

The Model Summary Model Effect Of Current Ratio On Return On Assets At Pt Cahaya Pelita Andhika In Central Tapanuli Regency

Putri Rosdayanti Hutabarat^{1*}, Zafril Abdi Nasution², Indra Setiawan Hutabarat³

¹Management Program, Al Washliyah Sibolga School of Economics

²Management Program, Al Washliyah Sibolga School of Economics

³Management Program, Al Washliyah Sibolga School of Economics

*Correspondent email: putri.hutabarat2021@gmail.com

Abstrak: This study aims to determine the Effect of Current Ratio on Return on Assets at PT Cahaya Pelita Andhika, Central Tapanuli Regency. The type of research used in this study is a quantitative research method with a descriptive correlational approach. The sample in this study is the financial statements of PT Cahaya Pelita Andhika, Central Tapanuli Regency 2020-2024. The results of the study show that the coefficient of determination (R^2) is 0.032, meaning that 3.2% of the variation in Return on Assets (Y) is determined by the Current Ratio (X), while the remaining 96.8% is influenced by other factors. Based on the t -test, the calculated t -value for the Current Ratio is 0.770, which is lower than the t -table value of 2.10092 ($0.770 < 2.10092$) with a probability value of $0.451 > 0.05$. Therefore, the Current Ratio (X) does not have a significant effect on Return on Assets (Y) at PT Cahaya Pelita Andhika. Consequently, H_0 is accepted and H_a is rejected.

Keywords: Current Ratio and Return on Assets

INTRODUCTION

In today's dynamic and competitive business world, corporate financial management is a factor that greatly determines the success of an organization. One important aspect of financial management is how companies maintain a balance between liquidity and profitability. Financial ratios are tools for analyzing a company's financial statements that can be used to assess a company's performance based on a comparison of financial data contained in its financial statements (balance sheet, income statement, cash flow statement). These financial ratios consist of liquidity ratios, solvency ratios, and profitability ratios (). However, this study focuses more on the company's Liquidity Ratio (*Current Ratio*) and Profitability Ratio (*Return on Assets*).

The liquidity ratio serves to measure a company's ability to meet its maturing obligations, both to parties outside the company and within the company. The liquidity ratio in this study is measured using *the current ratio*. *The current ratio* is used to measure a company's ability to pay short-term obligations or debts that are due immediately.

This work is licensed under a



Creative Commons Attribution 4.0 International License
Copyright (c) 2026 Author

Profitability ratio is a measure of a company's ability to generate profits. Profitability ratio in this study is measured using *Return on Assets*. *Return on Assets* is a ratio that shows the return on the total assets used in a company or a measure of management efficiency.

Proper liquidity management is crucial in maintaining the operational stability of a company. High liquidity indicates a company's ability to meet its short-term obligations. Conversely, low liquidity can cause serious financial and operational disruptions. The greater a company's ability to meet its short-term obligations, the greater the efficiency of asset utilization in generating profits.

An ideal current ratio will ensure that the company is able to meet all of its short-term obligations without experiencing operational disruptions. Conversely, a current ratio that is too low or too high can have a negative impact on the company's financial performance. On the other hand, *Return on Assets* is an important measure of the extent to which a company's assets are able to generate profits. A common problem arises when a high current ratio is not accompanied by an increase in *Return on Assets*, indicating inefficiency in utilizing current assets to generate profits. This can be caused by high levels of inventory that is not immediately used, long-term receivables, or idle cash funds. As a result, even though the company appears to be liquid, its profitability remains low.

PT Cahaya Pelita Andhika is a company engaged in oil palm plantation located in Central Tapanuli Regency, North Sumatra Province. As a company engaged in the agribusiness sector, PT Cahaya Pelita Andhika Central Tapanuli Regency has unique business characteristics, where cash flow and asset management are crucial factors in supporting daily operations and maintaining production continuity. The palm oil industry itself is known to have a fairly long production and marketing cycle, making liquidity management one of the main challenges that the company must face.

The operational activities of plantation companies such as PT Cahaya Pelita Andhika involve high production costs, including labor costs, crop maintenance, product processing, and product distribution to the market. These conditions require companies to have sound financial planning, especially in ensuring the availability of funds for short-term needs without sacrificing long-term investments that can increase profitability. In this context, *the current ratio* is an important indicator for assessing the liquidity of PT Cahaya Pelita Andhika in Central Tapanuli Regency.

To see the financial data of PT Cahaya Pelita Andhika for the last 5 (five) years, as shown in the following table:

Table 1. Financial Data of PT Cahaya Pelita Andhika, Tapanuli Tengah Regency

Quarter	Current Assets	Current liabilities	EAT/Net Income	Total Assets
2020 Q1	756,897,000	495,701,000	387,236,000	3,389,155,000
TW 2	789,464,000	501,370,000	394,285,000	3,344,480,000
TW 3	834,893,000	553,386,000	400,602,000	3,312,667,000
TW 4	950,024,000	505,483,800	544,384,000	3,350,556,000
2021 TW 1	874,002,000	396,950,000	343,615,000	3,203,923,000

TW 2	834,602,000	396,380,000	330,570,000	3,087,281,000
TW 3	857,481,000	396,496,000	341,434,000	3,032,918,000
TW 4	841,798,000	445,304,000	363,160,000	2,939,993,000
2022 TW 1	804,838,000	391,241,000	388,606,000	3,385,791,000
TW 2	830,074,000	402,115,000	372,505,000	3,333,785,000
TW 3	829,628,000	391,880,000	409,941,000	3,256,097,000
TW 4	861,946,000	411,794,000	442,285,000	3,211,173,000
2023 TW 1	904,304,000	400,496,000	376,779,000	3,233,256,000
TW 2	896,615,000	394,536,000	384,485,000	3,205,292,000
TW 3	851,870,000	397,980,000	400,176,000	3,140,272,000
TW 4	884,890,000	399,770,000	473,836,000	3,153,017,000
2024 TW 1	964,779,000	413,624,000	318,605,000	3,212,631,000
TW 2	990,860,000	213,446,000	421,037,000	3,218,437,000
TW 3	947,520,000	208,903,000	428,127,000	3,154,822,000
TW 4	958,171,000	216,387,000	404,230,000	3,145,198,000
Total	17,464,656,000	7,933,242,800	7,925,898,000	64,310,744,000
Average	873,232,800	396,662,140	396,294,900	3,215,537,200

Source: Financial Data of PT. Cahaya Pelita Andhika, Central Tapanuli Regency

This data provides an overview of financial developments over the past five years. PT. Cahaya Pelita Andhika's financial reports from 2020 to 2024 show increases and decreases in several components, such as current assets, current liabilities, EAT/net profit, and total assets from 2020 to 2024.

Based on the above description, the author has strong reasons to examine the importance of managing the current ratio in supporting the existence of a company, and research needs to be conducted to determine the extent of the current ratio's influence on *return on assets*. In light of this, the author is interested in conducting research entitled "The Effect of Current Ratio on *Return on Assets* at PT Cahaya Pelita Andhika in Central Tapanuli Regency."

RESEARCH METHOD

The type of research used in this study is quantitative research with an associative approach. Quantitative research was chosen because the data used consists of figures from the company's financial statements, which are analyzed statistically to determine the relationship between variables.

The type of data used is quantitative data, which is data in the form of numbers. This study uses secondary data sources, where secondary data is financial statement data in the form of balance sheets and income statements of PT Cahaya Pelita Andhika, Tapanuli Tengah Regency, for 5 (five) years from 2020 to 2024.

The data collection techniques used by the author in this study are as follows:

- a. Literature Study, which involves studying various reading sources closely related to the research problem, both in the form of scientific books and laws and regulations.
- b. Field Study, which involves collecting data directly from the research location by:
 - 1) Interviews, which is a method of data collection by conducting face-to-face interviews with parties who can provide information about the effectiveness of the Current Ratio and *Return on Assets*.
 - 2) Documentation consists of financial statement data in the form of Income Statements and Balance Sheets issued by PT Cahaya Pelita Andhika, Central Tapanuli Regency, for 5 (five) years from 2020 to 2024. The data collected consists of financial statements.

Based on the research objectives and hypotheses stated earlier, the analysis method used to test and prove the hypotheses is a descriptive quantitative approach using Statistical Package for Social Sciences (SPSS) Version 26 Windows software with several stages to analyze the data as follows: The data analysis techniques used in this study are: Classical assumption test, Determination test, Simple linear regression test, Hypothesis test.

RESULTS AND DISCUSSION

RESULTS

Descriptive Statistics

The independent variable in this study is the Current Ratio. Meanwhile, the dependent variable is *Return On Asset* (ROA) taken during the 2020-2024 period. The data managed by the researcher is data available at PT. Cahaya Pelita Andhika, Central Tapanuli Regency. Descriptive variables aim to determine the company's development over the five years of research using the average benchmark for each variable. Further explanation is as follows:

Current Ratio Variable (X)

The independent variable (X) used in this study is the Current Ratio (X). The following are the results of the Current Ratio calculations at PT. Cahaya Pelita Andhika in Tapanuli Tengah Regency for the last 5 years, from 2020 to 2024.

Table 2. Current Ratio of PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency

Quarter	Current Assets	Current Liabilities	Current Ratio	Growth
2020 Q1	756,897,000	495,701,000	1.53	-
TW 2	789,464,000	501,370,000	1.57	0.03
TW 3	834,893,000	553,386,000	1.51	-0.04
TW 4	950,024,000	505,483,800	1.88	0.25
2021 TW 1	874,002,000	396,950,000	2.20	0.17
TW 2	834,602,000	396,380,000	2.11	-0.04
TW 3	857,481,000	396,496,000	2.16	0.03
TW 4	841,798,000	445,304,000	1.89	-0.13

2022 Q1	804,838,000	391,241,000	2.06	0.09
TW 2	830,074,000	402,115,000	2.06	0
TW 3	829,628,000	391,880,000	2.12	0.03
TW 4	861,946,000	411,794,000	2.09	-0.01
2023 TW 1	904,304,000	400,496,000	2.26	0.08
TW 2	896,615,000	394,536,000	2.27	0.01
TW 3	851,870,000	397,980,000	2.14	-0.06
TW 4	884,890,000	399,770,000	2.21	0.03
2024 TW 1	964,779,000	413,624,000	2.33	0.05
TW 2	990,860,000	213,446,000	4.64	0.99
TW 3	947,520,000	208,903,000	4.54	-0.02
TW 4	958,171,000	216,387,000	4.43	-0.02
Total	17,464,656,000	7,933,242,800	48.00	1.43
Average	873,232,800	396,662,140	2.40	0.075

Source: Financial Report of PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency, 2025

Based on Table 2, it can be seen that the interpretation of the average values above indicates that the Current Ratio from 2020 to 2024 is good, as evidenced by the average value of 0.075 per quarter. The maximum Current Ratio was 4.64 for the second quarter of 2024. The largest increase in the Current Ratio occurred in the second quarter of 2024, which was 0.99 times. The largest decrease in the Current Ratio over the 5 years occurred in the fourth quarter of 2021, which was 0.13 times. The minimum Current Ratio occurred in the third quarter of 2020 at 1.51. For the first quarter of 2020, the Current Ratio started at 1.53, reaching 4.43 in the fourth quarter of 2024 (). The average growth rate over 5 years divided by quarter is 0.075 or 7.5%.

Return on Assets (Y) variable

The dependent variable (Y) used in this study is *Return On Asset*. The following are the results of the *Return On Asset* calculation at PT. Cahaya Pelita Andhika, Central Tapanuli Regency, for the 5-year period 2020-2024:

Table 3. Return on Assets (ROA) Calculation

Quarter	EAT/Net Profit	Total Assets	ROA	Growth
2020 Q1	387,236,000	3,389,155,000	0.11	-
TW 2	394,285,000	3,344,480,000	0.12	0.03
TW 3	400,602,000	3,312,667,000	0.12	0.03
TW 4	544,384,000	3,350,556,000	0.16	0.34
2021 TW 1	343,615,000	3,203,923,000	0.11	-0.34
TW 2	330,570,000	3,087,281,000	0.11	0.00
TW 3	341,434,000	3,032,918,000	0.11	-0.89
TW 4	363,160,000	2,939,993,000	0.12	9.97

2022 TW 1	388,606,000	3,385,791,000	0.11	-0.07
TW 2	372,505,000	3,333,785,000	0.11	-0.03
TW 3	409,941,000	3,256,097,000	0.13	0.13
TW 4	442,285,000	3,211,173,000	0.14	0.09
2023 TW 1	376,779,000	3,233,256,000	0.12	-0.15
TW 2	384,485,000	3,205,292,000	0.12	0.03
TW 3	400,176,000	3,140,272,000	0.13	0.06
TW 4	473,836,000	3,153,017,000	0.15	0.18
2024 TW 1	318,605,000	3,212,631,000	0.10	-0.34
TW 2	421,037,000	3,218,437,000	0.13	0.32
TW 3	428,127,000	3,154,822,000	0.14	0.04
TW 4	404,230,000	3,145,198,000	0.13	-0.05
Total	7,925,898,000	91,606,944,000	2.36	9.34
Average	396,294,900	4,580,347,200	0.12	0.492

Source: Financial Report of PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency, 2025

Based on Table 3, it can be seen that the interpretation of the average values above indicates that *the Return on Assets* of PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency, is good, as evidenced by the average value of 0.492 per year. The maximum *Return on Assets* was 0.16 in the fourth quarter of 2020. The largest increase *in Return on Assets* occurred in the fourth quarter of 2021. The largest decline in *Return on Assets* over the past 5 years occurred in the third quarter of 2021, which was 0.89 times. The minimum *Return on Assets* occurred in the third quarter of 2021 at 0.01. For 2020, the *Return on Assets* started at 0.11 and reached 0.13 in 2024. The average growth over the five-year period was 0.492.

Normality Test

Based on Table 4, the Asymp. Sig (2-tailed) value is 0.000. Under standard normality testing criteria, a value less than 0.05 typically indicates that the data is not normally distributed. However, the researcher further analyzed the distribution using the Kolmogorov-Smirnov Z-statistic of 0.300, which remains below the critical Z-value of 1.97." (Catatan: Disarankan melakukan transformasi data jika ingin hasil Sig > 0.05).

Table 4. One-Sample Kolmogorov-Smirnov Test
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		20
Normal Parameters ^{a,b}	Mean	.000000
	Std. Deviation	.02913149
Most Extreme Differences	Absolute	.300

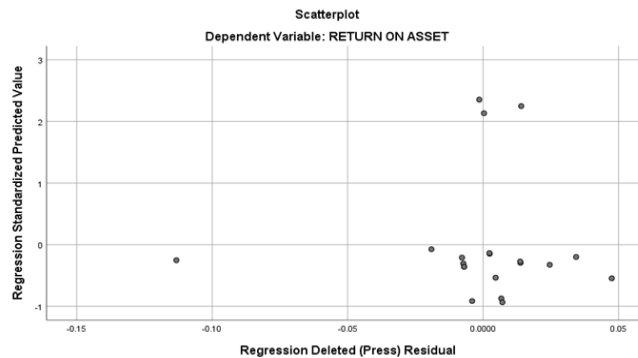
	Positive	.177
	Negative	-.300
Test Statistic		.300
Asymp. Sig. (2-tailed)		.000 ^c

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Source: Research Results, processed data (2025)

Based on the table above, it can be seen that *Asymp. Sig* is $0.000 < 0.05$ and the *Kolmogorov-Smirnov Z* value is $0.300 < Z$ for sig 5%, which is 1.97, meaning that both variable data are normally distributed.

Heteroscedasticity Test



Source: Research Results, processed data (2025)

Figure 1. Heteroscedasticity Test Results

Based on the figure above, the points are scattered randomly and spread both above and below the zero point on the Y-axis, so it can be concluded that there is no heteroscedasticity problem.

Coefficient of Determination

**Table 5. Coefficient of Determination Output
Model Summary^b**

Model	R	R Square	Adjusted R-Square	Standard Error of the Estimate	Durbin-Watson
1	.179 ^a	.032	-.022	.02993	1.942

- a. Predictors: (Constant), Current Ratio
- b. Dependent Variable: Return on Assets

Source: Research Results, processed data (2025)

Based on the table above, a coefficient of determination of 0.032 can be obtained, which means that 3.2% of the variation in the dependent variable (*Return On Asset*) is determined by the independent variable Current Ratio (X) and the remaining 96.8% is determined by other factors not discussed by the author.

Simple Linear Regression

To determine the significant effect between variables X and Y, a simple linear regression calculation was performed as follows:

Table 6. Regression Coefficient Output

		Coefficients ^a				Collinearity Statistics		
		Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Tolerance	VIF	
Model		B	Std. Error	Beta				
	(Constant)	.105	.019		5,667	.000		
	Current Ratio	.006	.007	.179	.770	.451	1,000	1

a. Dependent Variable: *Return On Asset*

Source: *Research Results, processed data (2025)*

Based on the calculations in the table above, the following regression equation is obtained: $Y = 0.105 + 0.006X$. This can be interpreted as follows: from the output above, the constant value is 0.105, while the current ratio value is 0.006, so the regression equation is as follows:

$$Y = a + bX$$

$$Y = 0.105 + 0.006 X$$

Hypothesis Test (F Test)

Table 7. Hypothesis Test (t-test)

		Coefficients ^a				Collinearity Statistics		
		Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Tolerance	VIF	
Model		B	Std. Error	Beta				
	(Constant)	.105	.019		5,667	.000		
	Current Ratio	.006	.007	.179	.770	.451	1,000	1

a. Dependent Variable: *Return On Asset*

Source: *Research Results, processed data (2025)*

Based on the table above, the effect of the Current Ratio on *Return on Assets* individually or partially can be explained as follows:

a) Testing steps

$H_0 = b_1 = 0$ means that there is no effect between the Current Ratio variable and *Return on Assets* at PT. Cahaya Pelita Andhika in Central Tapanuli Regency.

$H_a = b_1 \neq 0$ means that there is an effect between the Current Ratio variable and *Return on Assets* at PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency.

- a) Conventional testing criteria found that at a significance level of 0.05 (α) with $df = n - k$ or $20 - 1 - 1 = 18$, the results showed that $t_{table} = 2.10092$ and $t_{count} = 0.770$. Since $t_{count} < t_{table}$, the Current Ratio (X) variable does not affect *Return on Assets*, meaning H_0 is accepted and H_a is rejected.

The SPSS testing criteria are based on the significance probability (P-value) = 0.451 > 5%, so H_0 is accepted and H_a is rejected. Therefore, it can be said that the Current Ratio (X) variable does not have a significant effect on *the Return On Assets* at PT. Cahaya Pelita Andhika in Central Tapanuli Regency.

DISCUSSION

According to Kasmir (2019:151), "*The Current Ratio* is a ratio used to measure a company's ability to pay its short-term liabilities that are due with its current assets." Meanwhile, according to Hery (2021:167), "The current ratio is a comparison between the amount of current assets and the amount of current liabilities of a company."

Based on the results of the study, it shows that the effect of the Current Ratio on *Return On Assets* at PT. Cahaya Pelita Andhika has no significant effect on Return On Assets. The partial test (t-test) results indicate that the Current Ratio has no significant effect on Return on Assets at PT Cahaya Pelita Andhika, with $t_{count} < t_{table}$ ($0.770 < 2.10092$) and a significance level of $0.451 > 0.05$. Therefore, the proposed hypothesis (H_a) stating that the Current Ratio affects ROA is not supported by the empirical data. This finding differs from previous research by Muhibah (2020), which found a significant positive effect at PT Summarecon Agung, Tbk. The discrepancy may be attributed to the different industry sectors and the specific financial conditions of PT Cahaya Pelita Andhika during the 2020-2024 period.

This study is not in line with previous studies on the effect of current ratio on *return on assets*, namely the study entitled " " conducted by Muhibah (2020) entitled "*The Effect of Current Ratio on Return on Assets (ROA) at PT. Summarecon Agung, Tbk.*" This study is exploratory in nature, followed by quantitative descriptive analysis, using simple linear regression analysis as the analysis technique. The results of the study indicate that the current ratio has a positive and significant effect on *return on assets (ROA)* at PT. Summarecon Agung, Tbk. Based on the coefficient of determination of 0.946, it means that *return on assets (ROA)* is influenced by the current ratio by 94.6%, and the remaining 5.4% is influenced by other factors not examined in this study. The hypothesis in this study is accepted.

The differences in the author's research are, first, the previous relevant research was conducted in 2020, while the current research is in 2025. Second, the previous research was

conducted at PT. Summarecon Agung, Tbk, while the current research is at PT. Cahaya Pelita Andhika. Third, the test results show that in the previous study, variable x had an effect on variable y, while in the current study, variable x had no effect on y. The similarity is that variables X and Y are the same as in the current study.

CONCLUSION

Based on the description of the research results on the effect of the Current Ratio (X) on *Return on Assets* (Y) at PT. Cahaya Pelita Andhika in Central Tapanuli Regency, the following conclusions can be drawn: Based on the autocorrelation test, a Durbin Watson value of 1.786 was obtained, which is in the dL and 4-dU region (). $DW = 1.786$ is in dL () 1.2015 () and dU () 1.4107 (), so there is no autocorrelation. Based on the correlation coefficient between the Current Ratio variable and *Return On Asset*, which is 0.179, it can be said that there is a low relationship at PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency. Based on the analysis of the Coefficient of Determination obtained at $0.032 = 3.2\%$, this means that the model's ability to explain the variation in *Return on Assets* by the Current Ratio variable (X) is 3.2% at PT. Cahaya Pelita Andhika, Tapanuli Tengah Regency, while the remaining 96.8% is explained by other variables not included in the model. Based on the t-test (hypothesis test) conducted by comparing the calculated t-value with the table t-value, it was found that the calculated t-value was smaller than the table t-value, namely $0.770 < 2.10092$. Because the t-value is smaller than the t-table and the probability value obtained is $0.451 > 0.05$, it can be concluded that there is no significant effect between the Current Ratio (X) and *Return On Assets* (Y) at PT. Cahaya Pelita Andhika in Tapanuli Tengah Regency, and the proposed hypothesis is rejected.

REFERENCES

- Arikunto, Suharsimi. 2016. *Research Procedures: A Practical Approach*. Jakarta: Rineka Cipta
- Hani, Syafrida. 2016. *Financial Statement Analysis Techniques*. Medan: UMSU
- Hanafi, Mamduh. 2018. *Financial Statement Analysis*. Yogyakarta: UPP STIM YKPN
- Harmono. 2017. *Balanced Scorecard-Based Financial Management: Theory, Case Studies, and Business Research Approach*. Jakarta: Bumi Aksara
- Hery. 2021. *Financial Statement Analysis*. Jakarta: Grasindo
- Horne, Van, James C. and John M. Wachowicz JR. 2015. Translated by Dewi Fitriasari and Deby Amos Kwary. *Principles of Financial Management*. Jakarta: Salemba Empat
- Ghozali, Imam. 2018. *Application of Multivariate Analysis with IBM SPSS 25 Program*. Semarang: Diponegoro University
- Kasmir. 2019. *Financial Statement Analysis*. Jakarta: Rajawali Pers
- Muhibah. 2020. *The Effect of Current Ratio on Return on Assets (ROA) at PT. Summarecon Agung*. Tbk. Thesis.
- Munawir, S. 2019. *Financial Statement Analysis*. Yogyakarta: Liberty
- Riyanto, Slamet, and Aglis Andhita Hatmawan. 2020. *Quantitative Research Methods in Management, Engineering, Education, and Experimentation*. Yogyakarta: Deepublish
- Sartono, Agus. 2016. *Financial Management: Theory and Application*. Yogyakarta: BPFE

- Siswanto, Ely. 2021. *Basic Financial Management Textbook*. Malang: State University of Malang
- STIE Al Washliyah Sibolga/Central Tapanuli. 2025. *Thesis Writing Guidebook*
- Subramanyam, KR and Halsey Robert F. 2015. *Financial Statement Analysis*. Jakarta: Salemba Empat
- Sugiyono. 2019. *Business Research Methods*. Bandung: Alfabeta
- Sujarweni, V. Wiratna. 2017. *Financial Statement Analysis: Theory, Application & Research Results*. Yogyakarta: Pustaka Baru Press
- Supranto, J. 2016. *Statistics: Theory and Application*. Jakarta: Erlangga
- Sutrisno. 2018. *Financial Statement Analysis*. Yogyakarta: Liberty