

EFFECT OF INVENTORY TURNOVER AND RECEIVABLE
TURNOVER TO SUPPLY AND MANUFACTURING COMPANY
ROA IN INDONESIA STOCK EXCHANGE (ISX)

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ABSTRACT

Topics in the study was conducted to test the inventory turnover and receivables turnover that affects the profitability of manufacturing companies listed on the Indonesia Stock Exchange (ISX) in the annual report issued successively during 2008 to 2009. The purpose of this study to determine the magnitude of the effect of independent variables (inventory turnover and receivables turnover) against the dependent variable (ROA). This study uses the method of causality and also using the method of content analysis in determining whether the independent variable (inventory turnover and receivables turnover) is tied with the dependent variable (ROA).

These results indicate that the turnover of inventory a significant factor on the disclosure of Return On Asset (ROA). And accounts receivable turnover a not significant factor on the disclosure of Return On Asset (ROA).

Key words: inventory turnover, receivables turnover, ROA.