
**THE PLIGHT OF INTERNAL AUDITORS
WHEN REPORTING FRAUDULENT FINDINGS:
A STUDY BASED ON
THE PUBLIC SECTOR OF LESOTHO**



**The Institute of
Internal Auditors
Lesotho**

FINDINGS: A STUDY BASED ON THE PUBLIC SECTOR OF LESOTHO

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Abstract

This study identified the plight of internal auditors in the public sector when reporting fraudulent findings in Lesotho. The survey extended the Institute of Internal Auditors South Africa's (IIASA) study named *Plight of Internal Auditors* to the Lesotho public sector. The survey aimed to identify the dilemmas internal auditors experience when uncovering and reporting on fraudulent activities. Challenges that the internal auditors reported on include intimidation and coercion, impaired independence and objectivity, lack of support from audit committees and lack of support from management. Using fully independent audit committees whose appointment cannot be influenced by political appointments can assist in providing a better support for internal auditors.

1. Introduction

"Internal audit as a line of defense against inappropriate levels or risk is a time-honored concept" (Marks, 2014). However, the question can be asked who defends the internal auditors when they must report on fraudulent activities?

The aim of this study is to identify the challenges faced by internal auditors in the public sector of Lesotho when investigating and reporting fraudulent activities. As internal auditing is a cornerstone of governance, they are expected to assist public sector organisations to achieve integrity and accountability, improve operations, and instil confidence among citizens and stakeholders by providing objective assessments of whether the public resources are managed responsibly and effectively to achieve the intended results (IIA, 2012). In carrying out said duties, internal auditors are on some occasions exposed to challenges that may be aimed at affecting their investigating and reporting. Some of these challenges occur when internal auditors unearth fraudulent transactions and inadvertently crosses paths with criminals (IIASA, [N.d.]). Such challenges should not be viewed lightly as the SABC's Chief Audit Executive

survived an assassination attempt in 2019 (Zulu, 2019) that was believed to have been connected to his forensic investigation (Nqola, 2019).

The Institute of Internal Auditors South Africa (IIASA) has, for several years, received reports from internal auditors claiming that they have been victimised, intimidated and coerced into excluding findings and a number of them were in fear of losing their jobs and even their lives (IIASA, [N.d.]). In responding to these challenges, the IIASA conducted a study to get the perspectives of fellow internal auditors on the challenges they encounter in the reporting of activities called the *Plight of Internal Auditors* (IIASA, [N.d.]). This study expands on the IIASA's study by surveying the perspectives of internal auditors in the Lesotho public sector to determine what challenges they experience when investigating and reporting on fraudulent activities.

2. Background to internal audit

Internal audit's mission is to improve and protect the value of an organisation through a risk based and objective assurance, advice and insight (IIA, 2021). To accomplish this internal auditors are required to have "sufficient knowledge to evaluate the risk of fraud" in an organisation (IIA, 2016:Standard 1210.A1212). Thus, the need to curb fraud remains part of internal auditors' role. In the *Report of the nations* conducted by the Association of Certified Fraud Examiners (ACFE) internal audit was found to be the second best to detect occupational fraud in organisations (ACFE, 2018). However, investigating criminal activity like fraud means internal auditors must understand the legal context in which they work. The legal context in Lesotho is unpacked in more detail below.

2.1. Legal Context of Internal Audit in Lesotho

Internal Auditing in the public sector of Lesotho emanates from section 38 (1) of the Public Financial Management and Accountability Act (Lesotho, 51/2011). The Act stipulates that "a Chief Accounting Officer (officer designated by the Minister and who is personally charged with responsibility for financial control over his ministry, department or unit) shall establish an Internal Audit Function within his or her spending unit" (Lesotho, 51/2011). "The purpose of this establishment is to assess risks facing the spending unit to achieve its programme objectives and the mitigation measures in place; assess the adequacy and effectiveness of the internal controls of the spending unit; report significant internal control issues and recommend improvements; liaise with Office of the Auditor General; and provide periodic information on the status of

the execution of annual audit plan” (Lesotho, 51/2011). Section 38 (2) of the Act further elaborates that “in carrying out the function of internal audit referred to in sub-section (1) above, a Chief Accounting Officer shall be guided by the International Standards for the Professional Practice of Internal Auditing” (Lesotho, 51/2011).

The guiding principles that define the responsibilities of the Public Sector Internal Audit Function are found in section 11 (1-14) of the Lesotho Treasury Regulations (Lesotho, 18/2014) which outline, among others, internal audit reporting, formation of a charter which clearly defines Internal Audit Function’s responsibilities, the formation of audit committees and the reporting lines of the audit committees, independence of the audit committees, audit committee chairperson appointment, reporting of maladministration of public funds by the Chief Accounting Officer or implications of maladministration of funds, access to information in conducting internal audit duties and the internal audit work plan and rolling strategic plan (Lesotho, 18/2014). These regulatory guidelines are also aligned to the professional requirements linked to internal auditors in line with the requirements of the Act (Lesotho, 51/2011).

2.2. The Professional Context: Standards and the Code of Ethics

Internal Audit Functions (IAF) are guided by the International Standards for the Professional Practice of Internal Auditing (standards) and the Code of Ethics (IIA, 2016). The latter promotes an ethical culture in the profession and they include principles that are relevant to the profession and rules of conduct which describe the behaviour expected of the professionals practicing internal auditing (IIA, 2016). The standards are principle-focused and provide a framework for performing and promoting internal auditing (IIA, 2016).

Standard 1100 specifies that “the internal audit function must be independent, and internal auditors must be objective in performing their work” (IIA, 2016). Independence is further explained as “the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner” (IIA, 2016). Objectivity has been described as “an unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made” (IIA, 2016).

Moreover, in conducting their duties standard 2120.A2 specifies that “the internal audit activity must evaluate the potential occurrence of fraud and how the organization

manages fraud risk” (IIA, 2016). Requiring internal auditors to “consider the probability of significant errors, fraud, non-compliance, and other exposures when developing the engagement objectives” (IIA, 2016). However, in executing their duties especially when linked to fraudulent activities, internal auditors can be faced with some of the following challenges.

3. Challenges

Internal auditors who uncover fraud may experience challenges like intimidation, suspension, victimisation, even death aimed at preventing their investigation and reporting on the fraud (IIASA, [N.d.]). The following section discusses the intimidation and coercion challenges followed by impaired independence and objectivity, lack of support from audit committees and lack of support from management.

3.1 Intimidation and Coercion

According to Meiring (2019) intimidation “occurs when a person uses the threats of violence, in order to induce a victim to do something he is legally not entitled to do or to induce the victim to abstain from doing something which is legally entitled to do”. In auditing, intimidation and extortion occur when an auditor is threatened from acting objectively by actual or perceived threats, or being explicitly or furtively coerced by audit clients or interested parties (Razali, Saidb & Joharia, 2016). The Global Internal Audit Survey of 2010 has shown that there are more incidences of coercion in Africa at 31% as opposed to 26% in East-Central Asia, 24% in Asia Pacific, 23% in Western Europe, 19% in the Middle East, Latin America and Caribbean and 13% in the United States and Canada (MacRae & van Gils, 2014). Thus, the high instances of intimidation and coercion in Africa is a great concern. As Lesotho is totally land-locked by South Africa (Maker, 2019), these cases influence the internal audit fraternity in Lesotho as well. Moreover, the Institute of Internal Auditors Lesotho is a chapter of the South African Institute. In the South African survey titled *Plight of Internal Auditors*, it was found that there is a culture of fear in numerous organisations, especially where audit findings negatively implicate leaders in the organisations (IIASA, [N.d.]). The following summary in Table 1 include extreme reported examples of torture and murder.

Table 1. Examples of Internal Auditor Intimidation

Internal Auditor, Organisation & Position	Intimidation
Thami Zikode: SABC Chief Audit Executive	Zikode was followed to his home in Auckland Park in Johannesburg by unknown suspects who fired shots at his motor vehicle (Zulu, 2019). Zikode was at the time working on a forensic investigation into fraud at the SABC (Nqola, 2019).
Thibello Nteso: Lesotho Electricity Company (LEC) Head of Internal Audit	Nteso was brutally killed in Maseru Lesotho on the 6 th February 2017 by 2 policemen (Tefo, 2018). It is believed that his forensic audit had contributed to the suspension of the Managing Director and the Chief Finance Officer (Tefo, 2019).
Zweli Archie Duma: Internal Audit Manager at Nongoma Municipality	Duma was shot dead at his home in 2016 shortly after attending a municipal meeting (Mngadi, 2019). Duma was killed after having opened a case of intimidation (Wicks, 2016).
Moses Tshake: Chief Internal Auditor, Free State Department of Agriculture	Tshake was kidnapped, tortured and killed after allegedly questioning payments linked to a controversial project in 2013 (Anon, 2018). Later numerous abnormalities were discovered including that the project contravened treasury rules (DeWaal & Pienaar, 2014).

Table 1. Examples of Internal Auditor Intimidation - continue		
Internal Organisation & Position	Auditor,	Intimidation
Andile Matshaya: Internal Auditor at National Department of Transport		Matshaya who was from East London was strangled to death in May 2012 at the Easy Stay Hotel in Pietermaritzburg (Fuzile, 2013). As an internal auditor in the national department of transport, he uncovered corruption and misuse of state funds (Anon, 2012).

The above examples of intimidation illustrate extreme steps taken to influence the independence and objectivity of internal auditors.

3.2 Impaired Independence and objectivity

Internal auditors must be independent in conducting and reporting on their duties (IIA, 2017), by reporting to the audit committee who can in turn implement the recommendations (Mutchler, 2003). Internal Auditors should also be objective (IIASA, 2013) and “not subordinate their judgment on audit matters to others” (IIA, 2016). In addition internal auditors should perform their work in such a manner that ensures quality is not compromised (IIA, 2016).

There are, however, risks that can affect the independence and objectivity of internal auditors and can have a negative impact on the way internal auditors think and conduct their work (Al-Shouha, 2016). Muqattash (2017) posits that risks related to career benefits may significantly affect the independence and objectivity of internal auditors because of pressures placed on them when auditing the works of powerful managers in the organisation. Intimidation acts can include managerial decisions that are detrimental to the continuity of the internal auditor's employment in the organisation or on his/her career development or negatively affect his/her salary is one aspect of influencing the scope of the audit work and the interpretation of the audit results (Al-Shouha, 2016).

One other factor that may affect independence particularly in the public sector is the structure of the audit committees. In South Africa, national departments do not have boards but the minister is involved in the appointment of the audit committee which could add a level of political influence (Anon, 2019). In Lesotho, the audit committee

is selected by the Minister as stipulated in the Act (Lesotho, 51/2011). The political appointment may impair the independence of the audit committee due to previous or current relationships with management and possible political influence in the appointment process (Akwenye, Chata & Benedict, 2016).

3.3 Lack of Support from Audit Committees

The aim of an audit committee is to oversee assurance and reporting to improve governance in an organisation, irrespective of whether it is the private or the public sector (Magrane & Malthus, 2010). Audit committees should be independent in nature and in fulfilling their oversight role (Sloan, 2014). They provide oversight by offering objective insight and recommendations to the board and executive management on whether the organisation's governance, risk management, and internal control processes are suitably designed and working as intended to achieve organisational objectives (Sloan, 2014; Maker, 2019).

Audit committees should have an understanding of the roles and responsibilities of all assurance providers as they oversee the effective utilisation of combined assurance to ensure that optimal assurance is rendered (IoDSA, 2016:Principle 15). The general public expects loyalty and trust from auditors and audit committees, while resolving financial facts and exposing fraud and fault in an organisation (Ngunjiri, 2018). There are, however, incidences whereby audit committees may be perceived to lack rendering the support needed for the internal audit to execute its duties effectively. Ghafran and O'Sullivan (2013) noted that a lack of independence, diligence and expertise could negatively impact on the effectiveness of audit committees. In South Africa, audit committee members within the public sector are chosen by the minister (Sloan, 2014). This brings the risk of attracting a pool of unqualified audit committee members to serve due to political influence by the minister (Anon, 2019). In the study on the plight of South African internal auditors the following areas where audit committees may be perceived to not support internal auditors were identified. These include:

- Failure to hold management accountable regarding findings and recommendations as well as agreed upon actions.
- Not taking appropriate action regarding internal audit's reported allegations of intimidation and coercion.

- Failure to apply professional scepticism by being too willing to accept management explanations.
- Some of the audit committee members colluding with management.
- Lack of internal audit skills by some of the audit committee members.
- Appointment of some of the audit committee members influenced in a biased manner (political appointments).
- Audit committee members intimidated by the seniority of the audit client.
- Patronage, particularly where the accounting officer has significant say behind the scenes on who should be appointed (IIASA, [N.d.]).

3.4 Lack of support from Senior Management

The level of recognition and appreciation of the IAF within every organisation is highly dependent on the support that it receives from management (Sarens & De Beelde, 2006). Mutchler (2003) posits that a lack of management support suggests that the IAF is not important, and this creates a poor attitude towards them by the process owners being audited. Management can show its support for the IAF by stressing the value of independent and objective internal audit in identifying areas for improving performance quality and implementing the recommendations of the IAF (Dawuda, Ataribanam & Joseph, 2017).

Management has a greater opportunity to commit fraud due to their ability to, directly or indirectly, manipulate the financial records and thus hide the fraudulent information (Elliott & Willingham, 1980). Obert and Munyunguma (2014) cite that negative perceptions in most cases come from those who stand to benefit if an audit is not done and when it is done, they are found wanting. This result in a need to pre-emptively discredit auditors for personal gain (Obert & Munyunguma, 2014). Negative influences can include actions to curb the scope of activities, destroy audit findings, or undermine the credibility of the IAF using intimidation tactics (Lee-Larson, 2004)

4. Research Method

This study extended the South African survey on the plight of internal auditors to Lesotho. The survey focused on internal auditors within the Government of Lesotho Ministries and its parastatals to obtain their views on the plight of internal auditors in Lesotho. The government currently employs 48 internal auditors excluding the parastatals and all the offices are situated in the capital town (Maseru). Due to the

small number of the population, all the 48 internal auditors were chosen for the study. Out of the 48 internal auditors, 30 responded to the survey. In addition, five internal auditors from the parastatals also provided their responses resulting in 35 responses. Participation was voluntary and anonymous in line with ethical research practices.

Table 2 Research Questions

Questions asked to the participants	
1	Does the Internal Audit Function operate independently and objectively without leadership interference?
2	Have you been intimidated or coerced into sweeping findings that were fraudulent in nature during the last 3 years?
3	Have you been suspended, put on paid/ special leave whilst investigating corruption?
4	Do you sometimes fear for your life and that of your family if you are to report questionable activities especially related to fraud?
5	Does your Audit Committee fully understand the mandate of internal audit?
6	Does your audit committee provide appropriate support to internal audit?
7	When you raise findings impacting the leadership in your government ministry, are you protected from intimidation and victimization?
8	Does management understand the role of Internal Audit within your Ministry?
9	Does Management support the role of Internal Audit Function?

5. Results and Discussion

Out of the 35 respondents 40% were males while 60% were females. The average internal audit experience of the respondents was 9.74 years. 85.7% of the respondents had Bachelor's Degrees and Internal Audit Technician (IAT) certification, while 8.6% had Honours degree and Professional Internal Audit (PIA) certification, and the remaining 2% had Masters degrees. 68.6% of the respondents held Assistant Internal Auditor positions while 20% were Internal Auditors and 11.4% were Senior Internal Auditors and Heads of Internal Audit. Thus, all respondents were qualified with sufficient experience to answer the survey questions.

Question 1 centred on the internal auditors' opinion upon their independence and objectivity. The question asked whether the IAF operated independently and objectively without leadership interference. Table 3 shows that 65.7% of the respondents said that the Internal Audit Function does not operate independently and objectively without leadership interference while 28.6% were contrary and the rest (5.7%) were uncertain.

Table 3 IAF operates independently and objectively without leadership interference

		Frequency	Percent
Valid	No	23	65.7
	Yes	10	28.6
	Not sure	2	5.7
	Total	35	100.0

It is more interesting to find that all Senior Internal Auditors are of the opinion that the IAF does not operate independently and objectively without leadership interference (See Table 4).

Table 4 Lack of independence and objectivity due to leadership interference

		No	Yes	Not sure	Total
Position levels	Assistant internal auditor	16	7	1	24
	Internal auditor and specialist	3	3	1	7
	Senior internal auditor	4	0	0	4
Total		23	10	2	35

To get the internal auditors' view on the premise that internal auditors are intimidated or coerced while reporting fraudulent findings, the following two questions were asked: "Have you been intimidated or coerced into sweeping findings that were fraudulent in nature during the last 3 years?" and "Do you sometimes fear for your life and that of your family if you are to report questionable activities especially related to fraud?"

In responding to the first question, it can be seen in Table 5 that, 17.1% of the respondents said that they have been intimidated or coerced into sweeping findings that were fraudulent in nature in the last 3 years while 77.1% had never been intimidated and the rest of the respondents were not sure. Though most of the respondents had not faced incidences of intimidation and coercion in their workplace, 17.1% is still a cause for concern as the literature shows that such incidences sometimes lead to death and torture.

Table 5 Have you been intimidated or coerced into sweeping findings that were fraudulent in nature during the last 3 years?

		Frequency	Percent
Valid	No	27	77.1
	Yes	6	17.1
	Not sure	2	5.7
	Total	35	100.0

The high level of perceived intimidation is supported by the response to question 3 (see Table 6) as 65.7% of the respondents said that they fear for their lives and that of their families if they are to report questionable activities especially related to fraud. These fears may be brought about given the incidences of reported intimidation or other instances that occurred around them. The “fear is a human response to a perceived threat or danger” and “when a person knows that one person in the profession has been killed in the line of duty, that knowledge may lead to a sense of fear in their professional duties in other internal auditors” (IIASA, [N.d.]).

Table 6 Do you sometimes fear for your life and that of your family if you are to report questionable activities especially related to fraud?

		Frequency	Percent
Valid	No	11	31.4
	Yes	23	65.7
	Not sure	1	2.9
	Total	35	100.0

All Senior Internal Auditors fear for their lives and of their families (See table 7) and this is a cause for concern as these officers sit in leadership positions where they are not only responsible for their lives but for their teams too.

Table 7 Fear for own life and of family

		No	Yes	Not sure	Total
Position levels	Assistant internal auditor	7	16	1	24
	Internal auditor and specialist	4	3	0	7
	Senior internal auditor	0	4	0	4
Total		11	23	1	35

For the IAF to fully carry out its mandate, it is important that internal auditors are able to report findings without any prejudice (IIASA, [N.d.]). Although internal auditors are not whistle blowers per se, they are perceived to be whistle blowers by corrupt individuals for simply doing their work which sometimes exposes wrongdoing so that the organisation can deal with such risks (IIASA, 2013). These wrongdoers may sometimes be very senior personnel or political appointees especially in the public sector and therefore exposing them may result in negative pressure similar to the pressures placed on whistle blowers. Disclosing wrongdoing can be a daunting activity that can lead to loss of life and professional banishment (OECD, 2016). It goes without saying that internal auditors by virtue of them being regarded as whistleblowers have to be protected as most whistleblowers suffer from retaliation (IIASA, 2013). Without such protection, there is a high possibility that there would be a culture of silence.

In order to get the auditors' perspectives on this issue, one of the questions asked was "when you raise findings impacting the leadership in your organization, are you

protected from intimidation and victimization?’ 65.7% of the respondents said that they were not protected while 20% were saying they were and 14.3% were not sure (see Table 8).

Table 8 When you raise findings impacting the leadership in your government ministry, are you protected from intimidation and victimization?

		Frequency	Percent
Valid	No	23	65.7
	Yes	7	20.0
	Not sure	5	14.3
	Total	35	100.0

The protection of informants in Lesotho is found in the Prevention of Corruption and Economic Offences Act of 2006 Section 27 (4) and (5). This act, just like in South Africa’s Protected Disclosures Act of 2000, only provides protection to “occupational detriment” resulting from the actions of the employer or another employee within the employ (Lesotho, 8/2006). This means that protection is only limited to prejudice suffered within the work parameters. Moreover, the Act does not provide any remedy against criminal and civil liability resulting from the disclosure and thus may be regarded too narrow to protect against cases of intimidation where people suffer or even lose their lives. The lack of legal protection may be one of the factors why internal auditors fear for their lives when they report questionable activities.

The IAF reports functionally to the audit committee and therefore understanding the role of internal audit is vital for the committee to carry out its duties effectively (Akwenye *et al.*, 2016). As the literature cites, audit committees should be independent in nature, and should support the IAF in fulfilling its oversight role (Sloan, 2014).

To get the respondents’ view on the premise that lack of support from the audit committee may affect the reporting of fraudulent findings, two questions asked were (1) whether the audit committee fully understands the mandate of internal audit and (2) whether the audit committee provides appropriate support to the IAF. Table 9 shows that 82.9% of the respondents were of the view that their audit committees did not fully understand the mandate of internal audit, while 11.4% responded contrary to that and the rest (5.7%) were not sure. In responding to the latter question (see Table

10), 80% of the respondents were of the view that audit committees do not provide appropriate support while 11.4% were contrary, whereas the rest (8.6%) were not sure.

Table 9 Does your Audit Committee fully understand the mandate of internal audit?

		Frequency	Percent
Valid	No	29	82.9
	Yes	4	11.4
	Not sure	2	5.7
	Total	35	100.0

Table 10 Does your Audit Committee provide appropriate support?

		Frequency	Percent
Valid	No	28	80.0
	Yes	4	11.4
	Not sure	3	8.6
	Total	35	100.0

In digging deeper in to why most respondents were of the view that there is lack of support and lack of understanding of the audit committees, however, there were no audit committees within the Government Ministries. It is only Parastatals who have audit committees, where the members are appointed by the Minister.

Internal audit should be regarded by management as a trusted advisor (IoDSA, 2016) rather than being perceived as a watchdog or bloodhound which focuses on catching management on the wrong foot. According to Van Staden and Steyn (2009), senior management has a substantial influence on the perception and role of the IAF. The literature reveals that management may not provide the necessary support due to various reasons including among others lack of knowledge about the role of internal audit in the organisation and not wanting the IAF to reveal some fraudulent deeds (Mutchler, 2003). In order to test this premise, two questions were asked which were (1) whether management understands the role of Internal Audit within your ministry” and (2) whether management supports the role of the IAF. In responding to the first

question (see Table 11) 48.6% said management does not understand the role of IAF while 40% were contrarily saying their management understood the role played by the IAF and the rest (11.4%) were uncertain. In regard to the second question (see Table 12) 51.4% of the respondents said that management did not support the role of the IAF while 31.4% were tentatively saying that they were offered support by management while the rest (17.1%) were doubtful.

Table 11 Does management understand the role of Internal Audit within your Ministry?

		Frequency	Percent
Valid	No	17	48.6
	Yes	14	40.0
	Not sure	4	11.4
	Total	35	100.0

Table 12 Does Management support the role of the Internal Audit Function?

		Frequency	Percent
Valid	No	18	51.4
	Yes	11	31.4
	Not sure	6	17.1
	Total	35	100.0

6. Conclusion and Recommendations

The purpose of this study was to identify the perspectives of the public sector internal auditors in Lesotho when reporting fraudulent findings. Challenges faced by the Public Sector IAF were identified as intimidation and coercion, impaired independence and objectivity, lack of support from audit committees and lack of support from management.

The research indicates that the plight of internal auditors is also a relevant concern in Lesotho. Though most of the respondents have not been intimidated or coerced in their duties, there are some (17.1%) who claim to have been intimidated. Moreover, the majority of the respondents reported a sense of fear that their families may be in danger if they expose fraud that involves their superiors. Having to consider how

severe incidences of intimidation in Lesotho can be, the Government of Lesotho should consider reviewing the Act to include provisions that cater for criminal and civil liability resulting from the disclosure protection for the informants. Establishing independent audit committees to oversee assurance services in all government ministries can assist to safeguard the IAF by adding an independent reporting line. Audit committees should, however, ensure that there are mechanisms in place through which they will be alerted to acts of intimidation in the workplace as well as that there are clear processes to protect the wellbeing of internal auditors and other whistle-blowers (IIASA, [N.d.]

Most of the respondents were of the opinion that the IAF does not operate independently and objectively without leadership interference, that there is a lack of support from the audit committees and that the audit committee members did not understand the role of internal audit. Treasury Regulations of 2014 Section 11 (4-14) specify the formation of audit committee within Government ministries including independence, and audit committee reporting. Despite the regulations, audit committees are yet to be established in the government ministries to provide an independent functional reporting line to the IAFs to help establish the independence of the IAF. The audit committee should include members who have the appropriate level of knowledge to meet the needs and challenges faced by the IAFs and their appointees should not be politically motivated.

One of the challenges, that were found to influence the IAF reporting of fraudulent findings, was a lack of management support. The survey revealed that internal auditors felt that they are not granted enough support by management or that management does not fully understand the role of internal audit within the different ministries. Management should therefore be sensitised on the mandate and value of the assurance providers in order to get a clear understanding of the role of internal audit. Moreover, CAEs should have seats in the executive meetings to provide insight and foresight to management although they should not be part of the decision-making process.

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