ABSTRAK

This research titled "The Effect of Internal Audit Function and Effectiveness of Internal Control on the Effectiveness of Fraud Prevention". The main purpose of this research are to understand the Effect of Internal Audit Function and Effectiveness of Internal Control on the Effectiveness of Fraud Prevention (Fraud) in 3 Pharmaceutical companies BUMN in Bandung City.

The method which utilized in this research are descriptive and verification method. Simple linear regression are utilized as well in order to understand the similarity of the Internal Audit Function and the Effectiveness of Internal Control; correlation analysis to discover any relations between the Internal Audit Function and the Effectiveness of Internal Control and the Effectiveness of Fraud Prevention; determination of coefficient to find out the contribution of the effect of Internal Audit Function and Effectiveness of Internal Control on the Effectiveness of Fraud Prevention and hypothesis testing (t-test) to find out the signifance of Internal Audit Function and Effectiveness of Internal Control on the Effectiveness of Fraud with the help of IBM SPSS.

The result us that the Internal Audit Function on the Effectiveness of Fraud Prevention (Fraud) had a significant effect on the contribution of influence of 29.7% the Effectiveness of Internal Control on the Effectiveness of Fraud Prevention had a significant effect on the contribution of influence of 14.4% and the Internal Audit Function and the Effectiveness of Internal Control Effectiveness of Fraud Prevention (Fraud) simultaneously has a significant effect with contribution of influence of 44.1%.

Keywords: Internal Audit Function, Effectiveness of Internal Control, Effectiveness of Fraud Prevention (Fraud)