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The influence of implementing green accounting, material flow cost accounting and corporate social responsibility on financial performance

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ABSTRACT
This research aims to examine the effect of implementing green accounting, material flow cost accounting and corporate social responsibility on company financial performance. The population in this study are companies in various industrial sectors in the textile and garment sub-sector listed on the Indonesia Stock Exchange in 2018-2022. The sample was selected using a purposive sampling method with three criteria which resulted in 8 companies with 5 years of observation resulting in 40 samples that were worthy of observation. This research uses multiple regression analysis using the SPSS program. In this research, the green accounting variable is measured using the level of measurement method with a score of 0 if not disclosed, 1 if in narrative form, 2 if in image and narrative form, and 3 if in image, narrative and number form, material flow cost accounting variable using the MFCA cost flow matrix, the corporate social responsibility variable using the 2016 GRI Standard CSR disclosure and the financial performance variable using ROA. Based on the results of the analysis, it shows that the variables green accounting and material flow cost accounting have a positive effect on the company's financial performance, which means that when the company implements green accounting and material flow cost accounting well it will improve the company's financial performance. The corporate social responsibility variable has a negative effect on the financial performance of a company, which means that when a company implements corporate social responsibility it will reduce the company's financial performance because the resulting expense value will reduce the value of profits and reduce financial performance.

Keywords: corporate social responsibility and financial performance, green accounting, material flow cost accounting

1. Introduction

It is very important for a company to improve its financial performance because financial performance can be used as a benchmark to evaluate and measure the company's financial condition through the company's ability to generate profits [1]. Financial performance is shown by the large profits generated from sales and investments. The better the profitability ratio, the better it describes the company's high ability to earn profits [2].

The fast fashion phenomenon which has an impact on textile waste is a current problem. Co-Founder of Our Reworked World, Annika Rachmat, found that 1 million of the 33 million tons of textiles in Indonesia become textile waste. Alan Wheeler, Director of the British Textile Recycling Association, said that a total of 1.2 billion tonnes of greenhouse gas emissions are generated from the textile industry in the world [3].

The Company Performance Rating Assessment Program or PROPER contained in the Minister of Environment and Forestry Regulation Number 1 of 2021 is an evaluation of the performance of the person responsible for business and/or activities in the field of environmental management. The aim of this program is to increase the role of companies in their willingness to manage the environment, as well as produce a stimulant effect in fulfilling environmental regulations and social values [4].

The triple bottom line concept was coined by Elkington in 1998, where corporate social responsibility has three main dimensions, namely profit, people and planet. This theory in the economic aspect makes the company not only look at the company's financial benefits but also look at the social and environmental aspects for the sustainability of the company [5].

Textile and Garment Companies are one of the various sub-sectors of various industries listed on the Indonesian Stock Exchange (BEI). Garment is an apparel industry company, while textiles covers the entire clothing production process, including the process of making artificial fibers, making yarn, as well as apparel manufacturing activities [6]. In 2023, via the idx.com website, the total number of textile and garment companies listed on the Indonesian Stock Exchange (BEI) will be 23 companies. The phenomenon of large purchases in the domestic market is in line with population growth and changes in people's lifestyles, resulting in social and environmental problems, for example air pollution, factory waste, land pollution, and others.

With existing phenomena and regulations, companies must be aware and feel responsible for the impact they have on their company's operational activities. Both in social and environmental aspects. This form of responsibility will have an impact on external parties in making decisions about the company [7]. However, on the other hand, the Company's existence aims to gain as much profit as possible, but is required to pay attention to social and environmental responsibilities which will be an additional burden. The best solution to achieve a balance between profitability and social responsibility, companies must involve a balanced and sustainable approach that takes into account the company's short-term and long-term needs as well as the interests of all stakeholders [8].

Stakeholder theory explains a company's strategy to protect relationships with stakeholders, including investors, government, creditors, employees, suppliers, customers, society and the environment. By implementing a strategy for disclosing social and environmental information to protect relationships with stakeholders, it is hoped that this can influence the company's survival and gain stakeholder trust [7].

Disclosure of company social and environmental information can be done by implementing Green Accounting. Green Accounting is an appropriate tool for minimizing energy, conserving resources, reducing health and environmental safety risks, and promoting competitive advantage [9]. Green Accounting aims to provide environmental information to external and internal stakeholders [10]. The impact of implementing green accounting includes increasing the positive response given by both consumers and investors which results in increasing sales and company profit levels which results in increasing the company's financial performance [11]. The research results are in line with previous research by [12] which stated that green accounting has a positive effect on financial performance. On the other hand, there is also research from [7] with the results that green accounting has no effect on financial performance. This result is based on a company when incurring environmental costs will reduce the company's profits.

Companies can also consider material costs and environmental capabilities by implementing material flow cost accounting. Material flow cost accounting is one of the environmental management accounting methods that encourages managers to increase material utilization and significantly minimize waste which will result in reduced cost values, resulting in higher profit levels. When profits are high, of course it will improve the company's financial performance [13]. The research results are in line with research by [13] which states that material flow cost accounting affects financial performance.

Corporate Social Responsibility is a social obligation of the private sector or company towards society and the government due to the impact of the company's expansion on the environmental and social balance of its operational activities [6]. When conflicts occur between stakeholders, managers will skillfully adopt corporate social responsibility to resolve conflicts and maximize shareholder interests [14]. Corporate social responsibility has an impact on the company's level of income and profitability, which means it will increase the company's financial performance [2]. The research results are in line with research by [15] with the statement that corporate social responsibility influences financial performance. On the other hand, there is also research from [16] whose research results show that corporate social responsibility has no effect on financial performance.

Based on the background explanation above, taking into account the latest phenomena regarding environmental and social protection, especially in the textile and garment industry, also in line with the differences in research results that have been carried out by previous researchers, this research aims to find out the effect of implementing green accounting on material flow costs accounting, corporate social responsibility on financial performance in Various Industrial Sector Companies, Textile & Garment Sub-sector on the Indonesia Stock Exchange 2018 - 2022.

Stakeholder Theory

Stakeholder theory was first put forward by E. Edward Freeman in 1984, which stated that companies not only operate for their own interests, but also provide benefits to stakeholders. Stakeholder theory is a strategy created by companies to maintain their relationships with stakeholders or stakeholders themselves [7]. Disclosure of social and environmental information can be done by implementing green accounting, where the company will have good environmental performance. Apart from that, companies can also reduce unnecessary costs by implementing material flow cost accounting. Disclosure of corporate social responsibility practices as a form of concern for the community has an impact on public trust in the company which has an impact on making it easier to manage the company's operations to gain profits which has an impact on improving financial performance [17].

Legitimacy Theory

There are limitations that are emphasized by the existence of social norms or values, the reaction to these limitations can encourage analysis of organizational behavior, especially in environmental matters. Legitimacy theory is based on the social contract theory of reciprocal relationships in the social life of society and companies [18]. The implementation of green accounting ensures that there are costs for preventing environmental damage due to company activities. The application of material flow cost accounting also ensures that no production materials become waste and damage the environment. The implementation of corporate social responsibility is also a form of corporate practice regarding responsibility resulting from the expansion of its business activities. These applications will not violate the norms and balance that exist in society. Community support has an impact on profits and increased company financial performance [19].

The Effect of Implementing Green Accounting on Financial Performance

Green Accounting is accounting that calculates and includes preventive costs and those incurred as a result of company operational activities that affect the environment and society. The implementation of green accounting will encourage the ability to minimize environmental problems faced by the Company. Success in environmental protection will affect the good image obtained by the company [20]. The assessment of a company's financial performance can be seen from the company's ability to generate profits [21]. The impact of implementing green accounting for companies includes increasing public and stakeholder trust in the company which has the impact of increasing sales and company profit levels which have an impact on improving financial performance [11]. Stakeholder theory explains that companies will disclose information for stakeholders' information needs in decision making, companies will disclose green accounting which is expected to be able to meet the required information needs and can get support from stakeholders who influence the company's survival [17]. This

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is in accordance with the results of previous research conducted by [12]. Hypotheses that can be proposed are based on explanations and results of previous research, namely:

H1 : Green Accounting has a positive effect on Financial Performance

The Effect of Implementing Material Flow Cost Accounting on Financial Performance

Material Flow Cost Accounting is one of the environmental management accounting methods that aims to reduce both environmental impacts and costs at the same time. Material flow cost accounting pays attention to the flow of raw materials, energy and systems you can easily identify waste as a loss materials, thereby optimizing the allocation of production costs. By continuing to improve quality environmental companies can increase production without damage, maximizing profit company, which reduces the company's operating costs. The application of material flow cost accounting during the production process, allows companies to absorb costs that should not be incurred more efficiently, and the loss of material in the production process does not completely affect the cost of the products produced, thus allowing companies to maximize profit and get a good assessment of the stakeholders. This increase in profits resulted in an increase in the Company's financial performance [13]. Stakeholder theory explains that companies will try to provide good information about the company's condition. When the implementation of material flow cost accounting is successful and ends with an increase in profits, it is certainly good information. Stakeholders will assess that the company has good performance with a good level of company profits [7]. This is in accordance with the results of previous research conducted by [13]. Hypotheses that can be proposed based on explanations and results of previous research, namely:

H2 : Material Flow Cost Accounting has a positive effect on Financial Performance

The Effect of Implementing Corporate Social Responsibility on Financial Performance

The implementation of corporate social responsibility has an impact on a company's good reputation, especially in the eyes of the public. Corporate social responsibility is the social obligation of the private sector or company towards society and the government due to the impact of the company's expansion which is defined as having disrupted the environmental and social balance of society. The implementation of corporate social responsibility as a form of responsibility to stakeholders has an impact on increasing the trust of stakeholders, especially the community. When the community feels they are being cared for, they will provide more support to the company's operational activities. People will use the company's products more which will have an impact on increasing sales value which ends in profits [6]. When profits increase, of course this will result in good financial performance [2]. The company carries out its business activities not only for the company but also pays attention to the interests of its stakeholders. The implementation of corporate social responsibility as a form of responsibility to stakeholders has an impact on increasing the trust of stakeholders, especially the community. When the community feels they are being cared for, they will be more supportive of the company's operational activities [7], [15]. Hypotheses that can be proposed are based on explanations and results of previous research, namely:

H3 : Corporate Social Responsibility has a positive effect on Financial Performance

2. Method

Research design

This research uses a quantitative method in the form of an associative method that uses secondary data with the population being Companies in the Various Industrial Sectors, Textile and Garment Sub-sectors listed on the Indonesia Stock Exchange (BEI) in 2018-2022. Research objects include green accounting (X1), material flow cost accounting (X2), corporate social responsibility (X3) and financial performance (Y).

Data collection instruments

The data collection method in this research uses a documentation method, namely by viewing and recording data originating from financial reports and annual reports or sustainability reports of companies in the various textile and garment sub-sector industries listed on IDX.

Participants/sample

The population in this research is various industrial sector companies in the textile and garment sub-sector listed on the Indonesia Stock Exchange (IDX) in 2018-2022 with a sample collection method using a purposive sampling method. Research sample can be seen on Tabel 1.

Table 1. Research Sample Calculation

No	Descriptions	Amount
1	Various Industrial Sector Companies in the Textile and Garment Sub Sector listed on the IDX for the 2018 - 2022 period	23
2	Companies that do not consistently report financial reports, annual reports or sustainability reports for the 2018 – 2022 period	(8)
3	Companies that do not provide complete data relating to research variables	(7)
	Number of companies based on criteria	8
	The total sample is based on the observation year for the 2018 - 2022 period	40

Source: Processed secondary data, year 2024

Data analysis

In this research, several stages of data analysis were used, including Descriptive Statistical Analysis, Classic Assumption Test consisting of Normality Test, Multicollinearity Test, Heteroscedasticity Test, and Auto Correlation Test, followed by Multiple Linear Regression Test, Coefficient of Determination Test (R2), Test Model Feasibility (F Test) and t Test.

Operational definition of variable

Financial Performance

Financial Performance Measurement uses measurement using Return on Asset (ROA) ratio analysis. ROA analysis measures a company's ability to generate profits by using all the assets owned by the company after taking into account costs [21], the formula used is as follows:

$$ROA = \frac{Net\ Profit\ After\ Tax}{Total\ Asset} x\ 100\%$$

Green accounting

In this study, Green Accounting was measured using a level of measurement with a score of 0 if it did not reveal, 1 if it was in the form of a narrative, 2 if it was in the form of pictures and narratives, and 3 if it was in the form of pictures, narratives and numbers [9].

Material flow cost accounting

The material flow cost accounting calculation model is compiled based on input data. Positive and negative product costs are differentiated according to the mass balance concept. Material flow cost accounting is calculated based on ISO 14051 guidelines [13], with the following steps:

a. Material cost allocation

$$Percentage\ of\ positive\ output = \frac{Positive\ output}{Positive\ output\ +\ Negative\ output} x\ 100\%$$

$$Percentage\ of\ negative\ output = \frac{Negative\ Output}{Positive\ Output + Negative\ Output} x\ 100\%$$

Positive output includes material usage costs
Negative output includes waste management and environmental costs

b. System cost allocation

Positive product = Total system cost x number of output percentages positive
Negative product = Total system cost x number of output percentages negative
System costs include labor costs, depreciation costs, transportation and freight costs, and maintenance costs.

c. Energy cost allocation
Positive product = Total energy cost x total percentage of output positive
Negative product = Total energy cost x total percentage of output negative
Energy costs include energy, fuel, steam, heat and air costs.

d. Cost allocation and material flow cost accounting results

$$Material\ flow\ cost\ accounting\ cost = \frac{Total\ Output}{Total\ Cost}$$

Corporate social responsibility

In this research, corporate social responsibility uses the 2016 GRI Standard CSR disclosure with 77 items that can be applied in Indonesia. The 2016 GRI Standards consist of: (a) 13 disclosure items specifically for economic aspects; (b) 30 disclosure items specifically for environmental aspects; and (c) 34 disclosure items specifically for social aspects. CSR index calculation is carried out in the following way:

$$CSRDIj = \sum \frac{Xij}{nj}$$

CSRDIj = Corporate Social Responsibility (CSR) Company Index
nj = Number of CSR disclosure criteria for company j, nj≤77
Xij = 1 = If disclosed; 0 = If not disclosed

3. Results and Discussion

Descriptive Statistics Test

Referring to Table 2, the green accounting value has the highest value of 3 and the lowest value of 1 with an average value of 2.13 and a standard deviation value of 0.607. It can be concluded that the data is more consistent or homogeneous. The material flow cost accounting value has the highest value of 0.43 and the lowest value of 0.19 with an average value of 0.3138 and a standard deviation value of 0.07581. It can be concluded that the data is more consistent or homogeneous. The corporate social responsibility value has the highest value of 0.71 and the lowest value of 0.22 with an average value of 0.5023 and a standard deviation value of 0.13558. It can be concluded that the data is more consistent or homogeneous. The Financial Performance value has the highest value of 0.120 and the lowest value of -0.871 with an average value of -0.03148 and a standard deviation value of 0.166545. It was concluded that the data was more varied or heterogeneous.

Table 2. Descriptive Statistical Test

	N	Minimum	Maximum	Mean	Std. Deviation
Green Accounting	40	1	3	2.13	.607
Material Flow Cost Accounting	40	.19	.43	.3138	.07581
Corporate Social Responsibility	40	.22	.71	.5023	.13558
Kinerja Keuangan	40	-.871	.120	-.03148	.166545
Valid N (listwise)	40				

Source: Processed secondary data, year 2024

Normality test

The normality test results show the value of Asymp. Sig(2-tailed) has a value of 0.05 where 0.05 ≤ 0.05. From these results the data is not normally distributed, so this research uses another option, namely the Monte Carlo method. After carrying out a normality test with the Monte Carlo Sig model. (2-tailed) value shows 0.071 > 0.05, so it can be concluded that the research data is normally distributed.

Multicollinearity Test
Multicollinearity test results indicate that the tolerance value of the independent variable is more than 10% or 0.1 and the VIF value is less than 10. So, this model can be interpreted as having no symptoms of multicollinearity and can be used.
Heteroscedasticity Test
The results of the heteroscedasticity test show that the significance value of each variable, namely green accounting, material flow cost accounting, corporate social responsibility and financial performance is above 0.05, which means that there is no heteroscedasticity so the research can continue.
Autocorrelation Test
The results of the autocorrelation test show that the Durbin Watson value obtained is 1.353, where dU > dW, where 1.6589 > 1.353, which can be concluded that the data experiences symptoms of autocorrelation. So this research uses another option, namely the Cochrane-Orcutt (C-O) method. After carrying out an autocorrelation test with the Cochrane-Orcutt (C-O) model, the Durbin Watson value was obtained as 1.793, where dU < dW < 4 – dU, namely 1.6589 < 1.793 < 2.3411. So it can be concluded that the data does not experience symptoms of autocorrelation.
Multiple Linear Regression Analysis

Table 3. Results of Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	-.244	.106		-2.303	.027
	Green Accounting	.106	.044	.388	2.405	.021
	Material Flow Cost Accounting	.744	.365	.339	2.035	.049
	Corporate Social Responsibility	-.492	.164	-.401	-3.006	.005

Source: Processed secondary data, year 2024

Referring to Table 3, multiple equations are obtained:
Y = α + β1X1 + β2X2 + β3X3
Y = -0.244 + 0.106X1 + 0.744X2 – 0.492X3
α The constant coefficient of -0.244 means that if the variables Green Accounting, Material Flow Cost Accounting and Corporate Social Responsibility are perceived at 0 then Financial Performance is at a constant value (-0.244).
β1 The Green Accounting regression coefficient value is 0.106, meaning that an increase in the value of 1 unit will increase Financial Performance by 0.106.
β2 The regression coefficient value for Material Flow Cost Accounting is 0.744, meaning that an increase in the value of 1 unit will increase Financial Performance by 0.744.
β3 The Corporate Social Responsibility regression coefficient value is -0.492, meaning that an increase in the value of 1 unit will reduce Financial Performance by 0.492.
Coefficient of Determination Test (R2)
The results of the coefficient of determination (R2) test showed that the coefficient of determination R2 was 0.383 or 38.3 percent. This means that each of Green Accounting, Material Flow Cost Accounting, and Corporate Social Responsibility provides a role

participation of 38.3 percent and 61.7 percent of the ups and downs in Financial Performance due to external factors other than research.

Model Feasibility Test (F Test)

The results of the model feasibility test (f test) show that the F coefficient value is 9.063 and the Ftable value is 2.87 when compared to the Fcount value > than the Ftable value and the significance value is smaller, namely 0.000 <0.05, which means Ho is rejected or Ha is accepted. So, Green Accounting, Material Flow Cost Accounting, and Corporate Social Responsibility have a positive effect on Financial Performance simultaneously.

Hypothesis Test

Referring to Table 3, green accounting has a t coefficient value of 2.405 and a ttable value of 1.688 when compared, the tcount value is > than t table and the significance value is smaller, namely 0.021 > 0.05, which means H0 is rejected or H1 is accepted. Green Accounting has a positive influence on Financial Performance. Material flow cost accounting has a t coefficient value of 2.035 and a ttable value of 1.688 when compared to the t count > t table value and a smaller significance value of 0.049 > 0.05 which means H0 is rejected or H2 is accepted. Material Flow Cost Accounting has a positive influence on Financial Performance. Corporate social responsibility has a t coefficient value of -3.006 and a t table value of 1.688 compared to the t count < of t table and the significance value is more or less smaller, namely 0.05 ≤ 0.05, which means that H0 is accepted or H3 is rejected. Corporate Social Responsibility does not have a positive influence on Financial Performance.

Effect of Green Accounting (X1) on Financial Performance (Y)

Testing the Green Accounting variable (X1) on Financial Performance. Based on Table 3, the t coefficient value is 2.405 > 1.688 with a significance of 0.021 < 0.05 so that H0 is rejected and Ha can be accepted, namely green accounting has a positive effect on financial performance. meaning that the higher the value of implementing green accounting, the company's financial performance will increase, and conversely, when the value of implementing green accounting is lower, the company's financial performance will decrease.

Stakeholder theory explains that companies will disclose information for stakeholder information needs in making decisions that have an impact on the company [17]. Stakeholder theory explains that when a company is willing and able to provide the information needed to implement green accounting, it will gain the trust of stakeholders. Through green accounting, companies can identify opportunities to reduce operational costs by increasing the efficiency of resource use and reducing waste. For example, by using more efficient energy or reducing production waste, companies can save raw material costs and waste processing costs. Companies that take environmental impact into account tend to gain a better reputation in the eyes of consumers, investors and other stakeholders. Success in minimizing burdens and gaining a good image and trust in using company products from stakeholders will certainly increase sales value and profits for the company. When profits are good, it will certainly have an impact on increasing the company's financial performance. The results of this research are in line with research by [11], [12], [15], which states that green accounting has a positive effect on financial performance.

Effect of Material Flow Cost Accounting (X2) on Financial Performance (Y)

Testing the Material Flow Cost Accounting (X2) variable on Financial Performance. Based on Table 3, the t coefficient value is 2.035 > 1.688 with a significance of 0.049 < 0.05 so that H0 is rejected so Ha is accepted, namely material flow cost accounting has a positive effect on financial performance. This research means that the higher the value of material flow cost accounting implemented by the company, the higher the company's financial performance, and vice versa, the lower the value of material flow cost accounting implemented by the company, the lower the company's financial performance.

Stakeholder theory explains that companies will try to provide good information about the company's condition to gain stakeholder trust. When the implementation of material flow cost accounting is successful it ends with an increase in profits, which has an impact on

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increasing stakeholder trust [7]. Material flow cost accounting provides benefits by increasing company profits and productivity which in turn contributes to sustainable development and company profits. Material flow cost accounting helps companies identify hidden costs associated with natural resource use, waste and emissions. By knowing these costs, companies can take steps to reduce waste and increase efficiency in the use of resources, thereby reducing production costs. By understanding how resources are used and how waste is generated in the production process, companies can identify opportunities to optimize resource use and reduce waste. This can reduce raw material costs and waste processing costs, and improve overall production efficiency. With this the company can maximize profits. This increase in profits has an impact on improving the Company's financial performance. However, the material flow cost accounting concept here which focuses on reducing negative effects on the environment will often have an impact in the long term, so material flow cost accounting may not affect the company's financial performance in the short term. However, material flow cost accounting will have a positive impact on financial performance in the long term. The results of this research are in line with the results of previous research conducted by [13] which stated that material flow cost accounting affects financial performance.

Influence of Corporate Social Responsibility (X3) on Financial Performance (Y)

Hypothesis H3 states that Corporate Social Responsibility has a positive effect on Financial Performance. Testing the Corporate Social Responsibility (X3) variable on Financial Performance. Based on Table 3, the t coefficient value is -3.006 with a significance of 0.005 < 0.05 thus that H0 is accepted and Ha is rejected. The results show that corporate social responsibility has a negative effect on financial performance. This means that the higher the company's corporate social responsibility value, the more the company's financial performance will decrease and conversely, the lower the company's corporate social responsibility value, the more the company's financial performance will improve. Corporate social responsibility requires companies to spend quite large amounts of funds which will be an excess burden that will reduce the company's profits and have an impact on reducing the level of the company's financial performance.

Stakeholder theory explains that companies carry out their business activities not only for the company but also pay attention to the interests of stakeholders [7]. The implementation of corporate social responsibility as a form of responsibility to stakeholders has an impact on increasing the trust of stakeholders, especially the community. When the community feels they are being cared for, they will be more supportive of the company's operational activities. However, on the other hand, corporate social responsibility activities also require companies to spend quite large amounts of funds. Thus, even though the company has implemented corporate social responsibility, it will not necessarily be able to improve the company's financial performance because the greater the funds spent will certainly reduce profits which will have an impact on decreasing the level of the company's financial performance. Apart from that, companies that fail to implement corporate social responsibility, by not choosing and focusing on implementing corporate social responsibility activities that are in accordance with the company's goals and the needs of the surrounding community, will slow down the achievement of the company's goals in producing a good image in society. Companies that carry out corporate social responsibility activities here which focus on forms of social responsibility towards stakeholders, especially in this case the community, will result in a high level of trust from the community in the company, of course it will still have a positive impact on the company. The implementation of corporate social responsibility for companies is able to generate profits in the long term. The results of this research are in line with research from [22], [23] whose research results state that corporate social responsibility has a negative effect on financial performance.

4. Conclusion

The results of the study and discussion explained above provide several conclusions, including that the green accounting variable has a positive effect on financial performance. This means that the higher the value of the company's implementation of green accounting, the company's financial performance will increase, and conversely, the lower the value of the company's implementation of green accounting, the company's financial performance will decrease. The material flow cost accounting variable has a positive effect on financial performance. This means that the higher the value of material flow cost accounting implemented by the company, the higher the company's financial performance, and conversely, the lower the value of material flow cost accounting implemented by the company, the lower the company's financial performance. The corporate social responsibility variable has a negative effect on financial performance. This means that the higher the company's corporate social responsibility value, the more the company's financial performance will decrease and conversely, the lower the company's corporate social responsibility value, the more the company's financial performance will improve because the implementation of corporate social responsibility requires companies to spend quite large amounts of funds which will be an excess burden that will reduce the company's profits and have an impact on reducing the level of the company's financial performance.

This research is expected to produce theoretical evidence with support the stakeholder theory by E. Edward Freeman in 1984, where companies not only run for the benefit of the company, but also for the stakeholders. The application of green accounting, material flow cost accounting and corporate social responsibility which provides the benefits of good sustainability prospects can provide a greater level of trust from stakeholders. There is another harmonious theory, namely the theory of legitimacy by Dowling and Pfeffer, where the theory of legitimacy is based on the social contract theory of reciprocal relationships between society and companies. The company will use the legitimacy of society to develop company strategies, especially in efforts to position itself in a more advanced society with the aim of good company financial performance. Strategies that can be used include implementing green accounting, material flow cost accounting and corporate social responsibility. This research is expected to produce empirical evidence to prove that disclosure of green accounting, material flow cost accounting and corporate social responsibility on financial performance can provide a reference for companies to improve their company's financial performance, especially, manufacturing companies whose production activities have an impact on the environment and society. It is hoped that this research will be able to provide advice and input to stakeholders when deciding to invest in or use products from a company, it should be more supportive of companies that have good sustainability strategies. Because it will result in good company performance and financial performance in the long term.

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