ABSTRACT

The research was conducted in PT.PINDAD (Persero) Industrial Machinery and Services Division of Bandung as one manufacturing company. The purpose of this study was to determine how much influence and Working Capital Accounts Receivable Turnover of Profitability on PT.PINDAD (Persero) Industrial Machinery and Services Division either partially or simultaneously. The method used in this research is descriptive analysis method with quantitative approach.

The population used in this research that the financial statements of the balance sheet and income statement PT.PINDAD (Persero) Industrial Machinery and Services Division earned from 1983 until now 2011. Sample selection is done by using purposive sampling method with the amount of data as much as 7 years. Statistical method used is multiple linear regression to test the classic assumption in advance using the program SPSS 15.0.

The results of this study indicate partially working capital have a significant effect on profitability, which means that working capital is increasing every year, so that the position will also be increasing its profitability. While turnover has no significant effect on profitability. Besides working capital and receivables turnover simultaneously significant effect on profitability, which means profitability obtained PT.PINDAD (Persero) Bandung highly dependent on working capital and accounts receivable turnover.

Keywords: Working Capital, Receivables Turnover, Profitability