# *ABSTRACK*

***PT. Bio Farma is a company business focus in charge of the development of the vaccine and serum, and the only state-owned business entities which are required to producing the vaccine and antisera. Based on the research in PT. Bio Farma, the researchers found a problem to see the report where the balance sheet and profit and loss within a time frame of three years (2014-2016). This was caused by fluctuations in current asset, current liabilities, sales and net income.***

***The purpose of research that is done is to analyze the condition of financial reports he would do to PT. Bio Farma a period of 2014-2016 in terms of liquidity and its modest profitability in level analysis. A method of research that is used is descriptive method. The technique of the collection of primary data with observation non participating states and interview structured, while collecting secondary data research done with literature available. To the analysis of the data used was trend analysis and using analysis the ratio of liquidity and profitability.***

***Based on data obtained from the research, on the balance sheet and profit loss trend happened are reasons. The ratio of liquidity in the period 2014-2016 experience fluctuations but, the company still able to achieve the minimum standards which means good for the company to pay short term debt. While only profitability to the ratio of net profit margin at the minimum standards and the rest did not reach the standards. Despite a decline in profitability at level but, companies are able to generate profit.***

***Factors that affects it was the government purchase not in accordance with RKAP company, the polio vaccine the eradicate type 1 that should not be trade by organization WHO, the company capital have not managed well, increased costs of operational tax, the assets of land and equity.***

***Suggestions that can be mentioned the researchers domestic sales apply affordable price, companies should prepare pipeline product a new vaccine, the allocation of capital more firm optimized, the current fluctuations should be prevented by pressing as much as possible in liabilities, evaluate that regularly to assess performance and fix preparation in the future.***

***Keywords: Liquidity and Profitability***