

ABSTRACT

Pratiwi Sasmita. 3020611045. 2010. *An Analysis of Financial Performance of PDAM Tirta Dharma Pangkalpinang*

This research aims to find out the financial performance of PDAM Tirta Dharma Pangkalpinang using quantitative research. Data sources was secondary data by collecting them through documentation study. The methods of data analysis used four ratio such as liquidity ratio, solvency ratio, activity ratio and profability ratio. The results of this research shows the company's liquidity can be seen from the current ratio. The highest one was in 2008 that equal to 266,73%, and the lowest was in 2005 that is equal to 14,37%. The highest of quick ratio was in 2008 about 266,11% and the lowest was in 2006 that's is equal to 10,79%. The highest of cash ratio in 2007 was 95,22% and the lowest was in 2006 of 0,14%. The highest of company's solvency was in 2008 that is equal to 451,89% and the lowest was in 2006 that is equal to 46,03%. The conclusion indicates that PDAM Tirta Dharma Pangkalpinang can fulfil its short term liabilities which its liquidity is based the current ratio, quick ratio and cash ratio, the company's solvency is in bad condition because it has had loss every year. Company needs to optimize its assets, maximize sales volume and further improve the management of claims.

Keywords: *Financial performance, liquidity, solvency, activity, profitability*