icameka
THE 1ST INTERNATIONAL CONFERENCE ACCOUNTING, MANAGEMENT, ECONOMICS, UNISKA
Proceeding Accounting, Management, Economics Uniska **Volume 1, Issue 1, 2024**
"Strengthening The Role of Accounting, Management, and Economics Science In Realizing Sustainable Welfare Goals"

The Effect Of Accounting Profit And Operating Cash Flow On *Stock Returns* With Company Growth As A Moderating Variable

Berlian Kusuma Melati[1], Muhammad Alfa Niam[2*]
[1,2]*Universitas Islam Kadiri*
***Email:** alfaniam@uniska-kediri.ac.id

ABSTRACT

This study aims to analyze the influence of accounting profit and operating cash flow on stock returns with company growth as a moderating variable in companies in the cosmetics and household goods sub-sector for the 2018-2022 period. The sampling technique in this study uses purposive sampling. The final sample obtained was 6 companies in the cosmetics and household goods sub-sector listed on the IDX in 2018-2022. This study uses secondary data obtained from the official website of IDX and related companies. This study is quantitative research with moderate regression analysis. The results of this study show that partially accounting profit has a significant effect on stock returns, while operating cash flow does not have a significant effect on stock returns and company growth is unable to moderate the relationship between accounting profit and operating cash flow on stock returns.

INTRODUCTION

The development of technology and information has created business competition to become increasingly complex and fierce. In today's era of increasing business competition, companies are required to be able to manage, regulate and use sources of funds as efficiently as possible, for example by managing the company's external funds in the capital market. In this capital market, companies take advantage of the capital market to become a means of funding for companies to invest capital, so that companies must compete hard to attract investors to invest in their companies.

Shares are securities that prove capital participation or ownership in a company incorporated as a limited liability company. Stocks can be interpreted as capital market instruments that can be traded. The more investors shareholders of a company, the greater the voting rights it has when the company makes important decisions at the general meeting and receives dividends from the shares it owns (Mudiyanto & Kusumaningarti, 2020).The shares of a company can be valued from returns (*return*) received by the shareholders of the company concerned. *Return* For shareholders, it can be in the form of receiving cash dividends or changes in stock prices (Utomo, 2011)

In a competitive economy, the goal of a company is to generate profits that are as large as possible in accordance with the company's long-term growth. The profitability of a company is one of the factors that capital market investors consider in making investment decisions. One way that investors can take is by buying shares. For companies, maintaining and increasing profits is one of the imperatives for stocks to continue to exist and remain in demand by investors (Yolanda, 2021).

In addition to the company's performance profit, one of which can get the attention of investors and creditors is the cash flow statement. The cash flow statement is the basis for

assessing the company's ability to generate cash and cash equivalents, the cash flow statement contains information about the source and use of net cash from operating activities, cash flow from investment activities, and cash flow from funding activities. Operating Cash Flow (AKO) is related to the processing of (Manufacturing) and the sale of goods or the provision of services not for the functions of Investment and Funding (Yuliana & Rismansyah, 2019).

Company growth plays a role in stock price fluctuations because company growth is an increase in the size and operations of a company. The growth of the company can affect the extent to which the accounting profit of the operating cash flow fund contributes to the return on shares. In fast-growing companies, investors may prioritize prospects over current earnings or cash flows. Conversely, if a low-growth company may pay more attention to profit performance and cash flow to value the stock. By using company growth as a moderating variable, it can be seen how the relationship between accounting profit, operating cash flow, and stock return changes along with the growth rate.

The rapid economic development in Indonesia today has caused increasingly fierce business competition, especially in manufacturing companies in the cosmetics and household sub-sectors. This can be marked by many cosmetic and household products on the market. The substantial number of enthusiasts in the use of cosmetics and household necessities, requires companies to create and develop their businesses to maximize profits and targets that have been determined by the company. In this study, the researcher used manufacturing companies in the cosmetics and household goods sub-sectors that are listed on the Indonesia Stock Exchange. Companies in the cosmetics and household goods sub-sectors are often dynamic and rapidly growing industries. Consumer demand for products in this sub-sector can be influenced by lifestyle trends, product innovation, and changes in consumer needs. Stock returns for companies in this sub-sector can provide a unique response to economic changes. For example, during a recession, consumers may turn to cheaper products or certain brands that are considered necessities.

This research is motivated by previous research with different results, such as research conducted by Gilbert Ayub Tumbel, Jantje Tinangon, Stanley Kho Walandouw that the results of his research show that accounting profit has a positive and significant effect on return stocks, while operating cash flow has a positive but not significant effect on return stock. The same conclusion was obtained by research conducted by Purwanti et al., (2015) and Marpaung, (2023). On the contrary, the results of research conducted by Ria Rachmawati, (2016) proves that partially (t-test) the variables of operating cash flow and accounting profit do not have a significant effect on return stocks, and simultaneously operating cash flow and accounting profit together have no significant effect on return stock. This conclusion is supported by the results of research from Setyawan, (2020).

This research is based on the phenomenon that industrial companies are known as one of the branches of the economy whose activities depend on investment capital. Therefore, manufacturing companies must be able to maintain their financial position or liquidity. Given the magnitude of the impact that will occur if financial difficulties arise in manufacturing companies, it is necessary to conduct an analysis to avoid financial difficulties and the possibility of bankruptcy. This situation requires sufficient capital for manufacturing companies to compete and survive. When making economic decisions, businesspeople and the government need information about the company's situation and performance to test

the usefulness of accounting information, and accounting profits can be used to determine the relationship between ratios and economic phenomena.

Based on the results of previous research, it is still shown that there is a research gap that is known that research on profit information in the form of cash flow from operating activities and accounting profit on stock returns has been carried out a lot, but the study still shows the inconsistency of the results of the research so that it is necessary to conduct research on the influence of accounting profit and operating cash flow on returns stock. Therefore, the researcher is interested in developing the research by adding the company growth variable as a moderating variable.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Signaling Theory

The grand theory in this study is signal theory. Brigham & Houston (2014:184) states that signaling theory is a way of looking at shareholders' opportunities to increase the company's value in the future, where the information is provided to shareholders by the company's management. This action is carried out by the company to give signals to shareholders or investors regarding the company's management in looking at the company's prospects so that it can distinguish between good quality companies and poor-quality companies.

In signal theory, information about management and external parties is asymmetrical. These external parties include investors, creditors, and other stakeholders. External parties develop strategies by offering low prices and valuing issuers with the same value due to lack of information about the company. Such an assessment will have a negative impact on companies that have reliable performance. Therefore, the company should provide signals to investors to reduce the uncertainty of the company's financial condition in the future, including reliable information from the company's financial statements (Purwanti et al., 2015). According to Signaling theory, a company with good quality will consciously send a signal to the market, with which the market is expected to be able to distinguish between a company of good quality and a company of poor quality (Nur Aini, 2009).

Accounting Profit

Profit is the difference between total revenue or revenue and the sum of all expenses. Profit is the most valuable information in financial statements, so the number in profit is one of the objects that users of financial statements pay attention to. Profit is an indicator that can be used to measure the performance of a company. With profit information, users of financial statements can also evaluate management performance, and can estimate Earnings Power, to predict future profits (Yuliana & Rismansyah, 2019).

Profit is the main measure of a company's financial performance in an accounting period and is the main concern of financial statement users. Profit information is valuable information for entrepreneurs so that they can take company policies or more broadly to take the necessary actions within the company. However, the information must be accurate and correct because accurate data makes entrepreneurs' decisions effective. Therefore, information must be conveyed continuously and quickly in line with the company's activities (Yolanda, 2021).

Operating Cash Flow

The cash flow component by activity provides information that allows users of the report to assess the impact of activity on the company's financial position as well as the amount of cash and cash equivalents. Operating Cash Flow (AKO) or operating activities are the company's main income-generating activities and other activities that are not investment activities and funding activities. Cash flow from operating activities is obtained from the main revenue generating activities of the company so that the cash flow generally comes from transactions and other events that affect the determination of net profit or loss. The amount of cash flow derived from operating activities is an indicator that determines whether the company can generate sufficient cash flow from its operations to pay off loans, maintain operational capacity, pay dividends, and make new investments without relying on external funding sources (Yolanda, 2021). There are two methods that can be used in calculating and reporting the amount of net cash flow from operating activities, namely the direct method and the indirect method.

Cash flow from operating activities is the amount of cash flow derived from operating activities which is an indicator to determine whether from its operations the company can generate sufficient cash flow to pay off loans, maintain the company's operating capacity, and pay dividends and make new investments without relying on external funding sources (Ardiansyah, 2020).

Company Growth

The growth of a company is a steady growth pattern in the conduct of its business and brings the need to fund the expansion that underlies all financial needs. Successful company growth cannot be achieved without providing a corresponding increase in working capital, long-term investments and other expenses (Defi & Wahyudi, 2022). Company growth according to Firmansyah, (2017) It is highly expected by several parties, both internal and external parties of the company. The company's growth is expected to increase the company's value in the eyes of investors. (Riyanto, 2013:268) said that the faster the company's development requires sufficient funds, the greater the possibility of obtaining large profits, the greater the share of fixed income in the company, thus reducing the ratio Dividend.

Return on Shares

Return Shares are returns that will be received by investors for their investment in the company, either in the form of Capital Gain or in the form of dividends (Sopini, 2016). At the time of stock trading activities, investors expect Return Stock. Stocks are commodities that are traded in the capital market with a prominent level of risk. This is said because of the risks that arise as a result of uncertainty return which will be accepted by investors, because indeed the nature of stocks is the value of return which is accepted based on Residual Claim, meaning the amount of return depends on the level of profit earned (Nainggolan & Lastari, 2019).

If the current stock price is higher than the previous price, it means that there is a profit (capital gain) and the return obtained has a positive value, and vice versa if the current stock price is lower than the previous stock price, then this means that there is a loss (capital loss) and the return received has a negative value. Stock returns are obtained from changes in stock prices, stock returns are obtained from investment returns. In this study, the stock return used is the realized return or actual return, which is the difference between the stock

price of the current period and the difference in the previous stock price divided by the stock price of the previous period.

The Effect of Accounting Profit on Stock Return

Previous research revealed that accounting profit has a positive effect on return stocks because if the greater the profit obtained, the company can distribute dividends that are also larger and the ability to generate profits that tend to increase, then the company will obtain high profits, and give a positive signal to the company to return stock. This is supported by research Firdarini & Kunaidi, (2022) with the title "The Influence of Cash Flow and Accounting Profit on Return Shares". Showing that accounting profit has a positive effect on return the stocks that are proven by partial test calculations are obtained t calculation of 3.066 or more than t table of 0.003 so that it can be concluded that accounting profit has a significant effect on return stock. Based on the description above, the following hypothesis is formulated:
H1: Accounting profit has a positive effect on stock returns.

The Effect of Operating Cash Flow on Stock Return

Operating cash flow provides information that companies can use to evaluate the performance of a company's operational activities. The higher the operating cash flow can indicate that the company is able to operate profitably, because from its operating activities the company can manage its business very well. Research conducted Rahmawati, (2019) entitled "The Effect of Accounting Profit and Operating Cash Flow on Return Shares in Companies Listed in Jakarta Islamic Index" shows that cash flow from operating activities affects return shares in companies listed in Jakarta Islamic Index. Based on this description, the following hypothesis is formulated:
H2: Operating cash flow has a positive effect on stock returns.

The Effect of Company in Moderating the Relationship of Accounting Profit to Stock Return

Profit is the main information presented in financial statements, so the number in profit is one of the objects that users of financial statements pay attention to. Profit is an indicator that can be used to measure the performance of a company. Riyanto (2013:268) said that the faster the level of development of a company requires sufficient funds, the greater the opportunity to get a large profit, the larger the part of the revenue held in the company, which makes the dividend payout ratio even lower. Based on this description, the following hypothesis is formulated:
H3: Company growth moderates the influence of the significance of accounting profit on stock returns.

The Effect of Company in Moderating the Relationship of Operating Cash Flow to Stock Return

Cash flow operatig activities is often a concern for management when managing a company's finances, because investment cash flow and funding cash flow exist to support the company's production process which has become the company's main activity. Internal parties often use operating cash flows to determine where cash resources are used and where cash resources are obtained, while external parties (shareholders) use operating cash flows to make decisions. With the available funds, companies can produce production goods that

can generate profits. With the profits obtained, the company is expected to grow and develop in accordance with the expectations of stakeholders. Company growth is something that the company wants, because with the development of the company, it can be said that the company's performance is good. Based on this description, the following hypothesis is formulated:

H4: Company growth moderates the influence of the significance of operating cash flow on stock returns.

METHODS

This research is of a quantitative type. The source of data needed is secondary data, namely the company's financial statements for the cosmetics and household needs sub-sector for the 2018-2020 period. The sampling technique used in this study is purposive sampling, with the following criteria:

1. Companies in the cosmetics and household goods sub-sector listed on the Indonesia Stock Exchange for the period 2018 to 2022.
2. Companies in the cosmetics and household goods sub-sector that issue and report complete financial statements in the period 2018 to 2022.

The formula for multiple linear regression is:

1. $RS = \alpha_{\circ} + \beta_1 EBT_{i,t} + \beta_2 AKO_{i,t} + \varepsilon$ ..... (Equation 1)
2. $RS = \alpha_{\circ} + \beta_1 EBT_{i,t} + \beta_2 AKO_{i,t} + \beta_3 Growth_{i,t} + \beta_4 EBT^{*} Growth + \beta_5 AKO^{\circ} Growth + \varepsilon$ ..... (Equation 2)

RS: Return Stock; α: Constant; β : Regression Coefficient; EBT : Accounting Profit; AKO : Operating Cash Flow; Growth : Company Growth ; ε : Disruptive Variable (default error).

Based on the purposive sampling above, the sample used is as many as 6 companies over a period of 5 years. So, the amount of data studied is as many as 30 financial statement data. The data analysis techniques used in this study are multiple linear regression analysis techniques and Moderated Regression Analysis (MRA). In hypothesis testing, classical assumption tests, determination coefficient tests, and t-tests are used.

Variable Measurement

1. Accounting Profit (Yusfitriya, 2022).
   $EBT = EBT_{i,t} - EBT_{i,t-1} / TA_{i,t-1}$ 1
   EBT = Change in operating accounting profit; $EBT_{i,t}$ = Accounting profit flow i in period t; $EBT_{i,t-1}$ = Accounting profit flow i in the t-i period; $TA_{i,t-1}$= Total assets i in the t-i period
2. Operating Cash Flow (Kipngetich et al., 2021).
   $AKO = AKO_{i,t} - AKO_{i,t-1} / TA_{i,t-1}$ 2
   AKO = Changes in operating cash flow; $AKO_{i,t}$ = Operating cash flow i in period t; $AKO_{i,t-1}$ = Operating cash flow i in the t-i period ; $TA_{i,t-1}$= Total assets i in the t-i period
3. Company Growth (Jogiyanto, 2013).
   $Growth = TA_{t} - TA_{t-1} / TA_{t-1}$ 3
   TA_{t}= Total assets of the current period; TA_{t-1} = Total assets of the previous period.
4. Return on Shares (Juniarti & Satriawan, 2023).
   $Rt = P_{i,t} - P_{i,t-1} / P_{i,t-1}$ 4
   Rt = *Return* stock; $P_{i,t}$ = The closing price of the company's shares in the period t; $P_{i,t-1}$= The closing price of the shares of company i in the previous t-i period.

RESULTS

Descriptive Statistics

The descriptive point test has a function to determine the characteristics of the research variables. In conducting descriptive statistical tests, it can describe the mean, standard deviation, minimum and maximum data when conducting research.

Table 1. Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Accounting Profit	30	-.19	.18	.0047	.09369
Operating Cash Flow	30	-.13	.16	.0030	.06519
Company Growth	30	-.27	.66	.0543	.17583
Return on Shares	30	-.83	1.77	.0820	.53773
Valid N (listwise)	30				

Source: SPSS 25 output, data processed in 2024

Based on the table above, it shows that N or the amount of data for each valid variable amounts to 30, out of 30 accounting profit data (X1), the minimum value is -0.19, the maximum value is 0.18, from the 2018-2022 period it is known that the mean value is 0.0047, and the standard deviation value is 0.09369 which means that the standard deviation value is greater than the mean, this means that the data is heterogeneous, Because the distribution of data varies, which means that the average stock return has a high level of deviation.

Operating cash flow (X2) from 30 samples is known to have a minimum value of -0.13, a maximum value of 0.16, from the 2018-2022 period it is known that the mean value is 0.0030, and the standard deviation value is 0.06519. Company Growth (Z) from 30 samples is known to have a minimum value of -0.27, a maximum value of 0.66, from the 2018-2022 period it is known that the mean value is 0.0543, and the standard deviation value is 0.17583. The return of shares (Y) from 30 samples is known to have a minimum value of -0.83, a maximum value of 1.77, from the period 2018-2022 it is known that the mean value is 0.0820, and the standard deviation value is 0.53773, which means that all of these variables have a standard deviation value greater than the mean, this means that the data is heterogeneous, because the distribution of data varies, which means that the average stock return has a high level of deviation.

Normality Test

According to Siregar, (2010) The normality test has the purpose of testing whether in the regression model, dependent variables, independent variables or both have a normal distribution or not. If the significance value is > 0.05 then the data is normally distributed, if the significance value is <0.05 it means that the data is not normally distributed.

Table 2. Normality Test (One-Sample Kolmogorov-Smirnov Test)

		Unstandardized Residual
N		30
Normal Parameters[a,b]	Mean	.0000000

	Std. Deviation	.40855683
Most Extreme Differences	Absolute	.098
	Positive	.098
	Negative	-.069
Test Statistic		.098
Asymp. Sig. (2-tailed)		.200[c,d]

Source: SPSS 25 output, data processed in 2024

Based on Table 2 above, the value of N=30 and the significance value are 0.200 which shows that the significance value is greater than the significance value of 0.05. This indicates that the data is distributed normally.

Multicollinearity Test

The multicollinearity test aims to test whether the regression model finds a correlation between independent variables. It is said that there is no multicollinearity if the VIF value is less than 10 and the tolerance value is more than 0.10.

Table 3. Multicollinearity Test

Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.004	.083		-.047	.963		
	Accounting Profit	2.034	.866	.354	2.349	.027	.976	1.025
	Operating Cash Flow	-1.769	1.241	-.214	-1.425	.166	.980	1.020
	Company Growth	1.504	.463	.492	3.249	.003	.969	1.032

Source: SPSS 25 output, data processed in 2024

Based on table 3 above, it can be seen that the tolerance value in accounting profit (X1) is 0.976, this means that the accounting profit variable (X1) is greater than 0.10, while for operating cash flow (X2) the tolerance value is 0.980, which means that the operating cash flow variable (X2) is greater than 0.10, and so is the company growth variable (Z) value The tolerance is 0.969, this means that the company's growth variable (Z) is greater compared to 0.10. In this multicollinearity test. If the tolerance value is greater than 0.10, then there is no correlation between independent variables.

While the VIF value must be less than 10, where the VIF value for accounting profit (X1) is less than 10 or VIF = 1.025 < 10, while for operating cash flow (X2) the VIF value is 1.020 < 10, and the company's growth (Z) has a VIF value of 1.032 < 10. In this multicollinearity test, if the VIF value is less than 10, then there are no symptoms of multicollinearity. So, it can be concluded that in this multicollinearity test there are no symptoms of multicollinearity.

Heteroscedasticity Test

The heteroscedasticity test aims to test whether there are variants of residuals in the regression model that differ from one observation to another.

Table 4. Heteroscedasticity Test, Glacier Test (Initial Test)

Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.304	.045		6.802	.000
	Accounting Profit	.535	.468	.201	1.144	.263
	Operating Cash Flow	-1.479	.671	-.387	-2.205	.037
	Company Growth	.306	.250	.216	1.224	.232

Source: SPSS 25 output, data processed in 2024

Based on table 4 above, it shows that the significance value of the accounting profit variable (X1) is 0.263, and the significance value of the company's growth (Z) is 0.232 which indicates that the value of the sig is > 0.05 which indicates that there are no symptoms of heteroscedasticity. Meanwhile, the significance value of operating cash flow (X2) is 0.037 where this value shows that the sig value is < 0.05 so that in this test there are symptoms of heteroscedasticity.

Table 5. Results of Heteroscedasticity Test After Data Transformation

			Accounting Profit	Operating Cash Flow	Company Growth	Unstandardized Residual
Spearman's rho	Accounting Profit	Correlation Coefficient	1,000	,049	,315	-,032
		Sig. (2-tailed)	.	,798	,091	,867
		N	30	30	30	30
	Operating Cash Flow	Correlation Coefficient	,049	1,000	,030	,224
		Sig. (2-tailed)	,798	.	,873	,234
		N	30	30	30	30
	Company Growth	Correlation Coefficient	,315	,030	1,000	-,069
		Sig. (2-tailed)	,091	,873	.	,718
		N	30	30	30	30
	Unstandardized Residual	Correlation Coefficient	-,032	,224	-,069	1,000
		Sig. (2-tailed)	,867	,234	,718	.
		N	30	30	30	30

Source: SPSS 25 output, data processed in 2024

Based on the analysis of SPSS output, the Sig value (2-tailed) in the accounting profit variable (X1) was 0.876, while the operating cash flow value (X2) was 0.234, and the company's growth value (Z) was 0.718. It can be concluded that in this test there are no symptoms of heteroscedasticity, because the significance value obtained is greater than 0.05.

Autocorrelation Test

The autocorrelation test is used to test whether there is a correlation between one period of t and the previous period t-1. This test uses the *Run Test* model, where if the Sig value > 0.05, no autocorrelation symptoms occur, while if the Sig value < 0.05, autocorrelation symptoms occur.

Table 6. Autocorrelation Test Results (Run Test)

	Unstandardized Residual
Test Value[a]	-,03659
Cases < Test Value	15
Cases >= Test Value	15
Total Cases	30
Number of Runs	14
Z	-,557
Asymp. Sig. (2-tailed)	,577

Source: SPSS 25 output, data processed in 2024

Based on table 6 above, the significance value is 0.577 which shows that the significance value is greater than the Sig value of 0.05, so it can be concluded that there is no autocorrelation symptom. Thus, all classical assumption tests ranging from the Normality Test, Multicollinearity Test, Heteroscedasticity Test and Autocorrelation Test have been fulfilled.

Moderation Regression Analysis

Moderation regression analysis is a linear multiple regression analysis involving moderation variables in relation to them. In this analysis, the regression equation contains two or more independent multiplication interaction elements. In this study, the interaction used is the multiplication between accounting profit and company growth and operating cash flow with company growth. This analysis aims to find out whether moderation variables can weaken or strengthen the relationship between independent variables and dependent variables.

Table 7. MRA Test Results Phase I and Phase II

	Phase I	Phase II	Information
	Y = Return on Shares	Y = Return on Shares	
Constant	0,423	0,691	
Accounting Profit	0,024	0,211	H3 : rejected
Operating Cash Flow	0,363	0,121	H4 : rejected
Company Growth	-	0,001	
Accounting Profit*Company Growth	-	0,089	
Operating Cash Flow*Company Growth	-	0,863	
Adjusted R2	0,128	0,389	

Source: SPSS 25 output, data processed in 2024

Based on table 7, the regression equation formed is as follows:
RS = 0.423 + 0.024 EBT + 0.363 AKO + ε ……(Equation 1)
RS = 0.691 + 0.211 EBT + 0.121 AKO + 0.001 Growth + 0.089 (EBT*Growth) + 0.863 (AKO*Growth) + ε ……(Equation 2)

Information:

1. H3 was rejected, the company's growth was unable to moderate the relationship between accounting profit and stock returns. The value of accounting profit sig increased from 0.024 in equation 1 (before there was a test by adding a moderation variable) to 0.211 in equation 2 (after a test by adding a moderation variable) so that the company growth variable was a homologize moderator variable.
2. H4 was rejected, the company's growth was unable to moderate the relationship between operating cash flow and stock returns, because the operating cash flow sig value in equation 1 (before the moderation variable test) of 0.363 decreased to 0.121 in equation 2 (after the moderation variable test). It can be concluded that the company's growth variable is a homologize moderator variable.

Coefficient of Determination Test

This test is used to measure the percentage of influence of all independent variables in the regression model on its dependent variables. If the value of the determination coefficient is close to zero, it means that the influence of all independent variables on the dependent variable is smaller. Meanwhile, if the value of the determination coefficient is closer to 100%, it means that the greater the influence of all independent variables on the dependent variables.

Table 8. Coefficient of Determination Test

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,434a	,188	,128	,50208

Source: SPSS 25 output, data processed in 2024

Based on table 8 above, it can be seen that the Adjusted R Square value is 0.128, this means that the percentage of variables of accounting profit (X1), operating cash flow (X2), and stock return (Y) has a value of 12.8%. While the remaining 87.2% was influenced by other factors that were not studied in this study.

Test Results t

The t-test was used to determine whether there was a partial influence of independent variables on the dependent variables.This test uses a sig level of 0.05 with the criterion that if the sig t value is < 0.05, then the independent variable has a significant effect on the dependent variable. If the value of sig t > 0.05, then the independent variable does not have a significant effect on the dependent variable.

Table 9. Test Results t

Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,075	,092		,814	,423
	Accounting Profit	2,396	,999	,418	2,399	,024
	Operating Cash Flow	-1,330	1,436	-,161	-,926	,363

Source: SPSS 25 output, data processed in 2024

From table 9 above, it can be concluded as follows:

1. Accounting profit obtained a calculation of 2.399 and a Sig. value of 0.024. Where the value of the sig < 0.05, it can be concluded that the accounting profit variable (X1) partially has a significant effect on stock returns.
2. Operating cash flow obtained a calculation of -0.926 and a Sig. value of 0.363. Where the value of Sig. > 0.05, it can be concluded that the operating cash flow variable (X2) partially does not have a significant effect on stock returns.

DISCUSSION

The Effect of Accounting Profit on Stock Return

Based on the results of hypothesis testing that has been carried out, it shows that accounting profit influences return stock. Where the partial test calculation was obtained with a calculation of 2,399 > a table of 2,042 with a significance value of 0.024 < 0.05, it can be concluded that the H1 hypothesis is accepted, meaning that accounting profit has a significant effect on return shares in companies in the cosmetics and household necessities sub-sector listed on the Indonesia Stock Exchange in 2018-2022. The increase in accounting profit from time to time in a company can arouse the interest of investors to invest their funds in the company, meaning that if the company's accounting profit is getting bigger, the company has the potential to increase its shares. The rise and fall of accounting profit affects return stocks, this is possible because investors see a tendency for profit to provide a good dividend distribution, where accounting profit or accounting income is an increase in economic benefits during the reporting period in the form of income or additional assets. The company's increasingly large profit income will also have a big impact on the distribution of dividends to shareholders. Shareholders' receipt of dividend rates also affects the increase in return received by shareholders. The results of this study support the research Purwanti et al., (2015); Marpaung, (2023) and Rahmawati, (2019).

The Effect of Operating Cash Flow on Stock Return

The test results show that operating cash flow has no effect on stock returns. Where the partial test calculation obtained a calculation of -0.926 < a table of 2.042 with a significance value of 0.363 > 0.05, it can be concluded that the H2 hypothesis is rejected meaning that the operating cash flow has no effect on return shares in companies in the cosmetics and household necessities sub-sector listed on the Indonesia Stock Exchange in 2018-2022. This is because cash flow from operating activities that are not a measure of profitability does not include significant costs such as the use of fixed assets in operating

activities or funding, such as non-cash equity in the form of consolidated affiliate subsidiary profits. The results of this study are in line with the research Marpaung, (2023).

The Effect of Company in Moderating the Relationship of Accounting Profit to Stock Return

Based on the hypothesis testing that has been carried out, it can be known that the results where the moderation of company growth is not able to moderate the relationship of accounting profit to stock returns with a significance value in equation 1 of 0.024 and in equation 2 shows a significant value of 0.211. So H3, namely the company's growth, is unable to moderate, that is, weakens the relationship between accounting profit and stock returns. This is because there are other factors that dominate the relationship. For example, external factors such as market conditions, industry policies or internal management factors that are effective in managing the company's profits and cash flow can have a more significant influence on stock returns than the company's own growth.

The results of the study show that the growth of the company cannot moderate accounting profit to stock returns, therefore this study is contrary to the signal theory that can give positive signals to investors to make their investment decisions.

The Effect of Company in Moderating the Relationship of Operating Cash Flow to Stock Return

Based on the hypothesis testing that has been carried out, it can be known that the company's growth is not able to moderate the relationship between operating cash flow and stock return with a significant decrease in value where in equation 1 the significant value is 0.363 and in equation 2 it shows a significant value of 0.121. So H4 in this study is that company growth is not able to moderate, namely weakening the relationship between operating cash flow and stock returns. This may be because operating cash flow tends to reflect the company's short-term and stable operational performance in generating cash flow from business activities.

The results of the study show that the growth of the company is not able to moderate the relationship between operating cash flow and stock return and this research is contrary to the signal theory that does not give a positive signal to investors so that the existence of company growth with operating cash flow cannot make an increase in the value of stock returns.

CONCLUSION

Based on the results of the research analysis and discussion described by the researcher above, it can be concluded that accounting profit partially has a significant effect on stock returns in companies in the cosmetics and household goods sub-sector listed on the Indonesia Stock Exchange in 2018-2022 while operating cash flow partially has no effect on returns stocks in companies in the cosmetics and household goods sub-sector listed on the Indonesia Stock Exchange in 2018-2022 and the company's growth was unable to moderate the relationship between accounting profit and operating cash flow to stock returns.

REFERENCES

Ardiansyah, J. (2020). Pengaruh Perubahan Laba Akuntansi , Arus Kas Operasi, Arus Kas Investasi Dan Arus Kas Pendanaan Terhadap Return Saham. *Jurnal Ilmiah Keuangan Dan*

Perbankan, *3*(2).

Defi, I. K., & Wahyudi, I. (2022). Pengaruh Pertumbuhan Perusahaan, Struktur Modal Dan Ukuran Perusahaan Terhadap Harga Saham. *JUMBIWIRA : Jurnal Manajemen Bisnis Kewirausahaan*, *1*(2), 1–13. https://doi.org/10.56910/jumbiwira.v1i2.35

Firdarini, K. C., & Kunaidi. (2022). Pengaruh Arus Kas Operasi dan Laba Akuntansi Terhadap Return Saham. *Jurnal Riset Manajemen*, *9*(1), 28–36.

Firmansyah, M. (2017). Pengaruh Pertumbuhan Perusahaan, Total Asset Turnover, Return on Investment, Earning Per Share Terhadap Harga Saham (Studi Perusahaah Manufaktur Di Bei). *Ajie-Asian Journal of Innovation and Entrepreneurship*, *2*(2), 110–121. https://doi.org/10.20885/ajie.vol2.iss2.art3

Jogiyanto. (2013). *Teori Portofolio dan Analisis Investasi. Edisi Ke-8*. BPFFE.

Juniarti, I., & Satriawan, B. (2023). Effect of Operating Cash Flow and Accounting Profit on Stock Return. *PENANOMICS: International Journal of Economics*, *2*(1), 83–95. https://doi.org/10.56107/penanomics.v2i1.102

Kipngetich, S. Ben, Tenai, J., & Kimwolo, A. (2021). Effect of Operating Cash Flow on Stock Return of Firms Listed In Nairobi Security Exchange. *Eastern Journal of Economics and Finance*, *6*(1), 26–35. https://doi.org/10.20448/809.6.1.26.35

Marpaung, O. (2023). Arus Kas Operasi Dan Pengaruhnya Terhadap Return Saham Dimoderasi Oleh Laba Akuntansi. *Journal of Information System, Applied, Management, Accounting and Research*, *7*(3), 483–491. https://doi.org/10.52362/jisamar.v7i3.1102

Mudiyanto, E., & Kusumaningarti, M. (2020). *Analisis Investasi Dan Manajemen Portofolio Pasar Modal Indonesia*. CV. Jakad Media Publishing.

Nainggolan, E. P., & Lastari, W. (2019). Pengaruh Arus Kas Operasi Dan Laba Akuntansi Terhadap Return Saham (Studi Pada Perusahaan LQ-45 Di Bursa Efek Indonesia. *Seminar Nasional Multidisiplin Ilmu*, *2*(1), 429–438.

Nur Aini. (2009). Pengaruh laba dan komponen arus kas terhadap return saham (Studi empiris pada perusahaan terdaftar di BEI periode tahun 2007-2009). *Telaah Manajemen*, *6*(2), 170–182.

Purwanti, S., W, E. M., & Chomsatu, Y. (2015). Pengaruh Laba Akuntansi Dan Arus Kas Terhadap Return Saham Perusahaan Yang Listing Di BEI. *Jurnal Akuntansi Dan Pajak*, *16*(01), 113–123.

Rachmawati, R. (2016). Pengaruh Arus Kas Operasi Dan Laba Akuntansi Terhadap Return Saham. *AKTIVA Jurnal Akuntansi Dan Investasi*, *1*(2), 140–157. https://doi.org/10.25157/j-kip.v3i2.7700

Rahmawati, D. (2019). Pengaruh Laba Akuntansi Dan Arus Kas Operasi Terhadap Return Saham Pada Perusahaan Yang Terdaftar Di Jakarta Islamic Index. *Akuntansi : Jurnal Akuntansi Integratif*, *5*(02), 109–128. https://doi.org/10.29080/jai.v5i02.216

Riyanto, B. (2013). *Dasar-Dasar Pembelanjaan Perusahaan*. BPFR Yogyakarta.

Setyawan, B. (2020). Pengaruh Arus Kas Operasi, Arus Kas Investasi, Arus Kas Pendanaan Dan Laba Akuntansi Terhadap Return Saham Pasar Emiten Sub Sektor Makanan Dan Minuman. *Jurnal Equilibrium*, *9*(1), 48–58.

Siregar. (2010). *Statisktik Desktiptif Untuk Penelitian*. Rajawali Pers.

Sopini, P. (2016). Pengaruh Laba Akuntansi Dan Arus Kas Terhadap Return Saham. *Jurnal Eksis*, *7*(1), 69–79.

Utomo, S. J. (2011). *Analisis Pengaruh Arus Kas Operasi Dan Laba Akuntansi Terhadap Return Saham Perusahaan Manufaktur Di Bursa Efek Indonesia*.

Yolanda, S. (2021). *Pengaruh Laba Akuntansi Dan Komponen Arus Kas Terhadap Harga Saham Pada Perusahaan Dagang Syariah Yang Terdaftar Di Bursa Efek Indonesia.*

Yuliana, T., & Rismansyah. (2019). Pengaruh Laba Bersih dan Arus Kas Operasi terhadap Harga Saham Pada Perusahaan Manufaktur Sektor Industri Konsumsi. *Jurnal Manivestasi*, *1*(1), 67–85. http://karyailmiah.unisba.ac.id/index.php/akuntansi/article/view/21116

Yusfitriya, H. (2022). *Pengaruh Arus Kas Operasi Dan Laba Akuntansi Terhadap Return Saham Degan Likuiditas Sebagai Variabel Moderating Pada Perusahaan Yang Terdaftar Di Jakarta Islamic Index Periode ahun 2017-2020*.