

**THE EFFECT OF GREEN ACCOUNTING ON
THE COMPANY'S PERFORMANCE**



FINAL PROJECT

Prepared to Meet Requirements to Complete Research Diploma IV
Majoring in Public Sector Accounting
Sriwijaya State Polytechnic

By:

ALDITO MUHAMAD ZIKRA

061940512749

POLITEKNIK NEGERI SRIWIJAYA

PALEMBANG

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KEMENTERIAN PENDIDIKAN, KEBUDAYAAN, RISET DAN TEKNOLOGI



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MOTTO

“Allah tidak membebani seseorang melainkan sesuai dengan kesanggupannya.”

(Q.S Al-Baqarah, 2: 286)

“Maka sesungguhnya bersama kesulitan itu ada kemudahan.

Sesungguhnya Bersama kesulitan itu ada kemudahan.”

(Q.S Al-Insyirah, 94:5-6)

“Believe in yourself, and you’ll be unstoppable.”

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Hereby declare:

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3. If this thesis is found to be plagiarism or copying someone else's thesis, then I am willing to bear the consequences.

Thus, I have made this statement in truth for the information of interested parties.

Palembang, 21 September 2023

Stated,



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ACKNOWLEDGEMENT

First and foremost, I gratefully thank Allah, the Almighty, for His favors, strength, and most importantly, His loyalty and love from the beginning of my academic career to this degree level. His kindness has enabled me to achieve and succeed in all of my academic endeavors.

Aside from my efforts, the success of this report is heavily reliant on the support and guidance of many people. I'd want to use this occasion to convey my thanks to everyone who contributed to the successful completion of my thesis, which includes:

1. Mister Dr. Ing. Ahmad Taqwa, M.T. as a president of the state Polytechnic of Sriwijaya
2. Mister Carlos R.S, S.T., M.T. as a vice president I of State Polytechnic of Sriwijaya
3. Madam Nelly Masnila, S.E., M.Si., Ak. as a vice president II of State Polytechnic of Sriwijaya
4. Mister Ahmad Zamheri, S.T., M.T. as a vice president III of State Polytechnic of Sriwijaya
5. Mister Drs.Zakaria, M.Pd as a vice president IV of State Polytechnic of Sriwijaya
6. Madam Dr. Evada Dewata, S.E., M.Si., Ak., CA., CMA, as a head of Accounting major in State Polytechnic of Sriwijaya
7. Madam Yuliana Sari, S.E., MBA., Ak, as a secretary of Accounting major in State Polytechnic of Sriwijaya
8. Madam Anggeraini Oktarida, S.E., M.Si.Ak., CA, as a head of Diploma IV program public sector Accounting in State Polytechnic of Sriwijaya
9. All the lecturer, staff, administration and officer in Accounting of State Polytechnic of Sriwijaya
10. Miss Amilia Syuhada and Madam Anggeraini Oktarida, S.E., M.Si.Ak., CA. as my supervisor from Management and Science University and State Polytechnic of Sriwijaya Palembang.

In writing this final project report, the author feels far from perfect, due to the limitations of the abilities and knowledge that the author possesses. Therefore, all constructive criticisms and suggestions are highly welcome by the author as improvements for the future. May Allah SWT reward the kindness and sincerity of all parties who have assisted me in completing this final project by bestowing His Blessings and Grace.

Palembang, September 2023

Writer

DEDICATION

This study is dedicated from the bottom of my heart to my cherished family, friends, and classmates who gave me words of advice, strength, and encouragement when I considered giving up and who continue to provide me with moral support, spiritual, emotional, and financial support. In addition, my lecturer Dr Siti Fatimah Mohd Kassim and AP Dr Azam Abdelhakeem Khalid Ahmed served as a source of inspiration and a pillar of support during the completion of this thesis. And finally, I would like to thank the Almighty God for providing me with guidance, strength, mind power, protection, and skills, as well as a healthy life. All of these, I offer to you.

THE EFFECT OF GREEN ACCOUNTING ON THE COMPANY'S PERFORMANCES

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ABSTRACT

The concept of green accounting for businesses is the capability to minimise a variety of environmental issues that the company faces. The purpose of this study is to determine and analyse the effect of application of green accounting on the company's performance. In this study, the impact of green accounting, as assessed by the Company Performance Rating Programme in Environmental Management (PROPER), on the level of company's performance as measured by the Return on Assets (ROA) and Return on Equity (ROE) indicator is examined. This research is quantitative. This study utilised the annual reports of Indonesia Stock Exchange- listed mining companies as a secondary source of information. This study's population for 2019-2022 is comprised of mining companies listed on the Indonesian stock exchange. The sample was selected using purposive sampling, resulting in the selection of 164 companies. SPSS is used to analyse the collected data. The implications of this research explain how the company can increase environmental cost efficiency, so that it can be used as the basis for determining the anticipated level of profitability.

Keywords : Green Accounting, PROPER, Return on Assets, and Return on Equity.

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