THE EFFECT OF DEBT LEVEL AND CASH FLOW ON PROFIT PERSISTENCY OF COAL MINING SUB-SECTOR LISTED ON INDONESIA STOCK EXCHANGE PERIOD 2017-2021.

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Abstract: *Financial reports are financial information presented and prepared by the company's management to internal and external parties. Financial reports contain all business activities as a means of accountability and management communication to those who need it. The purpose of this study is to determine the effect of Debt Levels and Cash Flows on Profit Persistence in Coal Mining Sub-Sector Companies listed on the Indonesia Stock Exchange for the 2017-2021 period. This study uses quantitative research with 10 samples of companies listed on the Indonesia Stock Exchange for the 2017-2021 period. Based on the results of the study, shows that simultaneously the Debt Level and Cash Flow have a significant effect on Earning Persistence. Debt and Cash Flow have an effect of 29.3% on Profit Persistence (Y) in Coal Mining Sub-Sector companies listed on the Indonesia Stock Exchange in 2017-2021.*

Keywords: *debt level, cash flow, earnings persistence.*

Introduction

Indonesia is one of the coal-producing and exporting countries. The high demand and complex regulations applied by the government in mining management have made us aware that mining, including coal mining, cannot be driven only by micro-scale actors. Coal mining companies are one of the business sub-sectors listed on the Indonesia Stock Exchange (IDX) which in recent years have continued to experience growth.

Every company has the ultimate goal of getting the highest profit (Kasmir, 2016). Information about profits contained in the income statement and comprehensive income is also used by users of financial statements in estimating how to achieve cash flows in the future and ensuring profitability, investment value, and creditworthiness (Martani et al., 2016). According to Fanani (2015), if viewed from the management aspect, profit tends to be used as a reference in attracting investors. Profit is one of the important elements that need to be considered in a company. Subramanyam and Wild (2015) explained that in calculating the level of company performance, earnings quality refers to the relevance of earnings, which is determined from the company's business conditions and the application of the accounting basis set and applied by the company.

Changes in income levels, from losses to gains, and at other times suffer losses that tend to fall sharply. This causes the persistence of profits that the company has not run smoothly. Profit persistence according to Dewi and Putri (2015) is a profit that can describe the sustainability of the company's profits over a long period where the profit does not fluctuate.

Financial statements are financial information presented and prepared by the company's management to internal and external parties. Financial reports contain all business activities as a means of accountability and management communication to those who need it. Information presented in the financial statements regarding the financial position, performance, and changes in the financial position of a company will be used as a reference in making decisions by the user.

The purpose of the financial statements, in the Statement of Indonesian Accounting Standards (PSAK) No. 1 (2009), is to provide information about the financial position, financial performance, and cash flows of companies that are useful for most users of the report in making economic decisions. Thus the information contained in the financial statements is the basis for decision-making by interested parties. One of the main information in financial statements is information about profit.

Profit plays a very important role for a company. With profits, the company can maintain its survival and carry out various developments for the progress of its business. In recent years the business world is facing a fairly severe financial crisis. The current global economic condition in Indonesia is stated to be in critical condition, this affects small companies, large companies, and various fields of companies. Companies that experience this situation if they are not able to compete and improve performance in their fields will not last long and even cause bankruptcy. So companies in this era of globalization are competing to improve their performance to achieve the goals of the company itself. The general goal of every company is to make a profit.

Earnings persistence is one component of earnings quality, the profits earned are not only seen from the size but the ability to maintain these profits must also receive attention or better known as earnings persistence. Earnings persistence is an indicator of earnings quality. The measurement of earnings persistence is still different. In general, earnings persistence as a proxy for earnings quality is measured using a regression coefficient between the current accounting profit before tax and the past accounting profit before tax.

The first factor that can affect earnings persistence based on previous studies is cash flow. According to Putri et al., (2017), the sources of cash that the company owns and uses are summarized in the cash flow statement within a certain period. The statement of cash flows is thought to affect earnings persistence. Cash flow is part of the company's financial statements that can be used as a reference for investors to assess the company's development and maintain the company's liquidity level. Cash flow data is a better financial indicator because cash flow is relatively more difficult to manipulate, the higher the ratio of operating cash flow to net income, the higher the quality of the earnings. Recognition of accruals in the financial statements is expected to affect the persistence of earnings. More accruals mean more estimates and estimation errors, and therefore earnings persistence will be lower.

The second factor related to earnings persistence is the level of debt. The level of debt is considered useful in companies because it can support the company's financial situation in doing business, but if the debt owned by the company is too large and the interest is too high, it can certainly affect the company's profit. The level of debt also affects earnings persistence, Fanani (2015) states that the high level of corporate debt is usually influenced by long-term debt. The use of debt that is high enough for the company will increase the company's risk.

The consequences of the debt itself are interest payments and the risk of default. The use of high debt will provide stronger incentives for companies to increase earnings persistence by managing earnings for efficiency purposes. The increase in earnings persistence is aimed at maintaining good performance in the eyes of investors and auditors so that creditors still have confidence in the company and are easy to disburse funds. The higher the working capital funded by debt, the higher the company's profit.

In addition, the Coal Mining company sector in carrying out company operations requires large capital, one of which is debt. The calculation is carried out to assess how much the company's assets are financed by debt. If the ratio is high, it means that there is more debt funding and it will be difficult to obtain additional loans if the company's performance declines. It is feared that the company will not be able to cover its debts with its assets. But the large level of leverage causes the company to maintain good performance in the eyes of investors, with good performance creditors have confidence in providing funds to the company.

Literature Review

According to Kasmir (2016), financial statements are reports that show the company's current financial condition or within a certain period. The purpose of financial statements that show the current condition of the company is the current condition. The current condition of the company is the financial condition of the company on a certain date (for the balance sheet) and a certain period (for the income statement). Usually, financial reports are made per period, for example, three months, or six months for the company's internal interests.

According to Statement of Financial Accounting Standards No. 2 (IAI, 2015), cash flows are defined as inflows and outflows of cash or cash equivalents. Some financial analysts are more interested in linking operating cash flows as a determinant of earnings persistence because cash flows are considered more persistent than the accrual component. The higher the ratio of operating cash flow to net income, the higher the level of earnings quality. The cash flow statement is a basic financial statement that can predict the company's cash certainty in the future.

According to Kieso (2010:306) cash flow statement aims to provide information about the entity's cash receipts and disbursements for a period. Another objective is to provide information about the operating, investing, and financing activities of the entity on a cash basis. Therefore, the cash flow statement reports cash receipts, cash payments, and net changes in cash from operating, investing, and financing activities of the company during a period, in a form that can reconcile the beginning and ending cash balances.

Cash flow data is a better financial indicator than accounting because cash flow is relatively more difficult to manipulate. Cash flows from operating activities are mainly obtained from the company's main revenue-generating activities so the higher the operating cash flow to profits, the higher the quality of the earnings (Andreani and Vera, 2014).

In this study, operating cash flow is used as relevant information about the health of the company. Cash flow is used as an indicator for investors and creditors to determine the company's financial condition. Cash flow is also very useful for investors to know how the company fulfills its obligations in paying dividends. If the cash flow has a large amount, creditors will have a sense of trust in the company to pay its proposed liabilities, on the contrary, if the cash flow is in a small company, creditors tend to have less confidence in the company (Rizkiyah, 2018).

According to Sawir (2018), the level of debt (leverage) is a ratio that calculates how far the funds provided by creditors are as well as a ratio that compares the total debt to the overall assets of a company. If investors see a company with high assets but high leverage risk, it will affect the investor's decision to invest in the company. According to (Subramanyam and Wild, 2015) financial leverage is the use of debt to increase profits. The obligation to pay something is recorded as an obligation to companies, banks, or individuals who provide loans (Wareen et al, 2016).

The greater the level of debt encourages the company to always maintain the sustainability of its profits with the aim of maintaining good performance in the eyes of

investors and creditors (Arfan et al., 2014). The level of debt is one of the information in the financial statements that can affect the perception of investors. Investors tend to be more careful and more vigilant when investing in companies that have high debt levels (Kusuma and Sadjiarto, 2014).

According to Erselina et al. (2015), the main focus of financial statements is profit. Profit is the result of the company's operations in one accounting period. This profit information is very useful for investors. Increasing profits are good news for investors while declining profits are bad news for investors, profit growth can be calculated by subtracting the current period's profit from the previous period's profit and then dividing it by the previous period's profit. According to Supriadi (2017) the higher the company's profit growth rate, the greater the number of dividends the company will pay in the future.

This is because if the company still has excess profits after financing all investment opportunities it receives, then this profit will be distributed to shareholders in the form of cash dividends. Because profit is a measure of the performance of a company, the higher the profit achieved by the company, it indicates the better the company's performance so that investors are interested in investing their capital (Dewi Utari, Aridan Darsono 2014).

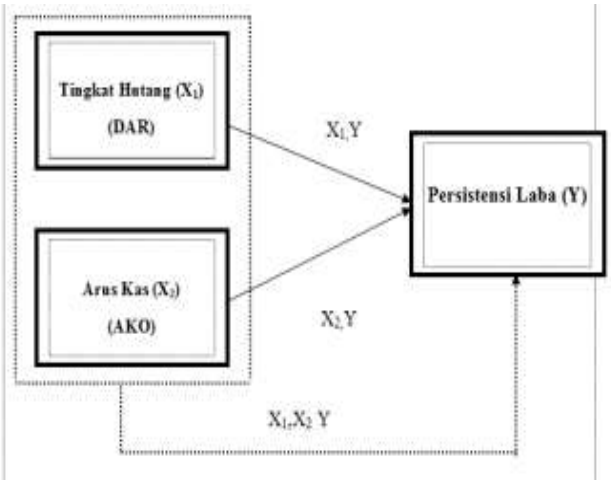
One component of earnings quality is earnings persistence. The persistence of accounting profit is a revision in expected future earnings that is implied by the current year's accounting profit (Djamaluddin, in Nurul 2019). According to Penman and Zhang (2018), "Earning persistence is a profit that has the ability to be an indicator of future earnings that is generated repeatedly (repetitively) in the long term (sustainable)". The definition of earnings persistence according to Scott (2015) is the revision of expected future earnings implied by the current year's earnings innovation so that earnings persistence can be seen from the year's earnings innovation.

Earnings persistence is a measure that describes the company's ability to maintain the amount of profit earned at this time until a future period (Sloan, 1996). Earning persistence according to Sunarto (2016) is a profit that has the ability as an indicator of future earnings generated by the company repeatedly (repetitive) in the long term (sustainable). According to Wijayanti (2006), persistent earnings are profits that can reflect the continuation of future earnings which are determined by the accrual component and its cash flow. Earnings persistence is a profit that has the ability to be an indicator of future earnings generated by the company repeatedly in the long term.

Earnings persistence is measured by changes in profit before tax for the current year which consists of profit before tax for the current year minus the profit before tax for the previous year divided by total assets. If earnings persistence > 1 this indicates that the company's earnings are persistently high, if earnings persistence > 0 this indicates that the company's earnings are persistent. On the other hand, if earnings persistence is 0 means that the company's earnings are not persistent and fluctuating. Companies that have persistent profits have the characteristics that the company can maintain the amount of profit throughout the year and there is a change or revision of profits in the following year where the profit increases consistently every year. On the other hand, companies that have non-persistent earnings have inconsistent and fluctuating characteristics of company profits every year.

Methhodology

According to (Anwar Sanusi, 2016) descriptive research design is a research design that is structured to provide a systematic description of scientific information originating from the subject or object of research.



This study uses the type of data that is quantitative data. According to (Sugiyono, 2016) explaining quantitative data is data in research that has met scientific standards and this quantitative research is a number or can also be explained by quantitative research, which is one of the studies that has a race on the philosophy of positivism which will be used as a tool to examine the population or certain samples, the data analysis used is quantitative or statistical in order to be able to test the predetermined hypothesis. According to (Nanang Martono in Sudaryono, 2018) that quantitative research is a research technique that aims to describe a problem or social phenomenon by analyzing whether there is a social relationship between the problems that occur in other communities.

1. Data Source

The source of data in this study is secondary data. According to (Syofian Siregar, 2016) that secondary data, namely data used by an organization or processor, does not get it directly. According to (Anwar Sanusi, 2016) that secondary data is data that is already available and already owned by related parties.

In secondary data, a researcher can directly utilize the available data according to research needs. This collection of secondary data is also available at the agency where the research was conducted and also available outside the agency.

The source of data used in this study is secondary data because the data used in this study were obtained from the financial statements of Coal Mining Subsector companies that have been listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period.

2. Population and Sample

According to (Suharyadi, 2016) that the population is a set of all possibilities of objects, people, or other possibilities, which will then become a set of all objects to be studied. In fact, the population can be described in two parts, namely the finite population and the infinite population.

In this study, the authors take a population of as many coal mining sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period.

According to (Sugiyono, 2016) The sample is part of the number and characteristics possessed by the population. Samples taken from the population must be truly representative (representing). In this study, the researcher used a purposive sampling technique, namely the sample was taken based on certain criteria in accordance with the research objectives which were considered representative of the research. The criteria for selecting the sample are as follows:

a. Coal mining sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period.

b. Coal mining sub-sector companies that publish financial reports for the 2017-2021 period.

c. Coal mining sub-sector companies that experienced fluctuations in the 2017-2021 period.

Based on these criteria, from the total population of the number of coal mining sub-sector companies listed on the Indonesian stock exchange as many as 22 companies, a sample of 10 companies was obtained with an observation period of 5 years and using annual financial reports from 2017-2021, so that the number of samples of companies observed was as much as 50 Financial Statements.

3. Hypothesis

According to (Sugiyono, 2016) that the hypothesis is a temporary statement to answer the formulation of the problem in the research that has been determined in the form of a question sentence. Stated as a provisional statement because the statement was given on the basis of theory and not based on facts obtained from data collection. The hypothesis in this study is as follows:

H1: The level of debt and cash flow simultaneously affects earnings persistence in coal mining sub-sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

H2: The level of debt partially affects earnings persistence in coal mining sub-sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

H3: Cash flow partially affects earnings persistence in coal mining sub-sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

4. Analysis Tools

(Anwar Sanusi, 2016) states that the data analysis technique is to explain the analytical tools used by a researcher in examining the data that the researcher has obtained. The data to be collected and studied is determined from the research phenomenon which also reflects the characteristics of the goal as hypothesis testing. A researcher is required to choose statistical methods to analyze the data that has been collected in order to obtain correct and accurate conclusions. Seeing that the statistical method used is relevant or not, is at least determined by the variable measuring scale. Analysis of the data used is the Classical Assumption Test which includes normality test, heteroscedasticity test, multicollinearity test, and autocorrelation test. Hypothesis testing includes multiple regression analysis tests, t-test, F test, and R2 test.

Findings & Discussion

A. Classical Assumption Test

Based on the specifications of the data that have been determined and by using the purposive sampling method, it was found that 10 companies that match the predetermined criteria were to be used as research samples. In this study, 50 samples were used, namely, Coal Mining Sub-Sector Companies Listed on the Indonesia Stock Exchange from 2017-2021. The Classical Assumption Test used in this study includes the Normality, Multicollinearity, Heteroscedasticity, and Autocorrelation Tests with the following description.

1. Normality Test Results

The normality test aims to test whether in the regression model the dependent variable (Y) and the independent variable (X) both have a normal distribution or not. Good and appropriate data used in this study is data that is normally distributed, in this study the researcher used the normality test with the Kolmogorov-Smirnov test.

The basis for making decisions to test the normality of the data is:

a. If the value of Sig> 0.05 then the value is normally distributed

b. If the value of Sig < 0.05 then the value is not normally distributed

Table Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		50
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	1,11162156
Most Extreme Differences	Absolute	,108
	Positive	,073
	Negative	-,108
Test Statistic		,108
Asymp. Sig. (2-tailed)		,200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: SPSS Processed in 2022

Based on the results of the normality test above, it shows that all research variables have a significance value of 0.200 > 0.05, so it can be concluded that the data in the study of Coal Mining Sub-Sector Companies Listed on the Indonesia Stock Exchange in 2017-2021 can be concluded that the data is normally distributed.

2. Multicollinearity Test Results

The prerequisite multicollinearity test that must be met in the regression model is the absence of multicollinearity. The multicollinearity test is used as a tool to test the regression equation whether there will be a relationship between variables in the independent variables. In the regression equation that is classified as true, there will be no relationship between the independent variables.

There are several test methods in the multicollinearity test that can be used to determine whether or not there is a deviation from the classical multicollinearity assumption with the basis for making the following decisions:

Based on the tolerance value:

a. If the tolerance value is > 0.10, it means that there is no multicollinearity in the regression model
b. If the tolerance value is < 0.10, it means that there is multicollinearity in the regression model

Based on the VIF value:

a. If the VIF value is < 10.00, it means that there is no multicollinearity in the regression model
b. If the VIF value is > 10.00, it means that there is multicollinearity in the regression model

Table Multicollinearity Test Results

Coefficients[a]				
Model		Standardized Coefficients	Collinearity Statistics	
		Beta	Tolerance	VIF
1	(Constant)			
	Debt Level	,249	,995	1,005
	Cash Flow	,498	,995	1,005
a. Dependent Variable: Earnings Persistence				

Source: SPSS Processed in 2022

Based on the results of the output table above that all independent variables can be explained as follows:

Based on Tolerance Value:

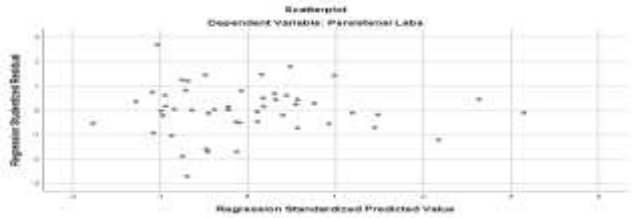
a. Based on the tolerance value, it is obtained where the value of the independent variable is Debt Level (X1) with a value of 0.995, which means the tolerance value is 0.995 > 0.10 so it can be concluded that there is no symptom of multicollinearity in the independent variable Debt Level (X1).
b. Based on the tolerance value, it is obtained where the value of the independent variable Cash Flow (X2) with a value of 0.995 which means the tolerance value is 0.995 > 0.10 so it can be concluded that there is no symptom of multicollinearity in the independent variable Cash Flow (X2).
c. Thus, from the two independent variables, Debt Level (X1) and Cash Flow (X2), based on the tolerance value obtained, it can be explained that there is no symptom of multicollinearity.

Based on VIF Value:

a. Based on the VIF value above, it is obtained where the value of the independent variable is Debt Level (X1) with a value of 1.005, which means that the VIF value is 1.005 < 10.00, meaning that there is no multicollinearity in the regression model for the independent variable Debt Level (X1).
b. Based on the VIF value above, it is obtained where the value of the independent variable Cash Flow (X2) with a value of 1.009 which means that the VIF value of 1.005 < 10.00 means that there is no multicollinearity in the regression model for the independent variable Cash Flow (X2).
c. Thus, from the three independent variables, Total Debt (X1) and Cash Flow (X2), based on the VIF value obtained, it can be explained that there is no symptom of multicollinearity.

3. Heteroscedasticity Test Results

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residual of one observation to another observation. A good



Regression model is one with homoscedasticity or no heteroscedasticity. In this study, how to detect whether or not heteroscedasticity occurs by looking at the scatter plot pattern graph with the basis for making the following decisions:

a.If there is a certain pattern, such as the existing dots forming a certain regular pattern (wavy, widening, and then narrowing), then heteroscedasticity occurs.

b.If there is no clear pattern, such as the dots spread above and below the number 0 on the Y axis, then there is no heteroscedasticity.

From the output above, it can be seen that the points do not form a clear pattern, and the points spread above and below the number 0 on the Y axis. So it can be concluded that there is no heteroscedasticity problem in the regression model.

4. Autocorrelation Test Results

The autocorrelation test is used to determine whether or not there is a deviation from the classic assumption of autocorrelation, namely the correlation that occurs between the residuals in one observation with other observations in the regression model. If there is a correlation, it is called and autocorrelation problem. Autocorrelation arises because successive observations over time are related to each other. The prerequisite that must be met is the absence of autocorrelation in the regression model. The basis for making decisions on the Autocorrelation Test is as follows:

a. If the value of d < dl can be interpreted that there is a positive autocorrelation.

b. If the value of d > (4-dl) it can be interpreted that there is a negative autocorrelation.

c. If du < d < (4-dl) it can be interpreted that there is no autocorrelation.

d. If 1 < d < du or (4-du) it can be interpreted that it cannot be concluded.

Table of Autocorrelation Test Results

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,541[a]	,293	,263	1,13503	1,727
a. Predictors: (Constant), Cash Flow, Debt Level					
b. Dependent Variable: Earnings Persistence					

Source: SPSS Processed in 2022

Based on the output of the table above, the results of the autocorrelation test can be explained as follows:

1. From the table above, the value (Durbin-Watson) d is 1.727
2. With 50 samples and 2 independent variables (k=2), the dL value is 1,462 (dw table attached) and the dU value is 1,628 (dw table attached)
3. So it can be explained

D	*dL*	*dU*	*4-dL*	*4-dU*
1,727	1,462	1,628	2,538	2,372

4. based on decision making if the value of dU < d< 4-dL then there is no autocorrelation

5. Thus, it means 1.628 < 1.727 < 2.538, so it can be concluded that there is no autocorrelation of the regression model in this study.

B. Hypothesis Test Results

Hypothesis Testing establishes a basis so that it can collect evidence in the form of data in determining the decision whether to reject or accept the truth of the statements or assumptions that have been made.

1. F test

To test the effect of the independent variables Debt Level (X1) and Cash Flow (X2) having a simultaneous or joint effect on Earning Persistence (Y), the F test is used with the following explanation.

Decision-making basis:

a. If the value of sig < 0.05, or Fount > Ftable, then there is an effect of the independent variables (X1 and X2) together on the dependent variable (Y) then H1 is accepted.
b. If the value of sig > 0.05 or Fount < Ftable, then there is no effect of the independent variables (X1 and X2) together on the dependent variable (Y) then H1 is rejected.

F Test Results Table

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25,119	2	12,560	9,749	,000[b]
	Residual	60,549	47	1,288		
	Total	85,669	49			

a. Dependent Variable: Earnings Persistence

b. Predictors: (Constant), Cash Flow, Debt Level

Source: SPSS Processed in 2022

Based on the results of the ANOVA output above, it can be seen that the significant value for the influence of Debt Level (X1) and Cash Flow (X2) simultaneously or together on Profit Persistence (Y) is obtained by the Fount value of 9.749 with a sig value of 0.000 with the following explanation:

1. By determining the value of F table with a total of 50 respondents using the formula Ftable = (n-k-1) Then Ftable = (50-2-1) = 47. So that F table is 3.20 (attached F table)
2. Thus it can be concluded that in this study the F count value of 9.749 > F table 3.20 and the sig value of 0.000 <0.05 so that the Debt Level (X1) and Cash Flow (X2) variables simultaneously or jointly have a significant effect on Earnings Persistence (Y).

2. t-test

The t-test was used to determine whether each of the independent variables between the Debt Level (X1) and Cash Flow (X2) partially or each had an effect or not on the dependent variable Earning Persistence (Y).

Decision-making basis:

a. If the value of sig <0.05, then there is an effect of each independent variable (X1 or X2) on the dependent variable (Y), then H0 is rejected.
b. If the value of sig > 0.05 then there is no effect of each independent variable (X1, or X2) on the dependent variable (Y), then H0 is accepted.

With details determine the table as follows:
a. Using t table with 95% confidence level = 0.05
b. Formula to find t table = (n-k)
c. Then t = (50-2) = 48
d. So that 0.05 with 48 obtained a t table value of 1.677 (attached t table)
Information :
n: Number of Samples
k: Number of Independent Variables (X)
a: Constant Value

t Test Results Table

Coefficients[a]				
Model		Standardized Coefficients Beta	T	Sig.
1	(Constant)		-1,733	,090
	Debt Level	,249	2,024	,049
	Cash Flow	,498	4,055	,000
a. Dependent Variable: Earning persistence				

Source: SPSS Processed in 2022

Based on the results of the t-test in the table above, it can be seen that the t-count value of the Debt Level variable (X1) is 2.024 and the Cash Flow variable (X2) obtained the t-count value of 4.055 with the following explanation:

1. Effect of Debt Level (X1) on Earning Persistence (Y)
   a. By determining the t table value with a 95% confidence level = 0.05 with the formula to find t table = t (n-k) and (50-2) = 48. So that the t table value is 0.05 with 48, the t table value is 1.677 (attached t table)
   b. Thus, it can be concluded that in this study the t count value is 2,024 > t table 1,677 (attached t table), and the value of Sig. 0.049 < 0.05. So that the Debt Level (X1) partially has a significant effect on Earning Persistence (Y) so it can be said that the H1 hypothesis is accepted.
2. Effect of Cash Flow (X2) on Earnings Persistence (Y)

a. By determining the t table value with a 95% confidence level = 0.05 with the formula to find t table = t (n-k) and (50-2) = 48. So that the t table value is 0.05 with 48, the t table value is 1.677 (attached t table)

b. Thus it can be concluded that in this study for the Cash Flow variable (X2), the t count value was 4.055 > t table 1.677 (attached t table) with the level of Sig. 0.000 < 0.05. So that the Cash Flow variable (X2) partially has a significant effect on Earning Persistence (Y) and it can be said that the H2 hypothesis is accepted.

3. R2 Determination Test

According to Imam Ghozali (2015), the Coefficient of Determination essentially measures how far the model's ability to explain variations in the dependent variable is. The

value of the coefficient of determination is between zero and one. A small value of R2 means that the ability of the independent variables in explaining the variation of the dependent variable is very limited. And vice versa, if the value is close to one, it means that the independent variables provide almost all the information needed to predict the dependent variables.

Table of Coefficient of Determination Test Results R2

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,541[a]	,293	,263	1,13503
a. Predictors: (Constant), Cash Flow, Debt Level				
b. Dependent Variable: Earning Persistence				

Source: SPSS Processed in 2022

Based on the output from the table above, the correlation coefficient R is 0.541, which means the level of influence between the independent variables: Debt Level (X1) and Cash Flow (X2) on the dependent variable Profit Persistence (Y) is 0.541. The coefficient of determination R2 (R Square) is 0.293, which means that the Debt Level (X1) and Cash Flow (X2) variables have an effect of 0.293 or 29.3% on Earnings Persistence (Y) while the remaining 70.7% is influenced by other factors that are not investigated in this study.

4. Multiple Linear Regression Analysis

Multiple Linear Regression Analysis was conducted to predict whether two or more independent variables (X1 and X2) had an effect on the dependent variable (Y) and how much influence the independent variables (X1, and X2) had on the dependent variable (Y).

Table of Multiple Regression Analysis Test Results

Coefficients[a]				
Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	-,809	,467	
	Debt Level	,781	,386	,249
	Cash Flow	,526	,130	,498
a. Dependent Variable: Ernings Persistence				

Source: SPSS Processed in 2022

The test results in the table of regression coefficients show the value of the coefficients in the multiple linear regression equation. The value of the equation used is in

column (coefficient). The standard multiple linear regression equation can be obtained as follows:

Y = - 809 + 0.781 X1+ 0.526 X2 + e

Based on the description above, the multiple linear regression equation can be interpreted as follows:

a. The constant value is -809, meaning that if the Debt Level (X1) and Cash Flow (X2) are 0, or other conditions are considered constant, the profit persistence is -809.
b. The Debt Level Coefficient (X1) is 0.781, meaning that every 1 unit increase in the Debt Level variable (X1) will increase earnings persistence by 0.781.
c. The value of the Cash Flow Coefficient (X2) is 0.526, meaning that every 1 unit increase in the Cash Flow variable (X2) will increase earnings persistence by 0.526.

Based on the results of the research that has been done, to answer the formulation of the research problem, it can be concluded that:

1. Debt Level (X1) and Cash Flow (X2) simultaneously affect Profit Persistence (Y) of Coal Mining Sub-Sector Companies Listed on the Indonesia Stock Exchange in 2017-2021.
2. Debt Level (X1) partially affects Profit Persistence (Y) of Coal Mining Sub-Sector Companies Listed on the Indonesia Stock Exchange in 2017-2021.
3. Cash Flow (X2) partially affects Profit Persistence (Y) in Coal Mining Sub-Sector companies listed on the Indonesia Stock Exchange in 2017-2021.

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