

ABSTRACT

This study aims to provide empirical evidence regarding the influence of Green Accounting and Material Flow Cost Accounting (MFCA) on the financial performance of manufacturing companies. The independent variables in this study are green accounting, proxied through PROPER rating and MFCA proxied using three indicators, production costs, production land area, and production value. Financial performance as the dependent variable in this research is proxied using Return on Assets (ROA). In addition, this study includes firm size and leverage as control variables.

The study employs secondary data obtained from annual reports of manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period 2021 to 2023. The research sample was selected using a purposive sampling method, resulting in 30 observations. The research method is quantitative, using a multiple linear regression approach. Data analysis was conducted using EViews 13.

The results show that green accounting has no significant effect on financial performance. Similarly, MFCA, when proxied by production costs and production land area, does not significantly affect financial performance. However, MFCA proxied by production value has a positive and significant effect on financial performance.

Keywords: *Green Accounting, Material Flow Cost Accounting, Financial Performance, Return on Assets*