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THESIS APPROVAL LETTER

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ABSTRACT

The aim of this research is to evaluate the role of internal audit in the effectiveness of raw materials inventory internal control in PT. Nusantara Beta Farma, Padang. This study is descriptive research in form of case study and research source is the result of interview. The output of this research is the information related with the role of internal audit and effectiveness of raw materials inventory internal control. This research shows result that is in PT. Nusantara Beta Farma, internal audit is said to be good in view of the initial procedure by having a close look at the schedule and the audit programs developed previously that include financial auditing and operational auditing. The role of internal audit in the effectiveness of raw material inventory internal control is still poor. It is because the effectiveness is only assessed pursuant to estimates or forecasts and not accompanied by the measuring to assess the effectiveness of internal control of raw material inventory. Raw material inventory internal control in PT. Nusantara Beta Farma has yet to run properly.

Keyword: Internal Audit, Effectiveness of Raw Materials Inventory Internal Control.

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