Receivables Turnover, Cash Turnover, and Sales Growth against Liquidity in Cosmetics Sector Companies Listed On the Indonesia Stock Exchange

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ABSTRACT: This study aims to determine the Effect of Receivables Turnover, Cash Turnover, and Sales Growth on Liquidity in Cosmetics Sector Companies Listed on the Indonesia Stock Exchange. The data collection technique in this study uses secondary data with the population of manufacturing companies in the cosmetics sector listed on the IDX totaling 7 companies. The sampling technique uses purposive sampling, which is as many as 6 companies. The analytical test tools used in testing this study are classical assumptions, hypothesis testing, and linear regression tests.

The results of the study show that the turnover of receivables has no effect on the company's liquidity. This means that every increase in receivables turnover is not followed by liquidity; Cash turnover affects the company's liquidity. This means that the availability of sufficient cash can increase the company's liquidity; Sales growth has no effect on the company's liquidity. This means that the increase in sales growth is not necessarily followed by liquidity and; simultaneously, receivables turnover, cash turnover, and sales growth affect the company's liquidity.

KEYWORDS: Receivables Turnover, Cash Turnover, Sales Growth, and Liquidity.

1. INTRODUCTION

Cosmetics and household goods companies are part of one of the consumer goods industry sectors listed on the Indonesia Stock Exchange which is engaged in the production of cosmetics, fragrances, hair care, food and beverage products, home care products, and body care products.

The Ministry of Industry has placed the cosmetics industry as a mainstay sector as stated in the National Industrial Development Master Plan (RIPIN) for 2015-2035 (kemenperin.id). One of the industries that is currently experiencing quite rapid growth is the industry in the field of cosmetics and household needs.

Cosmetics are an important need of society today because people need cosmetics to support their appearance and household goods that cannot be separated from human life. The Food and Drug Supervisory Agency (BPOM) assesses that cosmetics are the product category that has received the most distribution permits in Indonesia in the last five years with a total of 411,410 products (kompas.id)

The large amount of interest of people in these cosmetics has also encouraged the growth of various entrepreneurs in this industry. Therefore, the level of competition between cosmetic brands is also a tough thing for entrepreneurs. Every company that is established cannot be separated from its main goal, which is to obtain the maximum profit or profit for business continuity. Based on this, each company issues the right strategy so that its company continues to grow. So that not only fierce competition is the determining factor in the sustainability of a company or not.

Business continuity (Going Concerns) is influenced by many things, one of the indicators in assessing business continuity based on the performance of a company is the level of liquidity (Hidayat 2018). The company's liquidity level is said to be in good condition, if the higher the liquidity of a company, the greater the company's ability to pay off its short-term obligations (Lie, et al., 2016)

Many measures are used to see the liquidity condition of a company, including by using the current ratio. This ratio shows the extent to which current assets cover the current liabilities of the company. The greater the ratio of current assets to current liabilities, the higher the company's ability to cover its short-term liabilities (Carolin et al., 2023)

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Liquidity problems that occur in Cosmetics Sector Companies in 2019-2022 fluctuate can be seen in the table below:

Table 1.1 Average Current Ratio Data of Companies in the Cosmetics Sector in 2018-2022

YEAR	2018	2019	2020	2021	2022
CURRENT RATIO	2.40 times	2.17times	2.88times	2.73times	2.52 times

Source: www.idx.co.id (data processed 2023)

Based on the data above, it can be concluded that the average current ratio in cosmetics sector companies from 2019-2022 has fluctuated. One of the reasons for this is because there are still companies that do not have the ability to pay off their current debts. In 2018 the average value of the Current Ratio was 2.40 times, then in 2019 the average value of the Current Ratio decreased to 2.17 times then increased in 2020 to 2.88 times but in 2021 it fell to 2.73 and again there was a decrease in 2022 to 2.52 times.

Reporting from (Cnbcindonesia.com) In 2021, one of the cosmetics companies PT. Martina Berto Tbk (MBTO) sold assets because it suffered losses. Sales for divestment purposes due to disruption Cash Flow (cash flow) of the company caused by a decrease in sales because the company is unable to fulfill orders. The Board of Directors of PT. Martina Berto (MBTO) said that the decision was taken because the company needed additional liquidity, especially for debt payments to suppliers that would mature, while the company could no longer increase bank debt.

The main cause of a company's inability to pay its short-term debts is actually due to the negligence of the company's management in running its business and other causes because a company previously did not calculate the financial ratio given so that it does not know the company's financial condition is no longer able to afford it because the value of its debt is higher than its current assets.

This kind of thing will greatly disrupt the good relationship between the company and creditors, or also with distributors. In the long run, this will also have an impact on customers (consumers). This means that in the end the company will experience a crisis of trust from various parties who have been helping in the smooth running of its business. The main capital of the company that must be maintained is the trust of various parties in the company that will bring a company to the target that has been set. The higher the liquidity level of a company, the better its performance is considered.

Liquidity can also be affected by several factors, namely receivables turnover. Receivables are current assets that are relatively easy to liquidate, and liquidity is a reflection of the company's financial performance in fulfilling short-term obligations. If the management of receivables is good, the company's liquidity will also improve. The importance of liquidity can be seen by considering the impact that comes from a company's inability to meet its short-term obligations. Receivables turnover is a very important factor for the company, therefore it must be carefully observed because it concerns the company's performance. The higher the turnover level of a company's receivables, the better the management of its receivables, so that it will affect the level of liquidity (Matondang 2017)

In addition, another factor that affects liquidity is cash flow. A company that has high liquidity due to the presence of a large amount of cash. Cash is the most needed component of current assets to pay for various needs needed by the company. The larger the amount of cash that a company has, the higher the level of liquidity. The higher the cash turnover rate, the faster the return of cash to the company, thus the cash will be able to be reused to finance operational activities so that it does not interfere with the company's financial condition (Hidayat 2018).

Another factor that affects liquidity is sales growth. According to (Gaol 2015) Selling on credit will benefit sellers because it will expand the market. The higher the growth rate of product sales, the higher the liquidity will be because sales include cash and receivables which are included in the current asset category which is a component in calculating the level of liquidity, the survival of a company is influenced by many things, including the liquidity of the company itself, liquidity refers to the ability of a company to meet its short-term obligations.

2. RESEARCH METHODS

The location of this research was carried out on cosmetics sector companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period which was published through the official website of the Indonesia Stock Exchange or www.idx.co.id as well as the official website of each cosmetics company. The data taken is data on the financial statements of the cosmetics sector where the number of companies is 6 companies.

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This study uses a descriptive type of research with a quantitative approach. This research data is presented in the form of numbers on the financial statements of the cosmetics sector listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period by examining the reported data, making calculations, comparisons or measurements and applying it to the research results. The data source used in this study is secondary data.

3. RESULTS AND DISCUSSION
Descriptive Analysis

This analysis is only used to present and analyze data and calculate in order to clarify the circumstances or characteristics of the data concerned. The measurements used in this test include the number of samples, minimum values, maximum values, mean, and standard deviations. The results of the descriptive statistical analysis are as follows:

Table 1 Results of Descriptive Statistical Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Accounts Receivable Turnover	30	1,35	9,32	4,7088	2,44413
Cash Turnover	30	2,60	162,01	42,7498	40,96120
Sales Growth	30	-,45	,71	,0049	,22825
Liquidity	30	,61	10,25	2,5582	2,45132
N that is valid (listwise)	30				

Source: SPSS 26 output, data processed

Based on the results of the descriptive test above, we can describe the distribution of data obtained by the researcher as follows:

1. The variable of receivables turnover (X1), from the data can be described that the minimum value is 1.35 while the maximum value is 9.32 and the average turnover of receivables is 4.71. The standard deviation of the receivables turnover data is 2.44.
2. The cash turnover variable (X2), from the data can be described that the minimum value is 2.60 while the maximum value is 162.01 and the average cash turnover is 42.74. The standard deviation of cash flow data is 40.96.
3. The sales growth variable (X3), from the data can be described that the minimum value is -0.45 while the maximum value is 0.71 and the average cash turnover is 0.0049. The standard deviation of sales growth data is 0.22
4. The liquidity variable (Y), from the data can be described that the minimum value is 0.61 while the maximum value is 10.25 and the average liquidity is 2.55. The standard deviation of the sales growth data is 2.45.

Multiple Linear Regression Analysis

Multiple Linear Regression is a statistical analysis used to test the relationship of influence between more than one independent variable or independent variable to one bound variable or dependent variable. The multiple linear regression equations in this study are as follows:

Table 2 Multiple Linear Regression Results

Coefficient						
		Non-Standardized Coefficients		Standard Coefficient		
Pattern		B	Kesalahan Std.	Beta	t	Sig.
1	(Constant)	3.164	.942		3,358	.002
	Accounts Receivable Turnover	.134	.174	.134	.772	.447
	Cash Turnover	.029	.009	.550	3.361	.002
	Sales Growth	-2.268	1.862	-.211	-1.218	.234

Source: SPSS 26 output, data processed

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In the table "Coefficients" above, it can be explained about the multiple regression equations in this study. The formula for the regression equation in this study is as follows:

Y= α + β1 X1 + β2 X2 + β3 X3 + e
Y = 3,164+(0,134)+(-0,029)+(-2,268) + e

From the regression equation above, the conclusions that can be explained are as follows:
- The constant value is 3.164 (α = 3.164). The value above is the value of the fixed company in the company that is observed if there is no influence from the receivables turnover variable, cash turnover variable, and sales growth variable.
- β1 (regression coefficient value X1) of 0.134 indicates that if cash turnover and sales growth are equal to zero, then every increase in the unit of the receivables turnover variable will affect liquidity by 0.134 or 13.4% assuming that other variables are not examined in this study.
- β2 (regression coefficient value X2) of 0.029, indicating that if the turnover of receivables and sales growth is equal to zero, then every increase in the unit of the cash turnover variable will affect the value of the company by 0.029 or 2.9% assuming that other variables are not studied in this study.
- B3 (value of the regression coefficient X3) is -2.268, which means that if the turnover of receivables and cash turnover is equal to zero, then any increase in the unit of the sales growth variable will affect the company's liquidity, which will decrease by 2.268 or 226.8% assuming that other independent variables are not examined in this study.
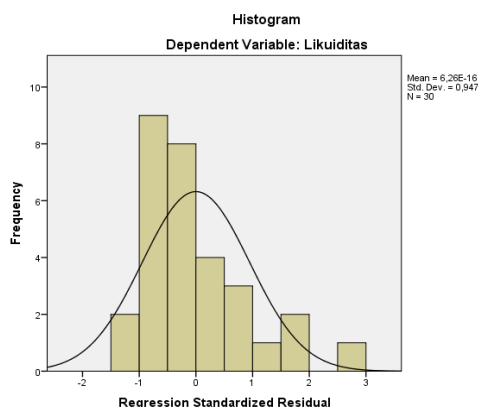
Classical Assumption Test

The classical assumption test in this study uses a normality test, a multicollinearity test, and a heteroscedasticity test

1. Test Normality

The normality test aims to test whether in the regression model the bound variable and the free variable both have a normal distribution or not.
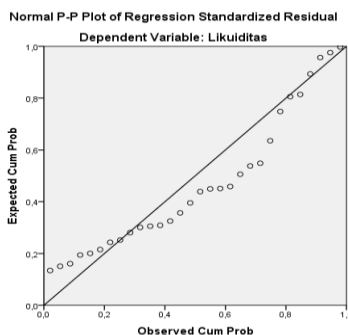
A. Histogram

Graph 1 Histogram Results

The results in the histogram normality test produce a mountainous curve shape, so it can be said that the distributed pattern is normal.

B. P-Plot

Graph 2 P-Plot Results

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The results in this test are by analyzing the graph, the way to analyze the graph is done by looking at the data distribution points on the normally distributed diagonal axis.

C. Normality Test

Table 3. Kolmogorov-Smirnov Test Results

Kolmogorov-Smirnov Test One Sample		
		Unstandardized Residual
N		30
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	2,02755322
The Most Extreme Differences	Absolute	,182
	Positive	,182
	Negative	-,121
Statistical Test		,182
Asim. Sig. (2-tail)		,012c
a. The distribution of the test is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source : SPSS 26 output, Data has been processed

The results of the statistical data normality test using the Kolmogorov Smirnov Test showed that the significance number was 0.012, which was smaller than 0.05 (0.012<0.05), meaning that the data was abnormally distributed, so the researcher conducted another test using the Monte Carlo method. This aims to prove that this study is normally distributed.

Table 4. Kolmogorov-Smirnov Test Results with Monte Carlo

Kolmogorov-Smirnov Test One Sample			
			Unstandardized Residual
N			30
Normal Parameters[a,b]	Mean		,0000000
	Std. Deviation		2,02755322
The Most Extreme Differences	Absolute		,182
	Positive		,182
	Negative		-,121
Statistical Test			,182
Asim. Sig. (2-tail)			,012c
Monte Carlo Sig. (2 Heads)	Sig.		,249d
	99% Confidence Interval	Lower Limit	,238
		Upper Limit	,260
a. The distribution of the test is Normal.			
b. Calculated from data.			
c. Lilliefors Significance Correction.			
d. Based on 10000 sample tables with 2000000 initial seeds.			

Source: SPSS 26 output, Data has been processed

Based on the table above, there is an output from the normality test with the Kolmogorov-Smirnov Test using the Monte Carlo significant value criterion. The Monte Carlo method is a method of testing data normality using systematic development that utilizes random numbers. The purpose of Monte Carlo was to see the distribution of the tested data from samples that were

random or considered to be too extream. (Kinanti & Rosdiana 2020) From the table, it can be seen that the significant value using the Monte Carlo Sig method (2-tailed) is 0.249 > 0.05 which can be said that the residual value is normally distributed.

2. Multicollinearity Test

The multicollinearity test aims to check whether there is a correlation between independent variables in the regression model. The results of the multicollinearity test in this study are as follows:

Table 5 (Multicollinearity Test Results)

Coefficient

Pattern	Non-Standardized Coefficients		Standard Coefficient			Collinearity Statistics	
	B	Kesalahan Std.	Beta	t	Sig.	Tolerance	VIF
1 (Constant)	3,164	0,942		3,358	0,002		
Accounts Receivable Turnover	0,134	0,174	0,134	0,772	0,447	0,879	1,138
Cash Turnover	0,029	0,009	0,550	3,361	0,002	0,982	1,019
Sales Growth	-2,268	1,862	-0,211	-1,218	0,234	0,876	1,142

a. Dependent Variable: Liquidity

Source: SPSS 26 output, Data has been processed

Based on the table of the results of the multicollinearity test above, it can be seen that the variable of turnover of receivables shows a tolerance value of 0.879. The cash turnover variable showed a tolerance value of 0.982 and the sales growth variable showed a tolerance value of 0.876. That is, all variables showed a tolerance value greater than 0.10 and a VIF value less than 10. So all variables show that multicollinearity does not occur

3. Autocorlation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between the perturbrillator error in the t-period and the perturbrillator error in the t-1 period (previously). To check if there is an autocorrelation, the Durbin Watson test can be used.

Table 6 Autocorrelation Test Results

Pattern	R	R square	Customized R Square	Std. Estimation Error	Durbin-Watson
Model[b] Summary					
1	,529a	,280	,194	1,43157	1,729
a. Predictors: (Constant), LAG_X3, LAG_X2, LAG_X1					
b. Dependent Variable: LAG_Y					

Source: SPSS 26 output, Data has been processed

The table above informs the results of the autocorrelation test with the Durbin Watson value obtained from the results of data processing is d = 1.729. This value when compared with the table value using a degree of confidence of 0.05 or 5% with the number of samples (n) as many as 30, and the number of independent variables (k) as much as 3, the value of dL = 1.2138 and the value of dU = 1.6498 are obtained. According to the test results, the data showed no autocorrelation (dU < d < 4-dU)

4. Heteroscenity Test

The Heteroscedasticity test aims to see if there is a variance inequality from the residual for all observations in the regression model.

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Table 7 Heteroscedacity Test Results

Coefficient							
		Non-Standardized Coefficients		Standard Coefficient			
Pattern		B	Kesalahan Std.	Beta		t	Sig.
1	(Constant)	1,273	,565			2,252	,033
	Accounts Receivable Turnover	,122	,104	,228		1,167	,254
	Cash Turnover	,007	,005	,263		1,427	,166
	Sales Growth	-1,503	1,117	-,263		-1,346	,190
a. Dependent Variable: Liquidity							

Source: SPSS 26 output, Data has been processed

Based on the table above, it shows that the significance value between the independent variable and the residual absolute is greater than 0.05 (> 0.05). The significant value of the receivables turnover variable was (0.254 > 0.05), the cash turnover variable was (0.166 > 0.05) and the sales growth variable was (0.190). So it can be said that heteroscedasticity does not occur.

Hypothesis Test

Hypothesis testing in this study simultaneously uses hypothesis testing (F test), partial (t test) and determination coefficient (R2). The following is an explanation of each test as follows:

1. Partial Test (T Test)

This test aims to determine the influence of partial independent variables on bound variables. If t is calculated > t table or the significance value of the t test < 0.05, it is concluded that individually independent variables have a significant effect on the dependent variables. . The research observation data is 30 data with a number of variables of 3 variables using a significance level of 0.05, then the value of the degree of freedom (df) is n-k-1 = 30-3-1 = 26 so that the Ttable value of 2.05553 is obtained.

Table 8 T Test Results

Coefficient							
		Non-Standardized Coefficients		Standard Coefficient			
Pattern		B	Kesalahan Std.	Beta		T	Sig.
1	(Constant)	3,164	,942			3,358	,002
	Accounts Receivable Turnover	,134	,174	,134		,772	,447
	Cash Turnover	,029	,009	,550		3,361	,002
	Sales Growth	-2,268	1,862	-,211		-1,218	,234
a. Dependent Variable: Liquidity							

Source: SPSS 26 output, Data has been processed

The Effect of Receivables Turnover on Liquidity

From the table above, namely the results of the T (partial) transformation test, the significance value of the influence of receivables turnover on liquidity. In this t-test, the criteria used are at a level of 0.05 with degrees of wetness df = n-k-1. So n-k-1 (30-3-1) then T table gets a value of 2.05553, while T his seen in the coefficient table of 0.772. Based on a partial test on the effect of receivables turnover, it can be concluded that the value of T h is < T table (0.772 < 2.05553) and the significance value is 0.447 meaning > 0.05. So, it can be concluded that H0 is accepted and H1 is rejected, this can be said that partially the variable of receivables turnover has no effect on liquidity in cosmetics sector companies listed on the Indonesia Stock Exchange for the 2018-

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2022 period.

The Effect of Cash Turnover on Liquidity

From the table above, which is the result of the T (partial) transformation test, that the significance value of the influence of cash turnover on liquidity. In this t-test, the criteria used are at a level of 0.05 with degrees of wetness df = n-k-1. So n-k-1 (30-3-1) then T table gets a value of 2.05553, while T his seen in the coefficient table of 3.361. Based on the partial test on the effect of cash turnover, it can be concluded that the value of T his > T table (3.361 > 2.05553) and the significance value of 0.002 means > 0.05. So, it can be concluded that H1 is accepted and H0 is rejected, this can be said that partially the cash turnover variable affects liquidity in cosmetics sector companies listed on the Indonesia Stock Exchange for the 2018-2022 period.

2. Simultaneous Tests

The F test aims to determine the effect of independent variables together (simultaneously) on dependent variables. The F-test was carried out by comparing the F-calculated value with the F-table, To determine the F-table value at a significance level of 5% with degrees of freedom (df1) = k - 1 and (df2) = n – k, where n is the number of samples and k is the number of free and bound variables.

Table 9 Simultaneous Test Results

ANOVAa

Pattern	Sum Squared	Df	Means square	F	Sig.
1 Regression	55,042	3	18,347	4,001	,018b
Remnant	119,219	26	4,585		
Entire	174,261	29			

a. Dependent Variable: Liquidity

b. Predictors: (Constant), Sales Growth, Cash Turnover, Receivables Turnover

Source : SPSS 26 output, Data has been processed

In the F test, the researcher uses a level of α = 5% with the degree of validity n-k-1 (30-3-1) then Ftabel got a score of 2,975. Based on the simultaneous (simultaneously) f test on the ANOVA (Analysis Of Variance) table, F calculated as 4.001 with a significance level of 0.018. So Fcal>Ftabel (4.001 > 2.975) and the significance value of 0.018 is less than 0.05, meaning that H0 is rejected H1 is accepted. Therefore, the variables of receivables, cash turnover, and sales growth simultaneously affect the liquidity variable.

3. Test the Determination Coefficient

The determination coefficient, which is often symbolized by R2, in principle sees the large influence of the independent variable on the bound variant. The following are the results of statistical tests obtained from SPSS.

Table 10 Test Results Coefficient of Determination

Model Summary

Pattern	R	R square	Customized R Square	Std. Estimation Error
1	,562a	0,316	0,237	2,14133

a. Predictors: (Constant), Sales Growth, Cash Turnover, Receivables Turnover

Source : SPSS 26 output, Data has been processed

In the results of the determination test above, what is seen is the R Square table because it is the value of R2. The data above shows that the large contribution of all independent variables to the dependent variable is 0.316 or 31.6%. So it can be said that the independent variables, namely receivables turnover, cash turnover, and sales growth, can explain the dependent variable, namely liquidity which is proxied with a Current Ratio of 0.316 or 31.6%. The remaining 68.4% was explained by other independent variables that were not included in the regression analysis.

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DISCUSSION

The Effect of Receivables Turnover on Liquidity

Receivables turnover is a ratio used to measure how long it takes to collect receivables during a period, how many times the funds invested in these receivables rotate in one period. The high receivables turnover ratio reflects the improving quality of receivables. The high or low turnover of receivables depends on the amount of capital invested in receivables. The faster the turnover of receivables means the faster the capital returns. A high turnover rate of receivables means that the faster the funds invested in receivables can be collected into cash. The higher the ratio, the lower the capital investment, and of course the better this condition for the company. On the other hand, the lower the ratio, the more there is over investment in receivables.

Based on the results of the study, it is shown that the turnover of receivables has no effect on the liquidity of companies in the cosmetics sector listed on the Indonesia Stock Exchange. So that the number of times the turnover of receivables in the company has no effect on the company's liquidity. This can happen because the company still has a sufficient amount of cash to pay its short-term obligations so that the company does not have to rely on the receipt of receivables to pay its debts. Thus, the increase in receivables turnover does not guarantee the company's ability to pay its short-term obligations or liquidity. The higher the receivables turnover ratio, indicating that the smaller the funds embedded in the receivables, this means the better for the company. Receivables turnover is obtained by comparing net sales with the average amount of receivables. The results of this study are in line with the results of research conducted by, (Trisnayanti et al., 2020) (Pemata 2011) (Aprian &; Lestari 2020) which states that the turnover of receivables has no effect on liquidity.

The Effect of Cash Turnover on Liquidity

Cash is the value of cash contained in a company and other posts in the near future that can be cashed out and used as a means of payment for financial needs and the highest level of liquidity. Meanwhile, cash turnover is the circulation of cash into cash back. If cash is rotated once, it means that since the cash is used for the production process (goods or services) and finally becomes cash again. The more often cash rotates, the higher this ratio will be.

Based on the results of the study, it is shown that cash turnover affects the liquidity of cosmetic companies listed on the Indonesia Stock Exchange. The high cash turnover rate reflects the speed of cash flow returning from the cash that has been invested. With the return of cash, it can avoid the company's financial difficulties and minimize the cost or risk of not returning cash to the company so that the company's liquidity level will increase. Therefore, it is necessary to carry out effective and efficient cash management efforts so that the use of cash can be optimal so that it can meet the company's liquidity. The results of this study are in line with the results of research conducted by (Wijaya 2018), (Jaya 2019) (Runtulalo et al., 2018) which states that cash flow affects liquidity.

This shows that the more cash turnover increases, the more the company's liquidity increases, which means the greater the company's ability to meet its current obligations. Similarly, the lower the cash turnover, the lower the company's liquidity, which means that the smaller the company's ability to meet its current obligations.

Cash is an asset element that cannot generate profits directly in the company's operations. Therefore, it is necessary to carry out effective and efficient cash management efforts so that the utilization of cash can be optimal so that it can meet liquidity. The cash needed by the company that is used for the company's daily operations (in the form of working capital) and for the purchase of fixed assets has a continuous and non-continuous nature. Constant cash needs such as for the purchase of raw materials and auxiliary materials at manufacturing companies or the purchase of merchandise at trading companies, paying salaries and wages, buying equipment and so on. Meanwhile, cash needs that are not continuous or irregular such as cash needs for the purchase of fixed assets, debt installment payments, dividend payments, tax payments and so on (Pemata 2011)

The Effect of Sales Growth on Liquidity

Based on the results of the study, it is shown that sales growth has no effect on the liquidity of cosmetic companies listed on the Indonesia Stock Exchange.

The results of the study prove that the increase in sales growth is not necessarily followed by liquidity. The sales growth can be attributed to several other factors, including increased operational costs and high taxes. Likewise, a decrease in sales or even losses It can be caused by a decrease in the quality of goods, limited supply of raw materials, limited technology, changes in consumer performance, the emergence of substitute goods, the emergence of competitors, often empty inventory, higher prices.Although sales growth is increasing, it is not always followed by liquidity. This is supported by research by (Carolin et al., 2023) and Gaol (2016). Another study by (Hadi, 2017) which shows that the Sales Growth Rate does not have a significant effect on Liquidity. Based on these results, it shows that an increase in sales growth is not followed by an increase in liquidity, meaning that if the sales growth rate increases, this will instead reduce liquidity.

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Sales growth can be said to be good or positive when the sales figure is higher than the sales figure of the previous period. The higher the company's sales growth, the company's revenue also increases, and vice versa. In the company's financial statements, it can be seen that a company's sales have increased or decreased from year to year (Astuti & Dharma 2023). Vegetation Alesbisa It is said to be positive when the sales figure is higher than the figure in the previous period. With positive numbers, of course the company's finances are better and the top ranks are more likely to determine Business Strategy which is even better than before. Positive sales growth occurs when the company's total sales revenue increases from the previous period. Positive sales growth shows that the company has managed to improve sales performance and also reach more customers. Negative sales growth occurs when the company's total sales revenue decreases from the previous period. Negative sales growth can indicate a problem in marketing strategy, stiff competition, or a decline in market demand.

The Effect of Receivables Turnover, Cash Turnover, and Sales Growth on Liquidity

Simultaneously or together, receivables turnover, cash turnover, and sales growth affect liquidity in cosmetics sector companies for the 2018-2022 period. These results are in line with research conducted by (Sulistiyono 2021) and (Arika &; Ardini, 2017) It was found that receivables, cash turnover, and sales growth also had an effect on liquidity. This shows that independent variables are able to explain and provide the information needed to predict dependent variables. Based on previous testing, the results were obtained that cash turnover, receivables turnover, and sales growth have a simultaneous effect on liquidity. This means that together the three independent variables (cash turnover, receivables turnover, sales growth) have an influence on their bound variable (liquidity).

Companies are advised to be wiser in allocating funds to minimize unnecessary expenses, so that cash turnover occurs more effectively. Then further tighten policies and receivables conditions, so that the turnover of receivables occurs continuously and does not experience obstacles that can affect the company in terms of finance, as well as sales so that the company does not suffer losses that affect the company's liquidity.

Liquidity is the ability of a company to fulfill its short-term obligations by using current assets in order to be able to pay its obligations on time. If the company is able to make payments, it means that the company is in a liquid state, while if the company is in a state of not having the ability to pay short-term obligations, it means that the company is in a liquid state.

Liquidity is a very important factor in supporting the smooth running of a company's business activities and therefore management always pays more attention to efforts to maintain a good level of liquidity. Business continuity (going concern) is influenced by many things, one of the indicators in assessing business continuity based on the performance of a company is the level of liquidity. The company's liquidity level is said to be in good condition, if the higher the liquidity of a company, the greater the company's ability to pay off its short-term obligations.

CONCLUSION

Based on the results of partial and simultaneous data analysis regarding the effect of receivables turnover, cash turnover, and sales growth on liquidity in companies in the Cosmetics Sector listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period, the following conclusions are concluded:

1. The turnover of receivables partially has no effect on liquidity in companies in the Cosmetics Sector for the 2018-2022 period. Higher receivables turnover does not guarantee a company's ability to pay its short-term obligations or liquidity. This can happen because the company has an amount of cash that can still meet or be available to pay the company's short-term obligations so that the company will not rely on the receipt of receivables to pay its debts.

2. Cash turnover partially affects liquidity in cosmetics sector companies 2018-2022. The high cash turnover rate reflects the speed of cash flow returning from the cash that has been invested. With the return of cash, it can avoid the company's financial difficulties and minimize the cost or risk of not returning cash to the company so that the company's liquidity level will increase.

3. Sales growth partially had no effect on liquidity in companies in the Cosmetics Sector for the 2018-2022 period. The results of the study prove that the increase in sales growth is not necessarily followed by liquidity. This is due to several factors, including increasing operational costs and high taxes.

4. Receivables turnover, cash turnover, and sales growth simultaneously have a significant effect on liquidity, The results of the simultaneous test prove that cash turnover, receivables turnover and inventory turnover have a simultaneous effect on profitability. This shows that independent variables are able to explain and provide the information needed to predict dependent variables. Therefore, companies should pay more attention to cash assets, receivables, and sales, companies are advised to be wiser in allocating funds to minimize unnecessary expenses, so that cash turnover, receivables, and sales

growth occur more effectively. Then the company is advised to further tighten the policies and conditions of receivables, so that the turnover of receivables occurs continuously and does not experience obstacles that can affect the company financially, as well as sales so that the company does not suffer losses that affect the company's liquidity.

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