AFFECTING FACTORS FUTURE OPERATING CASH FLOWS PREDICTION

(Empirical Study of Good Industry Consumer Companies listed on the Indonesia Stock Exchange 2015-2019)

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ABSTRACT

This study aims to analyze the factor that can predict future cash flows. The factors consist of gross profit, operating profit, net profit and accounts receivable company. The theory used in this research is signal theory

This study uses a quantitative research type, with a descriptive approach, which is measured by the panel data linear regression method with Eviews version10. The population of this research is the Consummer Good Industry companies listed on the Indonesia Stock Exchange in 2015-2019. The sample was determined based on the purposive sampling method, with a total sample of 14 companies Consummer Good Industry, so that the total observations in this study were 70 observations. The data used in this study are secondary data. The data collection method uses documentation through the official IDX website www.idx.co.id. Keywords : Gross Profit, Operating Profit, Net Profit, Change in Account Receivable, Prediction of Future Operating Cash Flow.

The result of this study partially that gross profit affects future operating cash flow predistions, operating profit affects future operating cash flows predictions, net income affects future operating cash flows predictions, and accounts receivable changes no effect on operating cash flow predictions future.

Keywords: Gross Profit, Operating Profit, Net Profit, Changes in Accounts Receivable, Prediction of Future Operating Cash Flows.

1. INTRODUCTION

The financial report will show the financial condition and results of operations of a company in a certain period, the report is used by several parties such as investors, creditors and company management. Statement of Financial Accounting Standards (PSAK) No. 2 to require companies to prepare cash flow statements to provide historical information regarding changes in cash and cash equivalents based on reported operating, financing and investing activities together with other components of financial statements.

The consumer goods industry company is a supporting sector for economic growth because this sector is growing quite rapidly, even when the monetary crisis occurred, the consumer goods industrial sector was one of the saviors of the economy. The consumer goods industry tends to survive because this industry fulfills the much-needed daily needs of the Indonesian people, even though the company's financial ratio is unstable, but people will still consume industrial goods.

PT Unilever Indonesia Tbk (UNVR) today submitted its quarter III-2019 financial report. As a result, the net profit of the largest consumer goods company in Indonesia fell significantly. Based on the financial reports submitted by the company to the Indonesia Stock Exchange (IDX), this Thursday (17/10/2019), the company's net profit has dropped by 24.37% to IDR 5.51 trillion. In the same period 2018, UNVR's profit was recorded at IDR 7.28 trillion. The company's revenue during the 9-month current year was recorded a slight increase of 2.63% to Rp 32.36 trillion and for the same period last year it was recorded at Rp 31.53 trillion. (cnbcindonesia, 2019).

Net profit income of PT. In the previous period, Unilever was so high that it would attract an investment in the company. The mistake that often occurs is the assumption that if the profit revenue increases or increases, then the company's performance is also good. This assumption will trap the thinking of economic actors in assessing the performance of a company. Because if the company has good profitability but has a cash flow deficit, it can indicate that the company is experiencing financial distress and it is feared that it will not be able to pay off its obligations.

With that the need to make predictions or forecasting is used to determine the state of the business in the future and is an important tool for decision making relating to opportunities and risks that will be faced in the future. Predictions are based on the responsible party's assumptions reflecting the conditions that are believed to exist and the course of action that is expected to be taken. Predictions or forecasting try to provide information about what is expected to happen.

In addition to the cash flow statement, the income statement is also a financial statement related to the prediction of future cash flows. Profit and loss information is the basis for valuation to estimate the gain on the investment. The company's performance appraisal is based on information in the income statement which presents information on the company's gross profit, operating profit and net income. Gross profit is the difference from revenue less cost of goods sold. In Subramanyam (2013: 120) gross profit is an important figure. If a company does not earn enough from the sale of goods or services to cover the direct costs associated with the goods or services, the company will not last long.

Operating profit (operating income) is a measure of the company's profit from ongoing operating activities.). According to Nursya'adah (2020) Operating profit is the difference between gross profit and company operational costs such as salary costs, advertising costs, administrative costs, depreciation costs and others, if operating costs have increased then operating profit. The value contained in operating profit takes into account the company's operating expenses that support the company's main activities. Net income (net income) is profit after income tax obtained by subtracting income or income before tax from income tax that must be paid by the company (Budi Rahardjo, 2010: 83).

Besides profit, another factor that can predict future cash flows is the accrual component, one of which is the change in accounts receivable. According to Samryn (2015: 59), trade receivables are receivables from third parties that occur because the main product or service seller is on credit. Because receivables are receivables that the company will receive in cash from other parties, an increase in receivables will increase future cash receipts and if credit sales increase, the receivables will increase and have an impact on the company's cash inflow.

It is hoped that in this study, empirical evidence is obtained about the relationship between gross profit, operating profit, net income and changes in accounts receivable in predicting future operating cash flows in consumer goods industry companies listed on the Indonesia Stock Exchange for the period 2015-2019. Based on the background described above, the problem formulations in this study are:

1. Does gross profit affect future operating cash flows?
2. Does operating income affect future operating cash flows?
3. Does net income affect future operating cash flows?
4. Do changes in receivables affect future operating cash flows?

2. LITERATUR REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Previous Research

As literature and research material. The author will estimate the results of the previous research. Where are the problems associated with the problems to be resolved. The literature used as a reference includes:

Research on the Analysis of Operating Profits and Cash Flow as Predictors of Future Cash Flow. Research conducted by Budiyasa and Sisdyani in 2015. The data analysis method used multiple regression analysis with a sample determined using purposive sampling method and resulted in 51 companies from 134 data, the data was obtained from www.idx.co.id. This study shows that gross profit, operating profit and operating cash flow have an effect on future operating flows, net income variables that have no effect on future operating flows.

Research on the Effect of Gross Profit, Operating Profit and Net Profit in Predicting Future Cash Flows. Research conducted by Alamsyah and Askandar in 2019 used multiple linear regression research methods while the research sample was taken from companies engaged in manufacturing in 2012 - 2017. The results of this study state that gross profit and net income have an effect on future cash flows. , operating income has a negative effect on future flows

Research.conducted by Binilang, et al in 2017 aims to examine the effect of net income, changes in debt, changes in trade payables and changes in inventories on future operating flows. The method used in this study uses multiple regression models in analyzing the data. The data used is in the form of quantitative data in the form of financial report data for 2011-2015. The population in this study is a company registered in the LQ45. The results of this study state that Net Profit (X1) has a significant effect on future operating flows, while changes in Accounts Receivable (X2), changes in accounts payable (X3) and changes in inventories (X4) have no significant effect on future operating flows. Based on the F test which shows that net income, changes in accounts receivable, changes in accounts payable and changes in inventories together have a significant effect on future operating flows.

Research conducted by Sulistyawan and Septiani in 2015 aims to test and find empirical evidence regarding the effect of net income, operating flows and accrual components in predicting future operating flows in manufacturing companies in 2009-2013. The results of the study indicate that net income, operating cash flow, business changes, changes in trade payables and changes have an effect on future operating flows.

Research conducted by Yulianti et al in 2015 aims to predict future flows through net income, cash flow, changes in accounts receivable and changes in debt. Testing in research using multiple linear regression method, the data used is secondary data from companies that are in LQ 45 which are listed on the Indonesia Stock Exchange. The results show that net income and cash flow have a significant effect on future cash flows. Variables changes in debt and changes in debt have no significant effect on future cash flows.

Research conducted by Agana et al in 2015 aims to discuss the predictive ability of comparative variables of operating income and cash flow on future operating flows in a developing economic environment. Testing in this study uses the Ordinary Least Square (OLS) method in developing a regression model from 2002 to 2012. The research data comes from panel data of companies listed on the Ghana Stock Exchange (GSE). The results of these studies indicate that hostoris income and operating flows are significant in predicting future flows.

This research conducted by Senan et al in 2019 aims to measure current income, cash flow and income separation to estimate future operating cash flows. Testing in this study used the Hausman test method, whose data were obtained from the Agraam and Tadawul portal databases. The population is in the form of research on companies that are in the KSA sector with a total of 57 companies from the 2006-2015 period. The results obtained from the statement are that current income and cash flows find a positive relationship to estimate future operating flows.

This research conducted by Umoren and Umoffong in 2018 aims to determine the ability of past cash flow and past earnings in predicting the future operating cash flows of Nigerian money deposit banks. This research test uses the Ordinary Least Square (OLS) method with data from the Nigeria Stock Exchange which has 14 cash deposit banks. With that the sample obtained is 13 bank money deposits listed on the Nigeria Exchange Stock Exchange from the period 2011-2016. And the results of this study state that income has the ability to predict future operating cash flows rather than cash flows.

2.2. Theory Basis

2.2.1. Signalling Theory

Signaling theory suggests how a company should give signals to users of financial reports. This signal is in the form of information about what management has done to realize the owner's wishes. Signals can be in the form of promotions or other information stating that the company is better than other companies. Meanwhile, according to Brigham and Houston (2014: 184) Signaling theory is a company management behavior in providing guidance to investors regarding management's views on the company's prospects for the future.

2.2.2. Financial Statements

Financial Statements according to PSAK No.1 (2015: 2) are financial statements that are part of the financial reporting process. According to Kieso et al (2014: 5) states that financial reports are the main means of communicating financial information to parties outside the company. This financial report displays the history of the company which is quantified in monetary value. Financial statements often presented are (1) statement of financial position, (2) income statement, (3) cash flow statement, (4) statement of owner or shareholder equity. From the above definition, it can be concluded that financial statements are a means of communication to provide information about the amount of wealth and debt, as well as to determine the development of company performance from one period to the next.

2.2.3. Cash flow statement

According to Hery (2012: 9) defines a cash flow statement as a Statement of Cash Flows is a report that describes cash inflows and cash outflows in detail from each activity, starting from operating activities, investing activities, to funding / financing activities for a certain period of time. Operating cash flow can be used as an indicator that measures the efficiency of the entity's operating activities, whether the entity is able to generate sufficient cash flow to pay loans, carry out operating activities of the entity, pay dividends, and make investments without relying on outside sources of income and is able to predict future cash flows. .

2.2.4. Profit

According to Wild and Subramanyam (2014: 25), the definition of profit (earnings) or net income (net income) indicates the company's profitability. Profits represent returns to equity holders for the period, while the items in the report detail how the profits were made ".

1. Gross profit

Gross profit is obtained from the difference between sales or revenue and cost of goods sold (COGS). The gross profit value is mostly created from sales and purchase transactions on credit and the inflows and outflows have not occurred at the time of the transaction The trend on gross profit can show how successfully the company uses the resources it uses, but it can also be a basis for understanding how margin profits have changed due to competitive pressures. The formula for determining net income is as follows:

Gross Profit = Net Sales - Cost of Goods Sold (COGS)

2. Operating Profits

Operating profit (operating income) is a measure of the company's profit from ongoing operating activities (Subramanyam 2010: 9). The formula for finding operating profit is:

Operating Profit = Gross Profit - Expenses From Operating Activities

3. Net Income

According to Henry Simamora (2013: 46) the definition of net income is net income that comes from transactions of income, expenses, gains and losses. Profits are generated from the difference between incoming resources (income and profits) and outgoing resources (expenses and losses) over a certain period of time. The formula for determining net income is as follows;

Net Profit = Gross Profit - Operating Expenses - Tax Expenses

2.2.5. Accounts receivable

According to Samryn (2015: 59), trade receivables are receivables from third parties that occur because the main product or service seller is on credit. The process of accounts receivable starts from giving credit (receivables) to customers, the company provides merchandise or services to customers, billing in the future and finally receiving cash in the future on the payment of these receivables.

Change in Accounts Receivable = Accounts Receivable (t) - Accounts Receivable (t-1)

2.3. Between Variables Of Research and Hypothesis Development

2.3.1. The Effect of Gross Profit on Future Operating Cash Flow

According to Subramanyam (2011: 120) gross profit is an important figure. The more detailed the calculation of a profit figure, the more choices of accounting methods are included, so the lower the earnings quality. Gross profit quality is also influenced by involvement in greater management control and has a close relationship with revenue generation. This is in line with research conducted by Jordan (2015) that gross profit has a significant effect on future cash flows and research conducted by Alamsyah and Askandar (2019) which states that gross profit has a significant effect on future cash flows.

H1: Gross profit has an effect in predicting future operating cash flows.

2.3.2. The Effect of Operating Profits on Future Operating Cash Flows

Mulyadi's statement (2012: 3) states that costs are a source of economic sacrifice measured in units of money, which have occurred or are possible to achieve certain goals. Operational costs indicate that there is cash spent to obtain better benefits in the future. The development of the operating profit value from year to year provides an overview for report users in analyzing the company's ability to create future revenue, both in terms of operating costs incurred by the company and the efficiency of these costs. This is in line with research conducted by Budyasa and Sisdyani (2015). Operating profit variables have a significant effect on future operating cash flows.

H2: Operating profit has an effect in predicting future operating cash flows

2.3.3. The Effect of Operating Profits on Future Operating Cash Flows

According to Alamsyah and Askandar (2019), the higher the net profit a company achieves, the higher the prediction of future cash flows. net income measures the value that an entity can provide to investors and shows the share of profits that will be retained in the company and which will be distributed as dividends that profit not only provides discrepancies in information about cash flows connected to past transactions, but also predicts future cash flows. future connected to the prediction of future operating activities and future investment. Yuwana Christiawan (2014) partially variable net income has the ability to predict future operating cash flows, which is the same as research conducted by Yulianti et al (2015) which states a significant effect of net income on future cash flows partially.

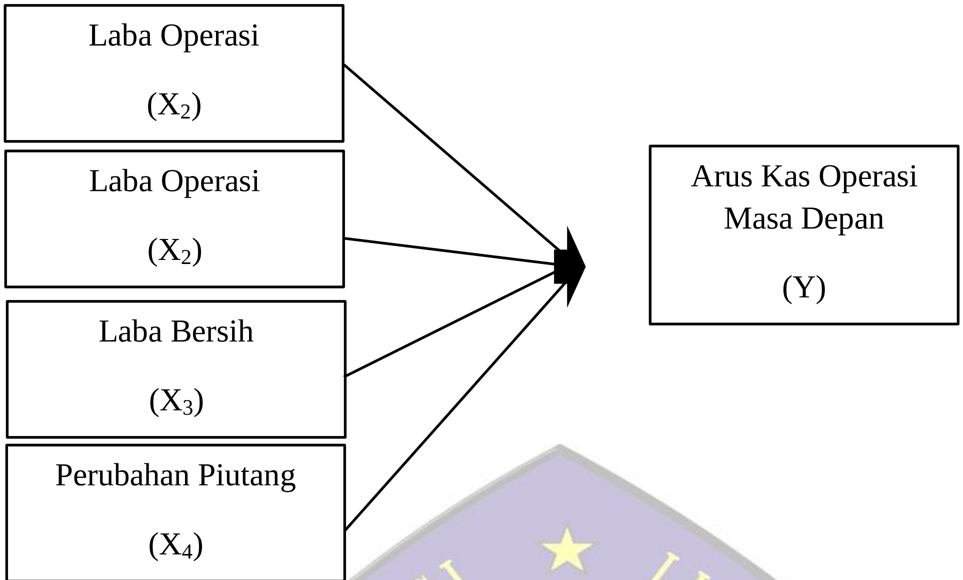
H3: Net income has an effect in predicting future operating cash flows

2.3.4. Effect of Changes in Accounts Receivable on Future Operating Cash Flows

Changes in receivables show the expected future cash flows that are different from present cash flows, because of the accumulation of amounts in current receivables, Yulianti, et.all (2015). However, this is not in line with research conducted by Binilang, et.al (2017) that changes in receivables have no effect on future operating cash flows in LQ45 Index companies and research conducted by Karpriana (2019) Changes in accounts receivable do not have the ability to significantly predict future operating cash flows at the manufacturing company.

H4: Changes in Receivables have no effect in predicting future operating cash flows

2.4. Research Conceptul Framework



3. RESEARCH METHOD

3.1. Population and Sample

The population used in this study is the Consummer Good Industry companies listed on the Indonesia Stock Exchange 2015-2019, which initially amounted to 30 companies with purposive sampling technique, namely the technique selected based on consideration of certain criteria. The criteria that have been determined by the researcher are as follows:

Table 3.1
Sample Criteria

No.	Criteria	Total
1.	Companies that focus on Good Industry Consumers and which have been listed on the Indonesia Stock Exchange (IDX) in the period of Future Cash Flow	30
2.	Good Industry Consumers Companies that have listed on the Indonesian Stock Exchange that report or disclose complete annual reports (annual reports) from 2015 to 2019. With the period ending in financial statements every 31 December	(10)
3.	Good Industry Consumers Company which during the period 2015 to 2019 never suffered a loss	(6)
The number of companies that meet the sample criteria		14
The number of samples used in the study (5x14)		70

3.2. Data and Data Collection Methods

The data used is secondary data, secondary data is a source that does not directly provide data to data collectors, for example through other people or through documents. Researchers collected information from data processed by the Indonesia Stock Exchange (IDX). The data in question is in the form of annual financial report data on Consumer Good Industry companies listed on the Indonesia Stock Exchange (IDX) starting from 2015-2019. This information was obtained from the Indonesia Stock Exchange (www.idx.co.id).

Table 3.2.
Operational Variables

Variable	Scale	Measurement	Indicator	Concept
(X)				
Gross Profit (X1)	The measurement of the company's direct income on the sale of its products during an accounting period and comparing the reduction in the cost of goods sold with the revenue received by the company	Gross Profit	Gross Profit = Net Sales - Cost of Goods Sold (COGS)	Nominal
Operating Profit (X2)	Presentation of profit that shows the income that the company gets through company operations	Operating Profit	Operating Profit = Gross Profit - Operating Expenses	Nominal
Net Profit (X3)	In the form of additional profit before tax with other income such as interest income, which is then deducted from other expenses such as tax expense and interest expense, so that with these additions and subtractions we can get net profit for the year.	Current year profit	Net Profit = Gross Profit - Operating Expenses - Tax Expenses	Nominal
Change in Accounts Receivable (X4)	Changes in trade receivables were obtained from changes in trade accounts receivable in two periods of this year and last year Accounts Receivable	Account Receivable	Change in Accounts Receivable = Accounts Receivable (t) - Accounts Receivable (t-1)	Nominal
(Y)				
Cash Flow	a report that describes cash inflows and cash outflows in detail from each activity at a specific time	Operating Cash Flow	Operating Cash Flow	Nominal

3.3. Data Analysis Methods

The method used to process data is quantitative analysis. The strategy used is descriptive analysis. Descriptive analysis used in this research is panel data regression analysis (pooled data) where panel data regression unites two methods, namely cross section and time series, model selection, hypothesis testing model and hypothesis testing. There is a data processing tool used in this research is Excel 2013 software and Eviews version 10.

4. DISCUSSION

4.1. Description of Research Data

Descriptive statistics are intended to provide an overview or explanation of data from a variable under study, the variables used include Gross Profit, Operating Profit, Net Profit, and Changes in Accounts Receivable and Operating Cash Flow.

4.2. Descriptive Statistical Analysis

Table 4.1
Descriptive Statistics Test Results

	ARUS KAS OPERASI	LABA KOTOR	LABA OPERSI	LABA BERSIH	PERUBAHAN PIUTANG
Mean	1.214.954.550.255	2.942.987.327.442	1.362.275.400.275	910.779.349.293	83.289.855.546
Max	13.344.494.000.000	22.716.361.000.000	9.831.024.000.000	5.902.729.000.000	700.747.000.000
Min	-98.662.799.904	98928193444	33.586.321.507	957.169.058	-580.473.000.000
Std. Dev	2352295602336	5573619063115	2514971859874	1569041984491	188.596.783.521
Observation	70	70	70	70	70

From the results of the descriptive statistics above, it can be seen that for the company's operating cash flow variable, it shows a minimum value of -98,662,799,904 found in PT Sekar Bumi Tbk in 2017 and a maximum value of 13,344,494,000,000, respectively. owned by PT. Indofood Sukses Makmur, Tbk. And the company has an average cash flow of 1,214,954,550,255 with a standard deviation of 2352295602336.

Gross Profit variable obtained a minimum value of 98928193444 owned by PT Buyung Poetra Sembada Tbk, in 2015, while the maximum value is owned by PT. Indofood Sukses Makmur, Tbk. with a value of 22,716,361,000,000. The average Gross Profit value is 2942987327442.343 with a standard deviation of 5573619063115.811.

Operating Profit variable which shows the minimum value of 33,586,321,507 owned by PT. Sekar Laut Tbk in 2015 while the maximum value of 9,831,024,000,000 is owned by PT. Indofood Sukses Makmur, Tbk. In 2019. With an average of 1362275400275,315 and a standard deviation of 2514971859874,929.

The company net profit variable in this study uses a proxy for the current year profit. The minimum value is 957,169,058, which is found at PT. Sekar Bumi Tbk, in 2019. Then the maximum value of 5,902,729,000,000 is owned by PT. Indofood Sukses Makmur, Tbk. In 2019. With an average of 910779349293.5712 and a standard deviation of 1569041984491.043.

Variable Change in receivables is measured by the reduction between this year's receivables and last year's receivables, which shows a minimum value of -580,473,000,000 owned by PT. Budi Strach & Sweetener Tbk, while the maximum value of 700,747,000,000 is owned by PT. Indofood Sukses Makmur, Tbk. 2015. With an average of 83289855546.77141 and a standard deviation of 188596783521.4714.

4.3. Panel Data Regression Model Selection.

4.3.1. Likelihood Ratio Test (Chow Test)

The Likelihood Ratio Test (Chow Test) is conducted to determine whether the Fixed Effect Model (FEM) is better than the Common Effect Model (CEM). This test is done through the statistical F test procedure compared to the F table and looking at the significance probability, with the following hypothesis:

H0 = Common Effect Model (CEM) is better than Fixed Effect Model (FEM)
H1 = Fixed Effect Model (FEM) is better than Common Effect Model (CEM)

Table 4.2
Likelihood Ratio Test Results (Chow Test)

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	1.533308	(13,52)	0.0370
Cross-section Chi-square	22.714399	13	0.0452

Based on the test results from the table above, it can be seen that the value of the Cross-section F statistic is 1.533308, and from the table above it can be seen that the probability is 0.0452 which means less than α = 0.05 (prob <0.05) (0.0000 < 0.05). So it can be concluded from the Likelihood Ratio Test (Chow Test) that H0 is rejected and H1 is accepted. Then we get a model that is more efficient to use is the Fixed Effect Model (FEM).

4.3.2. Hausman Test

The Hausman Test is used to select the best approach between the Fixed Effect Model or the Random Effect Model. This test follows the chi-square distribution with the hypothesis:

H0 = Random Effect Model (REM) is better than Fixed Effect Model (FEM)
H1 = Fixed Effect Model (FEM) is better than Random Effect Model (REM)

Table 4.3
Hausman Test Results

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	19.641243	4	0.0006

Based on table 4.3. above, the probability value (p-value) of random cross section is 0.0006, which means that it shows the result that the value is smaller than the significance value, namely 5% or 0.0000 <0.05. From the test results, it means that H0 is rejected and H1 is accepted, so the most efficient model used for this study is the Fixed Effect Model (FEM).

Based on the observations from the two tests above, it can be concluded that the most chosen observation is the Fixed Effect Model (FEM), so the model that will be used further in testing the hypothesis is the Fixed Effect Model (FEM).

4.4. Panel Data Regression Analysis

Table 4.4
Results of Panel Data Regression Analysis

Dependent Variable: OCF
Method: Panel Least Squares
Date: 01/10/21 Time: 13:06
Sample: 2015 2019
Periods included: 5

Cross-sections included: 14 Total panel (balanced) observations: 70				
Variable	**Coefficient**	**Std. Error**	**t-Statistic**	**Prob.**
Gross Profit	1.314427	0.252235	5.211112	0.0000
Operating Profit	-1.639289	0.606173	-2.704325	0.0092
Net Profit	1.390761	0.523959	2.654334	0.0105
Change in Accounts Receivable	-0.821597	0.551301	-1.490288	0.1422
C	-1.62551	3.94557	-4.110558	0.0001

Based on the table of panel data regression analysis above, the panel data regression equation can be formulated as follows:

Operating Cash Flow = -1.62551 + 1.314427LKit-1.639289LOit + 1.390761LBit - 0.821597PPit

Based on the panel data regression equation above, it can be analyzed as follows:

1 Constata of -1.62551 this means that with the influence of Gross Profit, Operating Profit, Net Profit and Changes in Accounts Receivable, the Operating Cash Flow is -1.6255.

2 The Gross Profit variable has a positive coefficient value of 1.314427 explaining that if each one-unit increase in Gross Profit with the assumption of other variables is constant (constant) it will increase future cash flows by 1.314427.

3 The Operating Profit variable has a negative coefficient value of 1.639289 explaining that if each one-unit increase in operating profit with the assumption of other variables is constant (constant), it will reduce future cash flows by 1.639289.

4 The Net Profit variable has a positive coefficient value of 1.390761, explaining that if each one-unit increase in net income with the assumption of other variables is constant (constant) it will increase future cash flows by 1.390761.

5 The Change in Accounts Receivable variable has a negative coefficient value of 0.821597 explaining that if each one-unit change in accounts receivable with the assumption of other variables is constant (constant) it will reduce future cash flows by 0.821597.

4.5. Hypothesis test

1. Test Statistic t (Partial)

The t statistical test is used to test the significance level of the effect of each independent variable on the dependent variable in parallel (separately). This statistical test considers other variables to be constants. To see the hypothesis can be accepted or rejected.

Table 4.5

Result of t Statistical Test (Partial)

Dependent Variable: OCF Method: Panel Least Squares Date: 01/10/21 Time: 13:06 Sample: 2015 2019 Periods included: 5 Cross-sections included: 14 Total panel (balanced) observations: 70				
Variable	Coefficient	Std. Error	t-Statistic	Prob.

C	-1.62551	3.94557	-4.110558	0.0001
X1	1.314427	0.252235	5.211112	0.0000
X2	-1.639289	0.606173	-2.704325	0.0092
X3	1.390761	0.523959	2.654334	0.0105
X4	-0.821597	0.551301	-1.490288	0.1422

The following will explain in more detail the results of the analysis of the truth testing of the hypothesis t statisk test (partial):

A. Hypothesis 1 Test: Gross Profit Affects Future Operating Cash Flow

The first hypothesis in this study is that Gross Profit has an effect on future operating cash flows. The results of the t statistical test in table 4.5 indicate that the t-count is over large compared to the value of t table (5.211112> 1.997138). While the probability value is smaller than the significance level, namely 0.0000 <0.05). From these results it can be concluded that H1 which states that Gross Profit affects future operating cash flows is received. This means that Gross Profit has an effect on future operating cash flows.

B. Hypothesis 2 Test: Operating Income Affects Future Operating Cash Flow

The second hypothesis in this study is that operating profit has an effect on future operating cash flows. The results of the t statistical test in table 4.6 show that the t-count value is smaller than the t-table value (-2.704325> 1.997138) and the probability value is smaller than the significance level, namely (0.0092 <0.05). From these results it can be concluded that H2 which states that Operating Income has an effect on future operating cash flows is received. This means that Operating Profit has a negative effect on future cash flows, because the operating profit coefficient is negative.

C. Hypothesis 3 Test: Net Income Affects Future Operating Cash Flow

The third hypothesis in this study is that net income has an effect on future operating cash flows. The results of the t statistical test in table 4.7 show that the t-count value is greater than the t-table value (2.654334 <1.997138). While the probability value is greater than the significance level, namely (0.0105 <0.05). From these results it can be concluded that H3 which states that Net Income has an effect on future operating cash flows is received. This means that net income has no effect on future operating cash flows.

D. Hypothesis 4 Test: Changes in Accounts Receivable have no Effect on Future Operating Cash Flow

The final hypothesis in this study is that changes in accounts receivable affect future cash flows. The results of the t statistical test in table 4.8 show that the t-count value is smaller than the t-table value (-1.490288 <1.997138). While the probability value is greater than the significance level, namely (0.1422 <0.05). From these results it can be concluded that H4 which states that changes in accounts receivable affect future cash flows are rejected. This means that changes in accounts receivable have no effect on future cash flows.

2. Determination Coefficient Test

The coefficient of determination in this study is carried out because the coefficient of determination can describe the goodness of the regression model in predicting the dependent variable. The coefficient of determination in this study is determined by the Adjusted R-Square value. The following are the results of the determination coefficient test in this study:

Weighted Statistic

R-squared	0.97811	Mean dependent var	862315
Adjusted R-squared	0.970953	S.D. dependent var	1013111
S.E. of regression	172665.4	Akaike info criterion	27.1731
Sum squared resid	1.55E+12	Schwarz criterion	27.7513
Log likelihood	-933.0597	Hannan-Quinn criter.	27.4028
F-statistic	136.6757	Durbin-Watson stat	2.65209
Prob(F-statistic)	0,0000		

Based on the results of the coefficient of determination test, it can be seen that the Adjusted R-Square value is 0.935715, this means that 93.57% of the variation in the Operating Cash Flow variable can be explained by the variables Gross Profit, Operating Profit, Net Profit and Changes in Accounts Receivable. While the rest (100% - 97.0953% = 6.43%) can be explained by other factors outside the regression model contained in this study.

4.6. Interpretation of Research Results

4.6.1. The Effect of Gross Profit on Future Cash Flows

The results of the analysis of the first hypothesis (H1) which states that gross profit has an effect on future cash flow predictions, this can be supported by observations using the Eviews application version 10, whose application can be seen from table 4.5 where the t-count is greater than the t value. -table (5,211112> 1,997138). While the probability value is smaller than the significance level, namely (0.0000 <0.05). From these results it can be concluded that H1 which states that Gross Profit affects future cash flow receipts.

Because in preparing the income statement, gross profit is reported earlier than the other two profit figures, this indicates that the calculation of gross profit will include fewer components of income and expenses than other profit figures. The more detailed the calculation of the amount of profit is, the more accounting methods are included, so the lower the earnings quality. Gross profit is an important number, because from the explanation of gross profit, it can be seen that the calculation of gross profit is the income minus the cost of goods sold so that if the company does not get enough results from the sale of goods or services to the company. cover the direct costs associated with the goods or services it sells, the company will not last long.

This research is in line with research conducted by Budiyasa and Sisdyani (2015) and Jordan (2015) which state that gross profit has a positive effect on future cash flows, but contradicts the results of research conducted by Zakia Fadila (2018) which states that gross profit partially does not have a significant effect on future cash flows.

4.6.2. The Effect of Operating Profits on Future Cash Flows

The results of hypothesis analysis (H2) which states that operating income has a negative effect on future cash flow predictions, this is reinforced by the calculation of observations using the eviews application version 10, whose application can be seen from table 4.6 where the t-value is greater than the t-value. table (-2.704325> 1.997138) and the probability is smaller than the significance level, namely (0.0092 <0.05). From these observations it can be concluded that H2 which states that Operating Profit has an effect on future cash flows received. . This means that Operating Profit has a negative effect on future cash flows, because the operating profit coefficient is negative.

This means that if so it can be concluded that partially there is a negative effect of operating profit on cash flow in consumer goods industry companies in 2015-2019. This means that the greater the operating profit (X2), the lower future cash flows (Y). The company has not been able to optimally and efficiently utilize its operating activities to generate profits, this is because the operating costs owned by the company exceed the amount of operating profit it has. For investors, a strong signal that will attract investors is a return on the annual report, so the decision to take is to invest in stocks. In addition, there are several industrial consumer goods companies that have various levels of profit, one of which is operating profit. This depends on the imposition of operational costs or a policy to assess operational costs at the company

This research is in line with research conducted by Koeswardhana (2020) and Nursya'adah (2020) which states that Operating Profit is able to predict future cash flows, but contrary to the results of research conducted by Alamsyah and Askandar (2018) which states that operating profit has a negative effect on future cash flows.

4.6.3. The Effect of Net Income on Future Cash Flows

The results of the analysis of the hypothesis (H3) which states that operating income has an effect on future flow predictions, this can be strengthened by observations using the Eviews application version 10, whose application can be seen from table 4.7 that is greater than the value of t table (2.654334 <1.997138). While the probability value is greater than the significance level, namely (0.0105 <0.05). From these results it can be rejected that the H3 manifested that Net Income has an effect on future operating cash flows is received. This means that net income has no effect on future operating cash flows.

This explains because net income is accrual in nature, in which there are other income or interest expenses which can cause changes in the value of cash flows in the future and shows that the higher the net income, the more cash flow will be in the future. This shows that profit does not only indicate current flows, but also an evaluation of past earnings and becomes a consideration in the future. Thus, the higher the net profit achieved by a company, the higher the prediction of future cash flows.

This research is in line with research conducted by Binilang et.al (2017) that partially Net Profit has an effect on future operating flows and research conducted by Migayana and Ratnawati (2014) that profit has a significant effect on changes in cash flow during the next year and is different from conducted by Fadila (2018) which states that partially Net Profit has no effect on future cash flows in transportation companies.

4.6.4. The Effect of Changes in Accounts Receivable on Future Cash Flows

The results of the analysis of the hypothesis (H4) which states that changes in receivables have no effect on future flow predictions, this can be strengthened by observations using the eviews application version 10, the application of which can be seen from table 4.11 which shows that the t-value is smaller than with the t-table value (-1,490288 <1.997138). And the probability value is greater than the significance level, namely (0.1422 <0.05). From these results it can be rejected that H4 which states that changes in accounts receivable have no effect on future operating cash flows received.

By this explains that the receivables that exist in a period of a company do not directly provide a large amount of cash flow changes in the future. This is because it seems that some of the receivables owned by the company in one period are receivables within a period of time that are not only collectible for the next one year, but may be collectible in the next few years, so that the effect of the receivables on future flows is not real.

This research is in line with research conducted by Karpriana (2019) and research conducted by Binilang et.al (2017) which states that partially changes in Accounts Receivable do not affect future operating flows, but contrary to research conducted by Sulistyawan (2015).) A statement that the change has the ability to predict significant future operating cash flows.

5. CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

Based on the results of research and discussion, this section can be drawn as follows:

1. Gross profit affects the prediction of future flows of Consumers Good Industry listed on the Indonesia Stock Exchange for the period 2015 to 2019. This occurs because each increase in gross profit will also show an increase in cash flow, because gross profit is a comparison between the application cost of goods sold by the company with the revenue received by the company.
2. Operating profit has a negative effect on the prediction of future flows of Good Industry Consumer companies listed on the Indonesia Stock Exchange in the period 2015 to 2019. The company has not been able to take advantage of its operating activities optimally and efficiently to generate a profit this is due to expenses. operations owned by the company exceed the amount of operating profit it has
3. Net income has an effect on future flow predictions at Consummer Good Industry companies listed on the Indonesia Stock Exchange in the 2015 to 2019 period. Net income in the current period can provide information about future cash flows, so if the estimated net profit it is more likely that future cash flows have an average probability of increasing as well.
4. Changes in influence have no effect on the prediction of future flows of companies whose Good Industry Consumers are listed on the Indonesia Stock Exchange in the period 2015 to 2019. This occurs when a company's business increases, the other side there are costs that the company must build as well. has increased, this will affect future operating cash flows.

5.2. Suggestion

Based on the results of the research and discussion carried out, in this section the researcher will provide the following suggestions

1. Researchers are expected not only to research the Consumer Good Industry companies, but also to research other types of companies listed on the Indonesia Stock Exchange.
2. Hopefully researchers can provide information for investors to look at the company's activities, and can consider their decisions before investing.
3. Research is expected to provide company financial accounting information for the public or students in gaining insight and increasing knowledge.
4.

5.3. Limitations of Research and Research Development

5.3.1. Research Limitations

Researchers are aware that this study has shortcomings and limitations in research, including:

1. Researchers have limitations in finding complete data on the Indonesia Stock Exchange because of the time information on the financial statements.

5.3.2. Further Research Development

Based on the research limitations that have been mentioned above, it is hoped that further research developments will be:

1. In this study the authors only use manufacturing companies as objects. So further researchers who wish to study the same topic can use all companies on the Indonesia Stock Exchange. And his search carried out research on a more recent period.
2. In further research, it is possible to add and use other variables as intervening variables that have other major effects on future operating cash flows.

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