

# **EFFECT OF GROSS INCOME, INCOME OPERATING INCOME AND CASH FLOWS IN PREDICTING THE FUTURE OF MANUFACTURING COMPANY LISTED IN BEI**

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## **Abstract**

Financial report aims to provide information concerning the financial position and performance of a company's financial position perubahab that benefit a large number of users in making economic decisions, while the income statement is aimed at helping users of financial statements in predicting future cash flows. Several previous studies on the prediction of future flows show different results, therefore it is necessary to restudy that tested the ability of the gross profit, operating profit and net income in predicting cash flow.

The purpose of this study is to provide an empirical analysis of the ability of the gross profit, operating profit and net income in predicting future cash flows. Through research ni earnings capacity which can be seen better in predicting future cash flows. The data used in this study is secondary data in the form of financial statements of listed manufacturing companies in Indonesia Stock Exchange (BEI) from 2009 to 2011. Independent variable used is gross profit, operating profit, net profit. While dependet variable is cash flow.

The method used in this study is the Purpose Sampling by using multiple linear regression in SPSS 18 For application windows each of these hypotheses were tested to answer the research objectives. The result of study are as follows: (1) The simultaneous (coequal) in gross profit, operating profit and net income significantly influence the prediction of cash flow. (2) The gross profit partially significant effect on cash flow prediction. (3) Partially operating profit no significant effect on cash flow prediction. (4) The partial net income does not significantly influence the prediction of cash flows.

***Keywords: gross profit, operating profit net profit, cash flow***