

ABSTRACT

SMEs became an important actor with their flexible structures, contribution to employment and innovative structures in the globalizing world economy. New business opportunities in the global economy also created by rapidly developing SMEs are an important indicator in terms of their economic position. SMEs constitute the majority of firms in Turkey. SMEs in Turkey creations of employment, national income and tax contributions are important contributions to the development of the economy. Turkey was opened to the world and earns revenues from exports to Turkey through with SMEs and their flexible structure and competitive.

Internal control system to avoid failures and to attain the objectives of the businesses of the activities that need to be created in the system. SMEs safeguarding of assets, effective and efficient use of financial statements to ensure reliability in reducing the risk of fraud and corruption in businesses plays an active role in the internal control system.

In this thesis, the role of SMEs' internal control system to prevent the fraud was studied. For this purpose, managers of SMEs in Istanbul were surveyed for determining the role of SMEs internal control system to prevent the fraud and collected data were analyzed with SPSS software. According to the findings it was seen that there was a positive effect of established internal control system on the prevention of fraud. It was also drawn a conclusion that the prevention of fraud depends on an efficient and productive internal control system.

Keywords: SME, internal control, accounting information system, fraud