
**Financial Performance Analysis Using *EVA* and *FVA Methods* at PT. Gowa Makassar
Tourism Development TBK Period 2017-2022**

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Abstract

This research aims to determine the financial performance of PT. Gowa Makassar Tourism Development Tbk. The 2017-2022 period is measured using the Economic Value Added (EVA) and Financial Value Added (FVA) methods. The population in the research is all financial report data of PT. Gowa Makassar Tourism Development Tbk. while the sample in this research is the financial position report and profit and loss report for the 2017-2022 period. The data collection technique used is documentation technique. The data collected was analyzed using Economic Value Added (EVA) and Financial Value Added (FVA) calculations. The results in this study indicate that the financial performance of PT. Gowa Makassar Tourism Development Tbk. The 2017-2022 period measured using the Economic Value Added (EVA) method obtained positive results, meaning that PT. Gowa Makassar Tourism Development is able to create added economic value. Financial performance of PT. Gowa Makassar Tourism Development Tbk. The 2017-2022 period was measured using the Financial Value Added (FVA) method to obtain positive results. This means PT. Gowa Makassar Tourism Development is able to create added financial value, and it is said that PT. Gowa Makassar Tourism Development has good performance .

Keywords: *Financial Performance, Economic Value Added (EVA), Financial Value Added (FVA)*

INTRODUCTION

Currently, many foreign companies are developing in Indonesia due to the increasingly thinning boundaries between countries. This means that a company must continue to increase the wealth of its shareholders. Measuring the company's financial performance is necessary for success in achieving these goals. Talking about how important the issue of measuring financial performance is, this needs to be applied to PT companies. Gowa Makassar Tourism Development Tbk, is a company operating in the property sector, which measures the company's financial performance using financial ratio analysis.

The tool used to measure and assess financial performance is generally by using financial ratios. Assessment based on financial ratios is very dependent on the method used in preparing a company's financial report, so that it can be seen that the company's financial performance is good and increasing, where performance should not experience an increase or decrease. Therefore, a value-based or *value-based financial performance measurement method* was developed as an alternative to be able to show all components of profit expectations that are measured in the cost of capital. The financial performance measurement used is a measurement based on added value (*Value Added*) consisting of *Economic Value Added (EVA)* and *Financial Value Added (FVA)*.

Based on the financial report of PT. Gowa Makassar Tourism Development Tbk regarding the balance sheet report and net profit calculation report from 2017-2022 experienced fluctuations. In 2018-2019 the company's net profit decreased by (-3%). In 2019-2020, the company's net profit increased by 51.76%, this increase in net profit was in line with the decrease in total assets and the share of losses from the associated entity PT Tribuana Jaya Raya (TJR) where the company owns 45.21% through its subsidiary PT Kenanga Elok Asri (KEA). However, in 2021-2022 net profit will decrease. This is influenced by an increase in income and a decrease in operating expenses.

In this research, the author measures the company's financial performance using the *Economic Value Added* (EVA) method, where EVA as a performance measure can reflect the company's ability to create added value. Apart from that, *Financial Value Added* (FVA) is also used to measure financial performance which aims to be a basis for investors in knowing how much added value the company produces which investors cannot know if they only rely on financial ratios. If *Economic Value Added* and *Financial Value Added* are positive, it indicates that company management has succeeded in creating added economic value for the company. However, if *Economic Value Added* and *Financial Value Added* are negative, this indicates that there is no process of increasing the company's economic value.

RESEARCH METHODS

This research and data collection uses descriptive research with a quantitative approach based on the philosophy of positivism which is used to research certain populations or samples. Research and collection was carried out using the official PT website. Gowa Makassar Tourism Development Tbk and at www.idx.co.id by taking annual financial report data for the period 2017 – 2022. Measuring financial performance at PT. Gowa Makassar Tourism Development Tbk uses the *Economic Value Added* (EVA) and *Financial Value Added* (FVA) methods intended to determine the company's ability to create added value and become a basis for investors in knowing how much added value the company produces. This research was carried out for two months, namely from 26 December 2023 to 23 February 2024.

RESULTS AND DISCUSSION

A. Research result

1. *Economic Value Added* (EVA)

a. *Net Profit After Tax* (NOPAT) Analysis

Table 1. PT NOPAT Calculation. Gowa Makassar Tourism Development Tbk 2017-2022

Year	NOPAT (Rp)
2017	73,438,438,547
2018	65,581,725,338
2019	74.714.744.420
2020	111.816.547.130
2021	48.248.715.130
2022	40,825,008,668

Based on table 1 above, it shows that the NOPTA value from 2017 - 2022 experienced fluctuations. NOPAT value of PT. Gowa Makassar Tourism Development in 2017 amounted to IDR 73,438,438,547 then in 2018 it decreased. In the next 2 years there was a quite significant increase. And in 2021 and 2022, the NOPAT value will again decrease, then in 2022 it will be IDR 40,825,008,668.

b. Capital Charges

Table 2. Calculation of *Capital Charge* PT. Gowa Makassar Tourism Development Tbk 2017-2022

Year	WACC (1) (%)	Invested Capital (2) (Rp)	Capital Charges (1×2) (Rp)
2017	7,32%	827.348.767.530	60.552.828.947
2018	6,05%	905.201.015.157	54.749.273.000
2019	7,61%	825.779.150.515	62.856.657.379
2020	14,29%	652.202.926.023	93.186.101.867
2021	7,00%	782.565.931.824	54.808.570.167
2022	7,94%	793.984.433.665	63.023.308.407

Based on the table above, it shows that *the capital charge value* at PT. Gowa Makassar Tourism Development Tbk in 2017 - 2022 experienced fluctuations. Where in 2017 - 2018 it experienced a decline. Then in 2019-2020 there was an increase. And in the next two years, namely 2021 and 2022, it experienced another decline.

c. Economic Value Added (EVA)

EVA is a value-based financial performance measurement that reflects the absolute amount of shareholder wealth value generated, whether increasing or decreasing each year. *The Economic Value Added* formula is as follows:

$$EVA = NOPAT - Capital Charge$$

Table 3. PT. *Economic Value Added* (EVA) Calculation Results . Gowa Makassar Tourism Development Tbk 2017-2022

Year	EVA (Rp)
2017	12,885,609,600
2018	10,832,452,338
2019	11,858,087,041
2020	18,630,445,756
2021	-6,559,855,037
2022	-22,198,299,739
Average	4,241,406,661

Based on table 3, it shows the results of financial performance analysis using *Economic Value Added* (EVA) at PT. Gowa Makassar Tourism Development Tbk for 2017-2022 experiences fluctuations every year. In 2017 the EVA value was IDR 12,885,609,600, in 2018

the EVA value decreased, in 2019 and 2020 the EVA value increased due to the NOPAT value in that year being relatively high with quite high capital costs, in 2021 and 2022 will experience a decline until negative results. This is because in that year the NOPAT value was lower than the capital costs which were quite high due to the real estate segment experiencing quite a severe correction following the high number of Covid-19 cases and the implementation of Community Activity Restrictions (PPKM) which also had a more or less impact on the coastal tourist area. Akbecause managed by the Company.

2. *Financial Value Added (FVA)*

a. *Net Operating Profit After Tax (NOPAT)*

Table 4. PT NOPAT Calculation Results. Gowa Makassar Tourism Development Tbk 2017-2022

Year	NOPAT (Rp)
2017	73,438,438,547
2018	65,581,725,338
2019	74.714.744.420
2020	111.816.547.623
2021	48.248.715.130
2022	40,825,008,668

Based on table 4, it can be seen that the NOPAT value from 2017-2022 has fluctuated. The NOPAT value in 2017 was IDR 73,438,438,547, then in 2018 it decreased. In the next 2 years there was a quite significant increase. And in 2021 and 2022 the NOPAT value will again decline.

b. *Equivalent Depreciation*

Table 5. Results of PT's *Equivalent Depreciation* Calculation . Gowa Makassar Tourism Development Tbk 2017-2022

Year	WACC (k) (1) (Rp)	Total Resources (2) (Rp)	<i>Equivalent depreciation</i> (1×2) (Rp)
2017	7.32%	827.348.767.530	60.552.828.947
2018	6,05%	905.201.015.157	54.749.273.000
2019	7,61%	825.779.150.515	62.856.657.379
2020	14,29%	652.202.926.023	93.186.10.1867
2021	7,00%	782.565.931.824	54.808.570.167
2022	7,94%	793.984.433.665	63.023.308.407

Based on table 5, the *equivalent depreciation value* of PT. Gowa Makassar Tourism Development in 2017-2022 experienced fluctuations. In 2017 and 2018 it experienced a decline. Then in 2019-2020 there was an increase. Then, it experienced a decline again in 2021 and the following year, namely in 2022, it experienced an increase again.

c. Depreciation

Table 6. PT Depreciaton Calculation Results . Gowa Makassar Tourism Development Tbk 2017-2022

Year	Depreciation (Rp)
2017	12,233,432,454
2018	12,937,278,052
2019	13,265,605,526
2020	13,674,395,036
2021	10,622,095,077
2022	11,071,925,247

Based on table 6, it can be seen that the *Depreciation value* of PT. Gowa Makassar Tourism Development Tbk tended to increase from 2017 to 2020, in 2021 it experienced a decrease and again experienced an increase in 2022.

d. Financial Value Added (FVA)

Financial Value Added (FVA) is a new measuring tool or method for measuring a company's performance and added value, where this method takes into account the contribution of *fixed assets* in generating the company's net profit. The FVA formula is as follows:

$$\text{FVA} = \text{NOPAT} - (\text{ED} - \text{D})$$

Table 7. Depreciation Calculation Results for PT. Gowa Makassar Tourism Development Tbk 2017-2022

Year	FVA (Rp)
2017	25,119,042,054
2018	23,769,730,390
2019	25,123,692,567
2020	32,304,840,792
2021	4,062,240,040
2022	-11,126,374,492
Average	16,542,195,225

Based on table 7, it shows the results of financial performance analysis using *Financial Value Added* (FVA) at PT. Gowa Makassar Tourism Development Tbk in 2017 - 2022 experienced fluctuations, which in 2022 experienced a significant decline, resulting in a negative value. In 2017 the FVA value was IDR. 25,119,042,054, in 2018 the FVA value decreased. Then in 2019 and 2020 it again experienced an increase until in 2021 and 2022 it again decreased quite significantly compared to the previous year and reached a negative value in 2022. This is because in that year the NOPAT value was lower than the *Equivalent Depreciation value* which was quite high. tall. The NOPAT value decreased due to the high number of Covid-19 cases that year which caused the company to face intense competition in

the lower middle class property segment, which in recent months has become the focus of the company's product market. However, it can be seen that the average FVA value from 2017 to 2022 is Rp. 16,542,195,225 obtained a value above 0 or $FVA > 0$.

B. Discussion

Based on the results of calculating the *Economic Value Added* (EVA) value of PT. Gowa Makassar Tourism Development Tbk for the 2017 - 2022 period produced a positive EVA value. Based on the financial performance assessment measure in EVA, if $EVA > 0$ (Positive), which means that in this position the company management has succeeded in creating added economic value for the company. This means that the net operating profit after tax obtained is greater than the company's total capital costs incurred, so that the company's financial performance is in good condition. Financial performance of PT. Gowa Makassar Tourism Development Tbk for the 2017-2022 period was measured using the *Economic Value Added* (EVA) method. The results have decreased or increased in the last 5 years and are positive, indicating that financial performance is good .

Based on PT. *Financial Value Added* (FVA) calculations . Gowa Makassar Tourism Development Tbk tends to experience fluctuations. However, the average value in the last five years is positive. Based on the financial performance assessment measure in FVA, if $FVA > 0$. This shows that there is added financial value for the company, this means that the company's net profit and depreciation are able to cover the amount of *Equivalent depreciation* . Financial performance of PT. Gowa Makassar Tourism Development Tbk for the 2017-2022 period was measured using the *Financial Value Added* (FVA) method, the results increased and had a positive value. Shows that financial performance in creating financial added value is good.

CONCLUSION

This research aims to determine the financial performance of PT. Gowa Makassar Tourism Development Tbk is measured using *Economic Value Added* (EVA) and *Financial Value Added* (FVA) for the period 2017 – 2022. Based on the results of the research and discussion, the author can conclude the financial performance of the company PT. Gowa Makassar Tourism Development Tbk, which is measured using the *Economic Value Added* (EVA) method in 2017-2022, tends to experience fluctuations with values above 0 or EVA is positive. This means that EVA can be said to be good because the company is able to create added economic value for the company and maximize profits for the company. Meanwhile, the financial performance of the company PT. Gowa Makassar Tourism Development Tbk as measured using the *Financial Value Added* (EVA) method in 2017-2022 tends to experience an increase with a value above 0 or FVA is positive. This means that FVA can be said to be good because the fixed assets owned by the company contribute to the creation of company profits.

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