets.

Based on the low and declining value find from the analysis period of OCFROA, PT Visi Media Asia Tbk is facing obstacles to effectively use its assets to generate

operating cash flow. That in such a situation, management should pay attention to develop asset management strategies and operations to improve its future financial position. This ratio ought to be raised to a more robust and sustainable level, and businesses should look at the strategic way of raising operational efficiency and consequently utilize the current resources to a better standard.

Quality of Earnings (QOE). Because a ratio measures how well a company's profit can be turned into operating cash flows, it allows us to gain deeper insight into a company's financial stability and whether profits are sustainable.

$$\text{Quality of Earnings QOE} = \frac{\text{Cash Flow from Operations}}{\text{Net Operating Income}}$$

The result representation of the profit quality ratio is  $QOE > 1$ : Shows cash flow from operations is more than net income, meaning good quality of profit. The operational activities of the company can bring it a sustainable profit.  $QOE < 1$ : Net income greater than cash flow from operations indicates that earnings may be unsustainable or may be tainted by nonoperating items or accruals. Negative QOE: Because the profit in the earnings report indicates that the company is breakeven or in the black, a loss in operations is what this means to the company, which might be a warning to the investors and stakeholders.

Based on the data obtained from the analysis of the financial statement of PT Visi Media Asia Tbk:

**Table 6** Results of Quality of Earnings (QOE)

RAS IO	2018	2019	2020	2021	2022	2023
QE	3,126 249	- 667	2,415 089	0,320 664	2,20 637	- 13

Reference: Secondary data, processed (2024)

QOE is a crucial instrument in financial analysis to assess the reliability of company's profit statement. The QOE figure of 3,126 in 2018 is the type of figure, which indicates the company is very strong in running cash flow

in place of net income and is indicative of the good quality of profit. In 2019, conversely, we get the negative figure (-1,637) which says that, even if the company was making profits, it did so through an abnormality – in other words a loss of operations, which should be very unlikely for such returns. Following years (2020 and 2022) show positive figures, which indicates improvement in profit quality, but a value of 0.321 in 2021 and -0.131 in 2023 show deficiency of generating enough operating cash flows to provide net earnings. In certain years, a positive QOE sign indicates that robust cash flow provides a firm foundation for net income in some years and a negative QOE sign indicates in others that accounting manipulation is a possibility or that earnings are inherently volatile. This is of course true for PT Visi Media Asia Tbk, where the substantial swings of this ratio represent the company's difficulties in maintaining profit quality, and generating reliable operating cash flow over time. This has to be something both administration and speculators keep a watch out for in order to confirm that their business will stay practical in the coming years.

Quick Ratio (QR). Liquidity metric quick ratio looks at how capable the company is at servicing its short-term obligations without having to liquidate inventory, thus providing a clearer view of the company's financial position when it's at the wire.

$$\text{Quick Ratio QR} = \frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$$

Interpretation of quick ratio results is value > 1: Indicates refer to the fact that the Company has sufficient liquid asset to cover its short term liability excluding its sale of inventory. This is good financial health. Value < 1: The fact that the company may not have cash and cash equivalents to cover its short plus long-term liability is an indicator of liquidity risk. Value Approaching 1: Shows the company is approached the edge of its ability to meet its obligations and needs more cash flow attention.

Based on the data obtained from PT Visi Media Asia Tbk's cash flow statement, the

following is the QR value for each year from 2018 to 2023:

**Table 7** Results of Quick Ratio (QR)

R AS IO	201 8	201 9	202 0	202 1	202 2	202 3
Q	0,1	0,0	0,1	0,1	0,0	0,0
R	438	865	443	224	370	519
	89	44	52	58	53	69

*Reference: Secondary data, processed (2024)*

For example, the value of QR means that the company's capacity to settle current liabilities with only liquid assets is very limited (0.144) in 2018. While better adjusted to the following years, this state is still sub unitary, so the companies aren't able to bank solely on liquid assets to cover expenses on their current liabilities. At 0.087 in 2019 (down from 0.122 in 2017), it is becoming increasingly difficult for the company to satisfy its short-term obligations with its available operating liquid assets. This implies that we could also see an increase in liquidity problems. While this ratio rebounded to 0.144 in 2020, this does not reveal a tremendous improvement in the company's ability to cover its short-term liabilities with its short-term assets, rather it still remains below one. QR value dropped a little to 0.122 for the year of 2021 meaning the company was unable to satisfy current liabilities using its own liquid assets. With severe drop to 0.037 in 2022, it shows that the company has barely enough liquid assets to meet current liabilities. As such, there is moreover a considerable possibility of bankruptcy without an instant solution. Even in 2023, with the ratio increase to 0,052, it is still very low and testifies for grave liquidity problems of the company.

The analysis of the causes of QR decline is (1) Increase in Current Liabilities: Liquid assets management not balanced by current liabilities; the latter jumped sharply from Rp3.38 million in 2018 to Rp12.71 million in 2023. (2) Decrease in liquid assets: The liquid assets used for QR calculations are volatile and typically falling, especially in recent years where cash and cash equivalents

are not sufficient to cover liabilities short. (3) Dependence on inventories: Problems can arise when inventory is not immediately sold, because a company is relying on the inventories to meet their obligations.

Finally, the liquidity analysis result, which signified by the low value of quick ratio and the tendency to get worse during the analysis period, shows that PT Visi Media Asia Tbk is experiencing serious problems in liquidity and its ability to fulfill its short-term obligation. For the company to evade future bankruptcy, they need to take strategic steps of improving operating cash flow and better managing of debt. Thus, such as measures as reduction in operating costs and enhance of production efficiency, also debt restructuring to mitigate debtor's financial burden which results in better liquidity position.

Years Sales Growth (YSG). YSG is a metric that compares a company's year-over-year sales growth and reveals how well a company is able to increase its revenue over a certain period of time. This provides a context for revenue trends and allows you to speculate on the future growth of your business. Reporting sales performance for the past five years (2018 to 2023) is a better way to represent sales performance of the company. It also helps understand long run trends and growth stability. A company that experiences decreasing sales is usually on its way to bankruptcy. If a company grows in sales over the five-year period, that's a pretty good indicator of the future.

$$\text{Years Sales Growth YSG} = \left( \frac{\text{Sales}_{\text{akhir}} - \text{Sales}_{\text{awal}}}{\text{Sales}_{\text{awal}}} \right) \times$$

Interpretation of YSG Value is (1) YSG Positive: This means that the company has demonstrated 5 years' growth in sales. So, for instance, a YSG of 10% means that annually the company is growing at an average rate of 10%. If the YSG is negative: this means that sales have dropped over the course of this period. This should be a warning flag for investors and management to rethink how they go about business. YSG Close to Zero: The implication of this is that

such a company has low sales growth. So, companies would need to determine how to grow. (2) In addition, the YSG trends over time are also very important. Increase in YSG: Greater growth potential in the future is signaled by an annual increase in YSG if it means that sales are performing better. YSG decline: A decreasing YSG means the company cannot continue to grow.

Based on information gathered from the financial statements of PT Visi Media Asia Tbk, here is the YSG value for each year from 2018 to 2023:

**Table 8** Results of Years Sales Growth (YSG)

RAS IO	2018	2019	2020	2021	2022	2023
YSG	-13,5 1%	-11,7 7%	-13,5 6%	-1,0 0%	-6,2 7%	-29,5 5%

Reference: Secondary data, processed (2024)

In realizing the 13.51% fall in 2018 sales which proves that the company is struggling to retain the revenue or even increase it through the surge of demand or the increase of competition. Currently running statistics show that business fell by 11.77% in 2019, indicating that these problems are still around, and businesses may be having problems getting new customers, or even hold on to the ones they already have. In addition, this additional 13.56% fall in 2020 implies that sales side problems in 2020 are more widespread, and it could be due to outside conditions like economy or change in consumer habits. A 1% dip in 2021 is more or less flat in the negative, so almost no progress, no stabilization, but no change of pace either year over year in sales. Decrease of 6.27% in 2022 also gives the company slightly higher increase over 2021, but the corporation is still unable to get a positive sales growth. Analyzing the above fact, the company is likely to face the biggest crisis it has ever experienced if this upcoming comes as it is being, as the sales show a drop of 29.55% in 2023, meaning that the conditions

the company is battling to attract clients as well as making sales are extremely poor.

Analysis of the causes of YSG Decline is (1) Increased competition: The company's products can be affected by the arrival of new rivals, or of elevated aggressiveness from present competitors, regarding market share and its appeal. (2) Lack of product innovation: If firms do not launch new products of improve their existing ones, this may reduce the interest of consumers. (3) Macroeconomic conditions: Consumers purchasing capacity and demand for products are affected by such external influence as economic downturn, modification of government policies and in the market conditions. (4) Ineffective marketing strategies: Low product visibility in the market and trouble reaching the desired audience is caused by poorly targeted marketing approaches.

Overall, the consistently poor value shown by the YSG in the course of the analysis period indicates that there are problems for PT Visi Media Asia Tbk with respect to its sales growing. A steep drop in 2023 has crucially been flagged highlighting the need for management to take a look at marketing and product development approaches to improve market attractiveness and get revenue to rise from the ashes. Lacking strategic actions to address this problem, firms may end up getting worse financial consequences in the future.

In cash flow ratio analysis mentioned previously, we found that there are high risks of bankruptcy for PT Visi Media Asia Tbk, which have huge liquidity problems, no longer able to meet short term obligations, and paying interest expenses against debt because the company's operating cash flow is decreasing. Unfavorable sales growth along with decreased and uneven profit quality, compels top management to quickly move and address this situation via strategic measures geared towards improving the financial status of the firm before the situation degenerates any further. The result of these ratios implies that these ratios provided complete evidence about PT Visi Media Asia Tbk's financial status in order to be used as a basis of strategic decision making by the management

and other stakeholders in order reduce the risk of future bankruptcy.

#### IV. CONCLUSION

Konsep pendidikan Islam menurut Ali Bin Abi Thalib dalam buku "Tanyalah Aku Sebelum Kau kehilangan Aku" menekankan keseimbangan antara pencapaian ilmu duniawi dan ukhrawi, dengan memberikan dasar pendidikan tentang keyakinan akan kebenaran agama. Hal ini dapat dilihat dengan penyusunan tema-tema yang disimpan di awal pembahasan yang lebih menekankan nilai-nilai ukhrawi, kemudian di bagian pertengahan disisipi nilai-nilai duniawi yang tetap tidak terlepas dari ajaran agama. Meskipun pendidikan Islam menurut Ali terlihat mengutamakan nilai-nilai agama, tapi materi yang dibahas memiliki keseimbangan dalam aspek dunia dan akhirat. Dengan mengetahui nilai-nilai Pendidikan islam menurut ali serta menyesuaikan tahapan dan strategi, nilai-nilai Pendidikan tersebut dapat disesuaikan dengan kondisi masyarakat pada masa kini.

Riset mengenai konsep pendidikan Islam menurut Ali Bin Abi Thalib dalam buku "Tanyalah Aku Sebelum Kau kehilangan Aku",. diharapkan bisa menjadi materi pembelajaran supaya meningkatkan mutu pembelajaran yang dilaksanakan oleh para pendidik di masa yang akan datang. Disarankan bagi seorang guru dalam dunia pendidikan agama Islam, hendaknya menghiasi diri dengan ciri-ciri sebagaimana yang telah dikemukakan oleh Ali Bin Abi Thalib. Analisis tentang konsep pendidikan Islam menurut Ali Bin Abi Thalib dalam buku "Tanyalah Aku Sebelum Kau kehilangan Aku" perlu diperhatikan bahwa hasil ini belum final. Karena keterbatasan waktu, sumber referensi, metode, serta pengetahuan dan ketajaman analisis yang peneliti miliki. Sehingga akan banyak kekurangan yang mungkin ada di dalamnya. Harap peneliti, untuk adanya peneliti pada hasil riset ini.

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