

## **ABSTRACT**

*Financial statements can be used as a basis for determining or assessing a company's financial position, financial statements are also very necessary to measure the results of the business and the development of the company from time to time to determine the extent to which the company reaches its objectives. By knowing the financial position, and analyzing financial statements in depth, management will know the current condition of the company, whether it is planned or not. The object in this study is Woodensun. The purpose of this study is to determine Woodensun's level of liquidity, activity and profitability for the period 2016-2017. To assess the condition and financial performance can be used a ratio which is a comparison of the numbers contained in financial statement items. The 2016-2017 financial statements are measured using financial ratios. Financial ratios are used to analyze Woodensun's financial performance by calculating financial ratios from items in the balance sheet. The research hypothesis is thought to have an effect on financial ratios (Liquidity, Activity, and Profitability) on the performance of company companies. This study included descriptive research using individual analysis units. The method used to analyze the performance of financial statements is to use financial ratio analysis. The analysis technique uses vertical analysis. The results of the study state that the Liquidity ratio of 2016-2017 in Woodensun is liquid, because the company is able to pay every liability or its current debt on time. The Activity Ratio for the 2016-2017 period in Woodensun has a level of effectiveness in the use of inventories and fixed assets in carrying out the company's operational activities. The 2016 Profitability Ratio at Woodensun has suffered losses, and has increased in 2017. So that Woodensun in 2017 will benefit. The company must maintain the condition of the company that is in a liquid state by utilizing the excess funds by placing it in a profitable and security sector. companies should increase the effectiveness of asset use by increasing sales so that companies are more productive.*

**Keywords: Woodensun, Financial Ratio, Company Performance**