

**INTERNAL AUDITING PRACTICES OF KINDO KOYISHA WOREDA  
FINANCE AND ECONOMIC DEVELOPMENT BUREAU, ETHIOPIA**

<sup>1</sup>Dr. Preeti Kulshrestha, <sup>2</sup>Dr. Anubha Srivastava, <sup>3</sup>Dr. Vijay singh Rawat

<sup>1</sup>Associate Professor (Accounting), School of Commerce and Management,  
Dayanand Sagar University, Bangalore (INDIA)

<sup>2</sup>Former Assistant professor and HOD (Accounting) Amity University India,  
Consulatant (Accounting) Djerapah Megah Plasindho, Sukoharjo, Jawa Tengah- Indonesia.

<sup>3</sup>Assistant Professor, Department of Civil Engineering,  
Adama Science and Technology University, Ethiopia.

**DOI:** 10.46609/IJSSER.2020.v05i01.008 **URL:** <https://doi.org/10.46609/IJSSER.2020.v05i01.008>

**ABSTRACT**

This study is conducted to assess the internal audit practice in Kindo Koyisha Woreda Finance and Economic Development Bureau, Ethiopia. Internal auditing is an indispensable tool of the organization to achieve its objective of profitability and to evaluate and enhance its risk management, control, and governance procedures. In the present study, researchers attempted to identify the strength and weaknesses of the internal auditing practice of the organization. To assess this study the researcher uses the descriptive type of the research design and regarding the data are would be collected from both primary and secondary sources. Regarding the sample size, the judgmental or purposive sampling techniques would be used. The total population of the study is 53 from these the researcher select only 20 employees of the organization by using the purposive or judgmental sampling techniques .the internal auditor of kindo koyisha woreda finance and economic development have low understandings of the audit procedure, detail accounting knowledge, and the employees of the organization did not understand the internal control of the organization. But the internal auditory of the organization has good work experience. Based on the above finding the researcher recommends the organization would have to hire CPA qualified auditors because they can match the audit activity with the current principle and standards and the organization to give periodic training for internal auditors about audit guidelines and principles by inviting high-level auditors.

**Keywords:** Internal Audit, Internal Control, Auditors, Fraud Detection, Accounting system.

## **INTRODUCTION**

Internal audit is defined by The Institute of Internal Auditors (IIA) as, Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Auditing is a systematic process of objectively obtaining and evaluating evidence regarding ascertain economic action and event to ascertain the degree of correspondence between that assertion and established criteria and communicating the results to the interested user (Whittington, 2002). The role of auditing in a modern economy has increased following the separation of ownership and management of corporations that are presumed to result in a conflict of interest between agents and principals (Adams, 1994). Corporate failure in major developing countries like the US, UK augments the demand for stringent focus on governance practices of worldwide companies. Internal audit significance increased with a consequence of corporate failure which started around the end of the 20th century (Moeller, 2004; Swinkels, 2012; Gamage, et al., 2014).

The presence of well-organized corporate governance is one of the strongest ways to monitor and promote strong governance systems in the corporate form of organizations (Belay, 2007). Internal audit (IA) is considered as an integral part of corporate governance structure within an organization which includes the steps taken by the board of directors and audit committee to enhance the transparency and reliability of the financial reporting process. In the viewpoint of Al-Twaijry, et al., (2003) the benefits of having an Internal Audit Department (IAD) within the organizations are following: Firstly, it improves organization operational efficiency by managing various risks. Secondly, it helps in the prevention and detection of mistakes or fraud and safeguarding of assets. The relevance of an internal audit has been recognized by many countries legislations such as the Sarbanes Oxley Act (2002) and Corporate Governance Principle of Organization for Economic Cooperation and Development (OECD, 2004). Despite many corporate failures still, organizations are not understanding the significance of internal audit concepts and practices in many developing countries which is confirmed by various studies conducted in Libya, Tanzania, Kenya, and Ethiopia as indicated by Abu-Azza, 2012; Ramachandran, et al., 2012; Changwony & Rotich, 2015; Wubishet & Dereje, 2014.

In today's dynamic business environment, researchers and practitioners are more emphasizing on Internal audit and role of internal auditors towards the organization's operation than earlier (George, et al., 2015; Baharud-din, et al., 2014; Changwony & Rotich, 2015). The global

business environment has put immense pressure on certain points such as performance evaluation and effectiveness of the internal audit as indicated by Arena & Azzone, 2009; Mihret, 2010; Abu-Azza, 2012; Wubishet & Dereje, 2014

According to Karapetrovic & Willborn (2000), Internal Audit Function (IAF) should consider more organization trends and practices and take advice from experts to bring efficiency and effectiveness rather than accuracy of recording. As indicated by, Staciokas & Rupsys, (2005) that now, the Internal audit role has been shifted from the traditional role of checking the only arithmetical accuracy of accounts to an extended role. This modern role of internal audit is helping the organizations to gain economy, efficiency, and effectiveness. (Al-Twajjry, et al., 2003; Arena & Azzone, 2009).

History of the development of Internal auditing in Ethiopia has prevalent for quite a long time. It comes from another important document issued in 1987.

Argaw (2000) and Kinfu's (1990) have indicated the development of accounting in the 1940s.

The history of internal auditing practices in Ethiopia is quite long back to the 1940s nearest to the phase of the development of the accounting profession in Europe and in the United States of America. In these countries, internal audit tasks and practice were not fully commenced in various institutions. However, the real development took place by the establishment of the Institute of Internal Auditors (IIA) in 1941.

## **BACKGROUND OF THE ORGANIZATION**

Kindo koyisha Woreda Finance and Economic Development Bureau is located in Southern Nation Nationalities and Peoples Regional State in wolaita zone in Bele town and it also far from region capital city of Awassa 167km and 369Km far from Addis Ababa. Kindo koyisha Woreda Finance and Economic Development Bureau become an independent organization in 1992 from the kindo koyisha woreda municipality bureau. It has 53 employees within it. The main activity of this organization is maintaining the revenue from various sources to allocate to different social, economic and political expenditures. It has 5 departments and management office at the top. The departments are development plan, human resource management, information system department, purchase and sales department, and internal auditing department. This organization has a relationship channel with any other government sectors. But selected relation is with internal revenue authority (IRA). Because the main activity is raising revenue so the revenue of government was raised mainly from tax this why the main relation was made with IRA that IRA gives the method in which tax is collected and procedures used to levy tax and amount to be collected.

## **STATEMENT OF THE PROBLEM**

According to, the Institution of Internal Auditor (IIA), internal auditing is independent, objective assurance, and consulting activity designed to add value and improve organizational operations. It helps an organization achieve its objective by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance procedures. the internal auditor roles include monitoring, assessing and analyzing organization risks and control, reviewing and confirming information and compliance with the police, procedures, and laws of working in partnership with the management.

As defined, above the main activities of the internal auditing as the name indicates were auditing and inspecting the internal activity of the organization but there were so many weaknesses and problems within the organization that hinder the effectiveness and efficiency of the organization. An organization with an efficient and effective internal auditing team benefits the organization to achieve its strategies and objectives. However, kindo koyisha Woreda Finance and Economic Development Bureau is not taking advantage of good internal auditing team practice.

In this sector, the probability of occurrence cash embezzlements, misuse of resources, and misappropriation of organizational assets and other errors and fraud occurred. Due to these, the company to meet its objectives and understand its operations effectively and efficiently achieve, they need sound internal control. However, in view of the researcher, most of the company does not give consideration to the development and implement of a proper internal control system. Considering this, the researcher motivated to focus on the assessment of the internal auditing practice of kindo koyisha woreda finance and economic development bureau is encountered. Succeeding at this point some problems derived and assumed by taking exploratory observation taken by the researcher of kindo koyisha Woreda Finance and Economic Development bureau sector.

Based on the above in-depth analysis, the researcher raised the following research questions:

- What are the problems of internal auditing practice in kindo koyisha woreda finance and economic development bureau?
- What is the quality of internal audit work in kindo koyisha woreda finance and economic development bureau?

Due to above problems, the quality of information deteriorated from time to time and causes for this problem in finance and economic development bureau of Kindo koyisha Woreda in particular and suggest possible recommendation and suggestion to the above problem. But I will be used to assess the assessment of internal auditing practice in kindo koyisha woreda finance and economic development bureau purposive sampling techniques were used. In these, the target populations of the study are those who represent the study and to get the exact information from those who represent the study. But the researcher Taman Goa used simple random sampling

techniques and he takes those who representing the study and not representing the study by using the simple random selection method. But I try to overcome these problems by using purposive sampling method.

### **OBJECTIVES OF THE STUDY**

This study haven carried out with the following objectives:

- To identify weaknesses internal auditing practice in kindo koyisha woreda finance and economic development bureau.
- To assess the quality of internal audit in the kindo koyisha woreda finance and economic development bureau.
- To understand the relationship of an auditor with the employees of the organization.

### **SIGNIFICANCE OF THE STUDY**

The present study is an attempt to identify the strength and weaknesses of the internal audit system of government organizations. This study will contribute to identifying relationships prevailing in the organization amongst employees and auditors. Outcomes of the study will help the organization to understand the reason for inaccurate reports, to stop the embezzlements of cash and any other mishandling other resources. This study also helps researchers and other academicians to conduct further research in a similar context.

### **HYPOTHESIS**

Hypothesis:H<sub>0</sub>: Internal auditing practices are not very effective in the organization.

H(Alternative): Internal auditing practices are quite effective in the organization.

H<sub>0</sub>: Relationship between auditor and staff is not very cohesive.

H(Alt): Relationship between auditor and staff is very cohesive.

### **SCOPE OF THE STUDY**

The scope of the study is limited to a brief explanation of problem identification of internal auditing practice with particular reference of Kindo koyisha woreda financial and economic development bureau. It explains the problem seen on internal auditing especially the quality of internal auditor, report problem, auditor regulation and guidelines to prepare the report and another internal auditing related problem. In addition to these, it explains the effect of these problems on the organization in general and to assess these problems particularly.

### **LIMITATION OF THE STUDY**

While conducting this research, researchers have faced the following challenges:

- ✓ Respondents reluctant attitude.
- ✓ Lack of documents prepared by the organization related to internal auditing practice.

## **REVIEW OF LITERATURE**

Kamala G. 1996, Auditing is the process by which a competent independent person accumulates and evaluates evidence about financial information related to a specific economic entity to determine and report on the degree respondent.

Auditing was a process through which frauds and error discovered there were a few who through that auditing was concerned with checking their accounting records and had been kept properly and up to date and that is only created problems for an efficient manager who might not have bothered to keep their records up to the date. Auditor deeply examines accounts and related documents and finally gives his report.

Arens (1997), according to the researcher, auditing is just an activity to accumulate and evaluate evidence regarding information given in the accounts and reports to determine the degree of deviation from set criteria or standards to facts. Auditing should be done by a competent and qualified independent auditor.

### **Applicability of internal auditing**

The development phase of internal auditing is more business organization-centric.

This creates a tie between the exacting literature of the profession and ease of work within the business organizations.

These ties, however, unreasonably do not accept the universal applicability of internal auditing to all types of organizations. But, they fail to recognize that some of the most progressive internal auditing is now being done by non-business type organization. Another fact is now many organizations are blended with business and non-business activities. These dynamic business organizations recognize the significance of internal auditing practices. Thus, internal auditing is badly required due to complex activities, the volume of transactions and dependence on a large number of people to exist in some combination to create operational problems.

As it is demonstrated by Shekahaar (2003) in his research that to ascertain the quality of the internal personnel, the independent auditor should deeply inquire the following:

Independent auditors should inquire about the qualifications and technical training of the internal audit personnel. In a few cases, both the internal auditors and the independent auditors belong to

the same professional organization and are subject to the same professional regulation except for independence.

The clients' recruitment process and training procedure of the internal audit personnel.

The extent of supervision provided by the chief internal auditor includes the supervision on planning, monitoring progress, assessing conclusions reached, reviewing reports and following up to ensure that recommendations accepted are carried out.

The standing of and regard for the abilities of internal Auditors personnel in the client organization.

### **The nature of internal control**

According to Boynton (1995), internal audit can be defined as the system through which an entity tries to minimize the accounting errors, irregularities, and illegal activities and frauds. Internal control is a process, designed by the board of director's management, and other personnel responsible to carry on this activity to enhance the reliability of financial reporting and to ensure compliance with applicable law and regulations.

### **Significance of internal control**

The significance of internal control to management and independent auditors has been recognized in the professional literature many years ago. In 1947 publication by the AICPA entitled internal control cited the following factors as contributing to the increasing recognition of internal control.

Business entities are operating in a complex environment and widespread that why management must rely on numerous reports and analyses to effectively control operations.

The check and review inherent in a good system of internal control afford protection against human weaknesses and reduce the possibility that errors or irregularities will occur.

### **Inherent limitations of internal control systems**

According to Arens (1997), internal control can never be considered as completely effective, despite due care followed in their design and implementation. Regardless of an ideal system, its effectiveness depends on the competency and dependence of the people using it.

Because auditors cannot have more than reasonable assurance of their effectiveness, there is almost always some level of control risk greater than zero. Therefore, even with the most effectively designed internal controls the auditor must obtain evidence beyond testing the controls for every material financial statement account.



Most of the control procedures are devised in relation to anticipated types of transactions and hence may not be effective in relation to unusual or extraordinary transactions.

## **RESEARCH METHODOLOGY**

The research design of the paper is descriptive and exploratory. To conduct research qualitative data was collected by using questionnaires to assess the internal audit practice of the organization.

The research was conducted in Kindo Koyisha Woreda Finance and Economic Development Bureau. Primary data was collected through the administered questionnaire by using five point likert scale questions of “1-Strongly Disagree”, “2-Disagree”, “3-Undecided”, “4-Agree”, and “5-Strongly Agree”. Questions were of semantic scale questions, nominal scale questions and demographic details related questions. Secondary data was collected from various reports of the organization and other published sources. The target populations were the employees of Kindo Koyisha Woreda Finance and Economic Development Bureau, especially those who all are an integral part of internal audit activity. The researchers have used non-probable sampling techniques to conduct research. Out of a total of 53 employees, the researcher took only 40 employees who all are actually engaged in internal audit activity i.e. the manager, internal auditors, and accountants of the organization who have the knowledge about internal auditing activity. The researcher collects the data from all the respondents through a closed-ended questionnaire.

## **DATA ANALYSIS**

The main attempt of this study is to investigate the assessment of the internal auditing practice in the Kindo Koyisha Woreda Finance and Economic Development Bureau. Therefore, this section presents the analysis and discussion of research findings based on primary survey. In addition to these the researcher used the secondary source of the data to find out similar results out of extensive literature review.

Data were analyzed by using descriptive statistics i.e. mean, standard deviation and percentage. Correlation was calculated and Cronbach's alpha value has been calculated to find out the reliability of data.

## **RESULT AND DISCUSSION**

### **Analysis of personal profiles and general background of the respondents**



**Table 1: Genders of the Respondent**

<b>Gender</b>	<b>Frequency</b>	<b>Percentages</b>
Male	28	70
Female	12	30
Total	40	100

It is evident from Table No.1 that 28 (70%), of Respondents, are male while the remaining 12 (30%). This indicates that majority of employees are male in the organization. are females.

**Table 2: Age of the Respondents**

<b>Age(in Years)</b>	<b>Frequency</b>	<b>Percentages</b>
20-25	18	45
26-30	12	30
31-35	6	15
36-40	4	10
Above40	-	
Total	40	100

It is evident from Table No.2 that Majority of employees are in the age group of 20-25 years (45%) of the total population and 30% population is in the age group of 26-30 years. 15% employees are falling in the age group of 31-35 years and 10% employees falling in the age group of 36-40. None of the employees are above 40 years. Thus, the organization has a young workforce.

**Table 3: Education of the Respondents**

<b>Distribution of Respondents</b>		
<b>Education</b>	<b>Frequency</b>	<b>Percentages</b>
Diploma	10	25
Degree	28	70
Masters	2	5
Total	40	100

It is evident from respondents' classification concerning their educational background that, 25% of employees have Diploma level education and 70% have the degree-level qualification and only 5% out of total employees have an MBA Degree. As the information gathered from the questionnaire indicates that in kindo koyisha Woreda Finance and Economic Development Bureau has seven internal auditors, out of these four have a degree and three have diploma and manager have an MBA degree.

**Table 4: Descriptive Analysis**

<b>Variables</b>		<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>
Relationship	Relationship between an auditor and other employees is good to perform the task	40	4.15	0.66
Shortage	Shortage of Auditor in the organization	40	2.9	1.06
Duties	Internal auditors are exercising their duties with due care.	40	4.1	1.01
Training	Internal auditors regularly get training	40	3.65	0.8
Cooperation	Staff members cooperate the auditors while conducting internal audit activity	40	3.75	0.95
Accounting system	An accounting system is effective to strengthen the internal audit system	40	2.25	1.43
Detection of fraud	Internal audit is effective to detect frauds and errors	40	3.95	0.99
Suggestions	Auditor gives valuable suggestions to improve internal auditing practice in the organization	40	3.95	1.22
Hampering of normal routine	An internal audit often hampers the normal routine work of the organization	40	3.65	0.92

It is depicted from table no. 4 that average mean of all questions regarding effectiveness and relationship of internal auditors with other staff members of Kindo Koyisha Woreda Finance and

Economic Development Bureau is 3.59. The result is consistent with the findings of Alzeban & Gwillian (2014) study on internal audit effectiveness conducted in Saudi public sector. Organisation have shortage of auditor which is clearly reflecting from lowest mean score value i.e. 2.9 and accounting system is not very effective and strong to support the internal audit system.

**Table 5: Correlation Table**

		<b>Relati onshi p</b>	<b>Shor tage</b>	<b>Dut ies</b>	<b>Trai ning</b>	<b>Cooper ation</b>	<b>Accou nting Syste m</b>	<b>Detec tion of Frau d</b>	<b>Sugge stion</b>	<b>Norma l Routin e</b>
<b>Relations hip</b>	Pearso n Correla tion	1	0.61	0.67	0.58	0.71	0.66	0.72	0.58	0.51
	Sig. (2- tailed)	0	0	0	0	0	0	0	0	0.001
	N	40	40	40	40	40	40	40	40	40
<b>Shortage</b>	Pearso n Correla tion	0.61	1	0.78	0.68	0.79	0.93	0.78	0.83	0.65
	Sig. (2- tailed)	0	0	0	0	0	0	0	0	0
	N	40	40	40	40	40	40	40	40	40
<b>Duties</b>	Pearso n Correla tion	0.67	0.78	1	0.87	0.88	0.73	0.93	0.92	0.87

	Sig. (2-tailed)	0	0	0	0	0	0	0	0	0
	N	40	40	40	40	40	40	40	40	40
<b>Training</b>	Pearson Correlation	0.58	0.68	0.87	1	0.89	0.57	0.89	0.87	0.94
	Sig. (2-tailed)	0	0	0	0		0	0	0	0
	N	40	40	40	40	40	40	40	40	40
<b>Cooperation</b>	Pearson Correlation	0.71	0.79	0.88	0.89	1	0.72	0.91	0.92	0.83
	Sig. (2-tailed)	0	0	0	0	0		0	0	0
	N	40	40	40	40	40	40	40	40	40
<b>Accounting System</b>	Pearson Correlation	0.66	0.93	0.73	0.57	0.72	1	0.74	0.74	0.5
	Sig. (2-tailed)	0	0	0	0	0		0	0	0.001
	N	40	40	40	40	40	40	40	40	40

<b>Detection of Fraud</b>	Pearson Correlation	0.72	0.78	0.93	0.89	0.91	0.74	1	0.89	0.88
	Sig. (2-tailed)	0	0	0	0	0	0	0		0
	N	40	40	40	40	40	40	40	40	40
<b>Suggestion</b>	Pearson Correlation	0.58	0.83	0.92	0.87	0.92	0.74	0.89	1	0.85
	Sig. (2-tailed)	0	0	0	0	0	0	0	0	0
	N	40	40	40	40	40	40	40	40	40
<b>Normal Routine</b>	Pearson Correlation	0.51	0.65	0.87	0.94	0.83	0.5	0.88	0.85	1
	Sig. (2-tailed)	0	0.001	0	0	0	0	0.001	0	0
	N	40	40	40	40	40	40	40	40	40

Table No. 5, Correlation table have revealed that all the variables are perfectly correlated with each other and p value is 0.001 which is lower than standard p value i.e. 0.05, which indicates that researcher shows enough evidence to reject null hypotheses. There is a perfect correlation among all the variables and P-value is less than 0.05 hence null hypotheses are rejected.

**Table 6: Reliability Test**

Cronbach's Alpha	N of Items
0.96	9

The Cronbach's alpha was used to find out the extent to which the items under study are highly correlated with one another and less correlated with other variables. Cronbach's value more than .60 is acceptable. Table 4.6 depicts that Cronbach alpha is 0.96 which means all the variables are highly correlated in the study.

### **CONCLUSION**

Internal audit is very important for the overall operation of the organization in ensuring the fairness of financial statements, evaluating whether the activities in the organization are operated effectively and efficiently, and detecting incorrect financial transaction records in the activities of the organization. The internal audit function needs competent and efficient auditors that have good computer skills, a good understanding of procedures, and having detail accounting knowledge. However internal auditors of kindo koyisha woreda Finance and Economic Development Bureau were not qualified because of a lack of knowledge of current updated accounting and auditing standards. From the viewpoint of the manager, these auditors also have not much expertise in basic computer skills. The organization has not implemented proper accounting and audit procedures. The auditors and employees of the organization have too much negligent attitude towards pursuing and performing the task as per the required procedures. Employees are not able to understand the internal control system of the organization. The auditors and the concerned authorities are least concerned to create awareness amongst the employees regarding activities to be undertaken and preparation to be done beforehand for internal audit. The auditors' correct faults and error through review with the accountants and manager of the organization after the problem have occurred. This indicates the auditors did not work more to prevent errors and faults before it happens.

### **FURTHER SCOPE OF THE STUDY**

In the present research an attempt has been made to identify the weaknesses of internal audit system of one government agency. Further researchers can conduct similar study on internal audit system of other government departments of Ethiopia or similar study can be conducted on other countries also.

### **ACKNOWLEDGEMENT**

This research was partially supported by my fellow colleague Dr. Anubha Srivastava .I am thankful to her for providing insight and expertise that greatly assisted the research.

We thank for assistance with Dr. Vijay singh Rawat, Assistant professor, Adama Science and Technology University, Ethiopia for comments that greatly improved the manuscript.

We would also like to show our gratitude to the employees and manager of kindo koyisha woreda finance and economic development bureau for sharing their pearls of wisdom with us during the course of this research, and we thank 3 “anonymous” reviewers for their so-called insights.

## **REFERENCES**

- Ahmad, N.; Othman, R.; Othman, R. & Jusoff, K. (2009). The effectiveness of internal audit in Malaysian public sector. *Journal of Modern Accounting and Auditing*, 5(9), p. 53.
- Al-Akra, M.; Abdel-Qader, W. & Billah, M. (2016). Internal auditing in the Middle East and North Africa: A literature review. *Journal of International Accounting, Auditing and Taxation*, 26, pp. 13-27.
- Ali, A.M.; Gloeck, J.D.; Ali, A.; Ahmi, A. & Sahdan, M.H. (2007). Internal audit in the state and local governments of Malaysia. *Southern African Journal of Accountability and Auditing Research*, 7(1), pp. 25-57.
- Al-Twaijry, A.A.; Brierley, J.A. & Gwilliam, D.R. (2004). An examination of the relationship between internal and external audit in the Saudi Arabian corporate sector. *Managerial Auditing Journal*, 19(7), pp. 929-944.
- Alzeban, A. & Gwilliam, D. (2014). Factors affecting the internal audit effectiveness: A survey of the Saudi public sector. *Journal of International Accounting, Auditing and Taxation*, 23(2), pp. 74-86.
- Alzeban, A. & Sawan, N. (2013). The role of internal audit function in the public sector context in Saudi Arabia. *African Journal of Business Management*, 7(6), p. 443.
- Ankara, L.M. (2016). The role of internal audit regime in Ghana: towards improved governance and accountability, *International Conference on Management, Communication and Technology (ICMCT)* May.
- Arena, M. & Azzone, G. (2009). Identifying organizational drivers of internal audit effectiveness. *International Journal of Auditing*, 13(1), pp. 43-60.
- Arena, M.; Arnaboldi, M. & Azzone, G. (2006). Internal audit in Italian organizations: A multiple case study. *Managerial Auditing Journal*, 21(3), pp. 275-292.



- Asare, T. (2009). Internal auditing in the public sector: Promoting good governance and performance improvement. *International Journal on Governmental Financial Management*, 9(1), pp. 15-28.
- Baharud-din, Z.; Shokiyah, A. & Ibrahim, M.S. (2014). Factors that contribute to the effectiveness of internal audit in public sector. *International Proceedings of Economics Development and Research*, 70, p. 126.
- Baharud-din, Z.; Shokiyah, A. & Ibrahim, M.S. (2014). Factors that contribute to the effectiveness of internal audit in public sector. *International Proceedings of Economics Development and Research*, 70, p. 126.
- Brierley, J.A., El; Nafabi, H.M., & Gwilliam, D.R. (2001). The problems of establishing internal audit in the Sudanese public sector. *International Journal of Auditing*, 5(1), pp. 73-87.
- Cohen, A. & Sayag, G. (2010). The effectiveness of internal auditing: an empirical examination of its determinants in Israeli organisations. *Australian Accounting Review*, 20(3), pp. 296-307.
- Daniela, P. & Attila, T. (2013). Internal audit versus internal control and coaching. *Procedia Economics and Finance*, 6, pp.694-702.
- Dellai, H. & Omri, M.A.B. (2016). Factors affecting the internal audit effectiveness in Tunisian organizations. *Research Journal of Finance and Accounting*, 7(16), pp. 208-211.
- Dittenhofer, M. (2001). Internal auditing effectiveness: an expansion of present methods. *Managerial Auditing Journal*, 16(8), pp. 443-450.
- Fama, E.F. & Jensen, M.C. (1983). Separation of ownership and control. *The journal of law and Economics*, 26(2), pp. 301-325.
- Felix Jr, W.L. & Gramling, A.A. (2001). The contribution of internal audit as a determinant of external audit fees and factors influencing this contribution. *Journal of Accounting Research*, 39(3), pp. 513-534.
- Frigo, M.L. (2002). *A balanced scorecard framework for internal auditing departments*. Institute of Internal Auditors Research Foundation.
- Getie Mihret, D. & Zemenu Woldeyohannis, G. (2008). Value-added role of internal audit: an Ethiopian case study. *Managerial Auditing Journal*, 23(6), pp. 567-595.

- Gronewold, U. & Heerlein, A. (2009). The staff capacity of the internal audit function of German corporations. In *midyear meeting of the auditing section of the American accounting association*.
- Hanim Fadzil, F.; Haron, H. & Jantan, M. (2005). Internal auditing practices and internal control system. *Managerial Auditing Journal*, 20(8), 844-866.
- Haron, H.; Daing Nasir Ibrahim, D.; Jeyaraman, K. & Hock Chye, O. (2010). Determinants of internal control characteristics influencing voluntary and mandatory disclosures: A Malaysian perspective. *Managerial Auditing Journal*, 25(2), pp. 140-159.
- Hung, J.H. & Han, H.L. (1998). *An empirical study on effectiveness of internal auditing for listed firms in Taiwan*. Retrieved November 4, 2016, from <http://www3.bus.osaka-cu.ac.jp/apira98/archives/pd>. Internal Institute of Auditing.
- Institute of Internal Auditors (IIA). (1999). Definition of Internal Auditing, Online. Available.
- Lenz, R. & Hahn, U. (2015). A synthesis of empirical internal audit effectiveness literature pointing to new research opportunities. *Managerial Auditing Journal*, 30(1), pp. 5-33.
- Maletta, M.J. (1993). An examination of auditors' decisions to use internal auditors as assistants: The effect of inherent risk. *Contemporary Accounting Research*, 9(2), pp. 508-525.
- Mihret, G. D., & Yismaw, W. A. (2007). Internal audit effectiveness: an Ethiopian public sector case study. *Managerial Auditing Journal*, 22(5), pp. 470-484.
- Mulugeta, S. & Gebrehiwot, G. (2008). Internal audit: reporting relationship in Ethiopian public enterprises. *Doctoral dissertation, M. Sc. Dissertation*.
- Mutchler, J.F. (2003). Independence and objectivity: a framework for research opportunities in internal auditing. *Research Opportunities in Internal Auditing*, pp. 231-268.
- Onumah, J.M. & Yao Krah, R. (2012). Barriers and catalysts to effective internal audit in the Ghanaian public sector. In *Accounting in Africa*. Emerald Group Publishing Limited, pp. 177-207.
- Sarens, G. (2007, April). The agency model as a predictor of the size of the internal audit function in Belgian companies. In *Presentation at the 30th Annual Conference of the European Accounting Association, Lisbon*, pp. 25-27.
- Sarens, G. (2009). Internal auditing research: Where are we going? Editorial. *International Journal of Auditing*, 13(1), pp. 1-7.

Shamsuddin, A. (2014). Factors that determine the effectiveness of internal audit functions in the malaysian public sectors.

*International Journal of Business, Economics and Law*, 5(1), pp. 9-17.