

ABSTRACT

PT Perusahaan Listrik Negara (PLN) is a State-Owned Enterprise (BUMN) that manages all aspects of electricity in Indonesia. One of the things that can interfere with the company to achieve its goals is the existence of cheating practices so that the company can harm both internal and external parties. Therefore, company management is demanded to be able to manage their companies by taking into account the risks that have a large loss impact so that the possibility that can harm the company can be prevented or intimidated. This study aims to examine the effect of internal audit and internal control on the prevention of fraud in PT PLN (Persero) Section of West Sumatra Region. The population in this study is the internal auditor. The sample selection technique is using the saturated sample method, while the sample in this study were 42 internal auditors. The data collected is primary data using a questionnaire.

The analytical method used in this study is multiple linear regression analysis at a significance level of 5%. The program used in analyzing data uses Statistical Package for Social Sciences (SPSS) Ver. 23:00.

The results of testing this hypothesis indicate that simultaneously or together these two variables also show a significant effect on fraud prevention. While partially internal audit and internal control shows that there is a significant influence on fraud prevention. It can be concluded that in order to prevent fraud, internal audit is required to be able to provide the competence that it has to periodically evaluate the company's internal control so that internal control in a company is better and can prevent fraud

Keywords: Internal Audit, Internal Control, Fraud Prevention.