EFFECT OF WORKING CAPITAL AND RECEIVABLES TURNOVER TO PROFITABILITY
(Surveys on mining companies oil and gas companies listed on the Stock Exchange)

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ABSTRACT

Working Capital is a fund that is invested into liquid assets to finance the day-to-day operations . Receivables turnover is a ratio that shows the length of time to turn receivables into cash . This study aims to provide empirical evidence about the influence of Working Capital and Receivables Turnover to Profitability in the mining sector companies oil and gas are listed on the Stock Exchange.

The population in this study was 5 companies mining oil and gas that are listed on the Stock Exchange for 6 years (2008-2013) . The sample selection is done by using purposive sampling method with certain criteria . Total sample of five companies mining oil and gas that are listed on the Stock Exchange . The analysis used is descriptive analysis and verification with quantitative approach . The analysis model is multiple regression analysis .

The results of testing the hypothesis in this study showed that (1) changes in working capital has a significant positive effect on profitability (ROA) in the mining sector companies oil and gas are listed on the Stock Exchange , (2) Receivables Turnover has an insignificant positive effect on profitability (ROA) in the mining sector companies oil and gas are listed on the Stock Exchange , and (3) Working Capital and Receivables Turnover has a significant effect on profitability (ROA) in the mining sector companies oil and gas companies listed on the Stock Exchange.

Keywords : Working Capital , Accounts Receivable Turnover and profitability (*ROA) .*