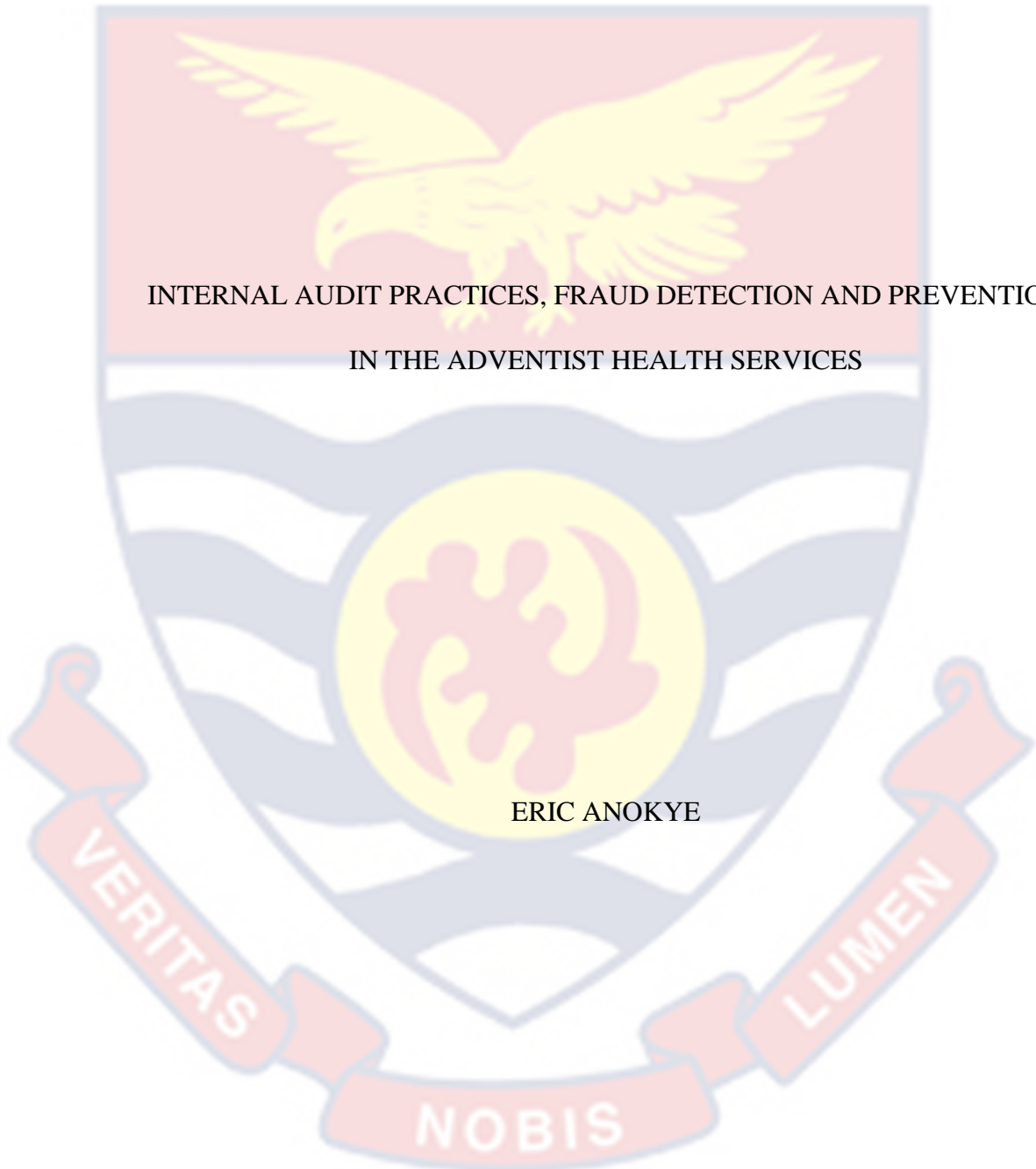


UNIVERSITY OF CAPE COAST



ERIC ANOKYE

2022

UNIVERSITY OF CAPE COAST



INTERNAL AUDIT PRACTICES, FRAUD DETECTION AND PREVENTION
IN THE ADVENTIST HEALTH SERVICES

BY
ERIC ANOKYE

Dissertation submitted to the Department of Accounting of the School of
Business, College of Humanities and Legal Studies, University of Cape Coast, in
partial fulfilment of the requirements for the award of Master of Business
Administration in Accounting

NOVEMBER 2022

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Signature:Date:

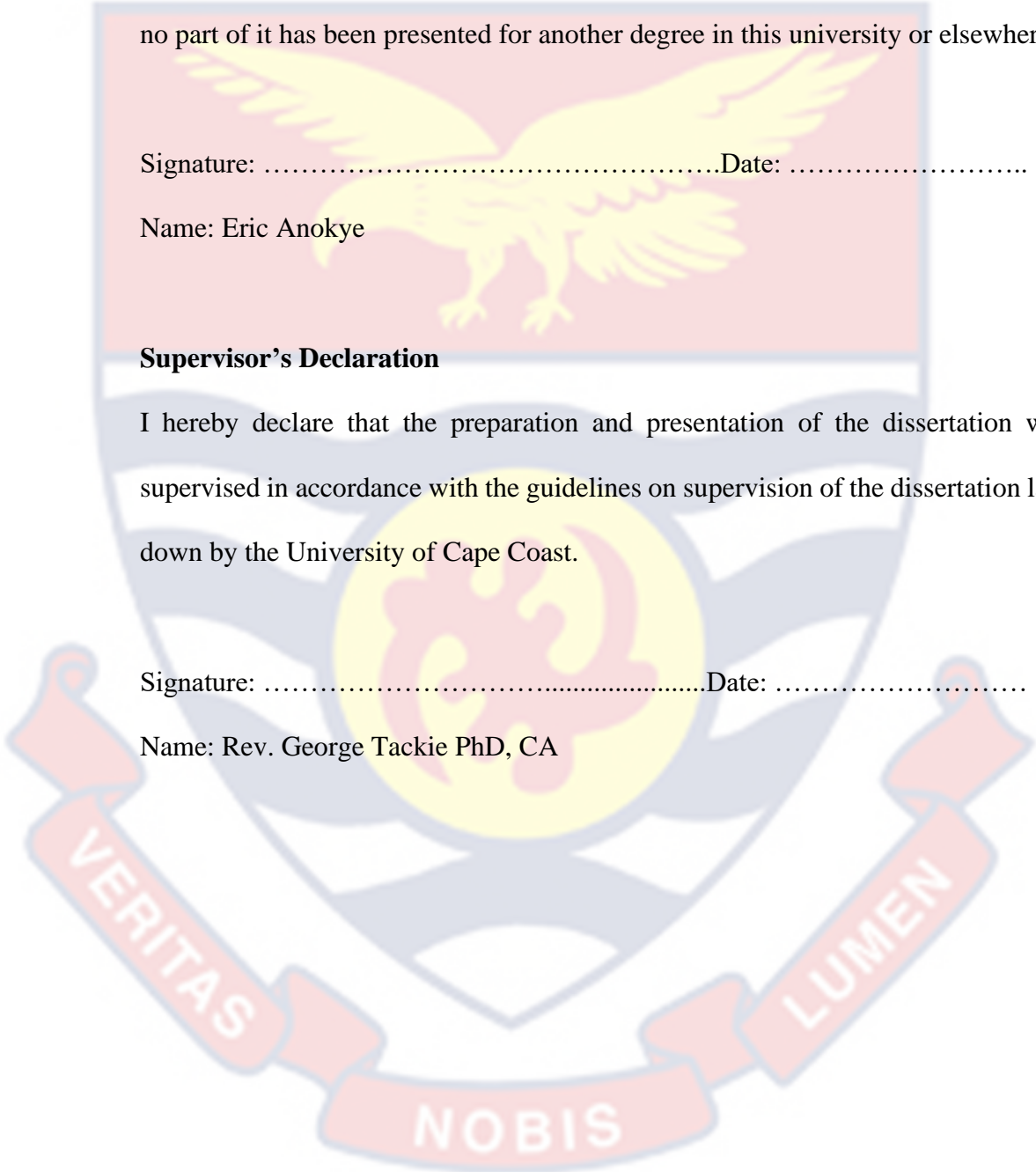
Name: Eric Anokye

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation was supervised in accordance with the guidelines on supervision of the dissertation laid down by the University of Cape Coast.

Signature:Date:

Name: Rev. George Tackie PhD, CA



ABSTRACT

Numerous high-profile examples of financial fraud over the past two centuries show that scams have long existed. KPMG (2012) found that 74% of all African fraud cases were recorded in only four countries: Nigeria, Kenya, Zimbabwe, and South Africa. Data mining has been utilised in some affluent nations to combat healthcare fraud and misuse. However, in Ghana, the literature suggests that there has been little investigation involving healthcare fraud for data mining techniques. The general research objective of this study is to establish the extent to which audit practices contribute to the success of fraud detection and prevention in Ghana Adventist health services. The researcher used a descriptive survey approach to determine whether there is a significant association between the degree of internal audit practices and the level of fraud detection and prevention. This study's population consisted of 168 people, and simple random of 103 respondents was selected to answer the questionnaire. The data was analyzed using the regression analysis technique to reveal the effect of internal audit practices on fraud detection and prevention in Adventist health services. The study finding reveals that fraud activity is detected regularly in their facility. As a result, effective fraud risk management necessitates more than just ensuring an effective system of internal controls. However, it was recommended that internal audit functions in healthcare organisations be independent of detecting fraud fairly.

KEY WORDS

Internal audit practices

Fraud detection

Fraud prevention



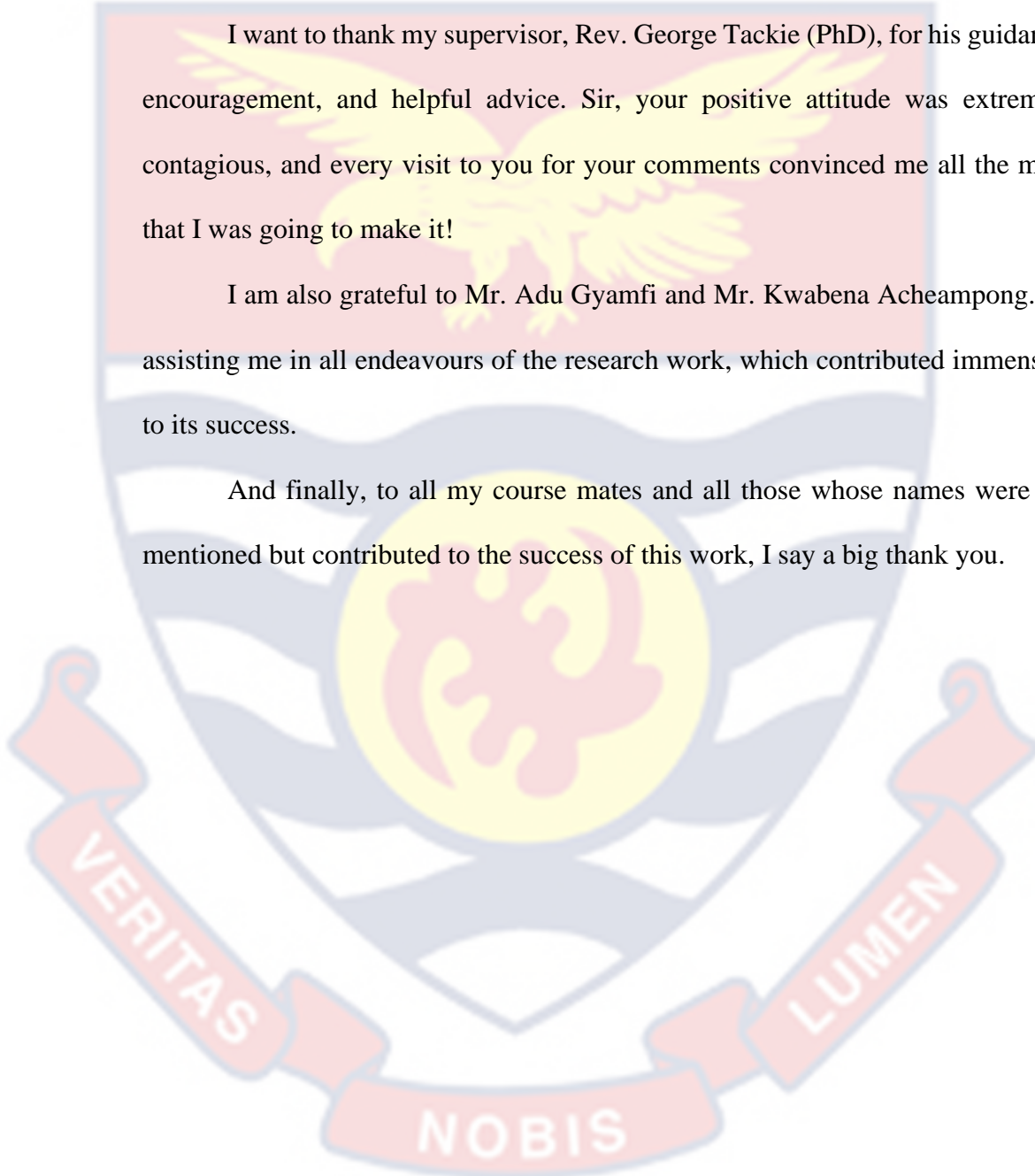
ACKNOWLEDGEMENTS

The researcher would like to express his sincere appreciation to all those who provided assistance, encouragement, and support throughout this Dissertation.

I want to thank my supervisor, Rev. George Tackie (PhD), for his guidance, encouragement, and helpful advice. Sir, your positive attitude was extremely contagious, and every visit to you for your comments convinced me all the more that I was going to make it!

I am also grateful to Mr. Adu Gyamfi and Mr. Kwabena Acheampong, for assisting me in all endeavours of the research work, which contributed immensely to its success.

And finally, to all my course mates and all those whose names were not mentioned but contributed to the success of this work, I say a big thank you.



DEDICATION

To my lovely parents (Pastor Stephen Anokye & Mrs. Sarah Anokye), my
brothers and sisters, my wife and children.

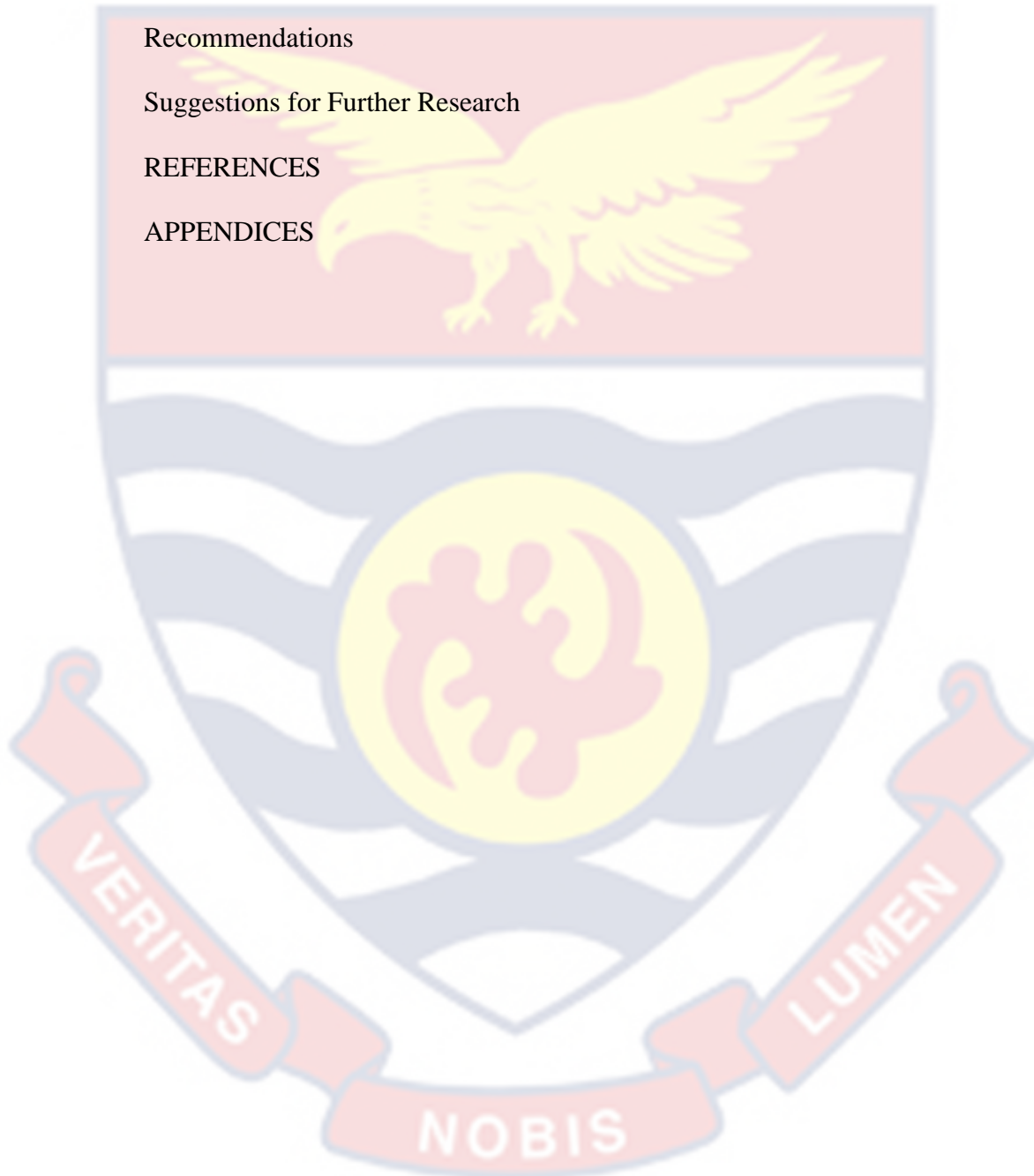


TABLE OF CONTENTS

	Page
DECLARATION	ii
ABSTRACT	iii
KEY WORDS	iv
ACKNOWLEDGEMENTS	v
DEDICATION	vi
TABLE OF CONTENTS	vii
LIST OF TABLES	x
LIST OF FIGURES	xi
CHAPTER ONE: INTRODUCTION	
Background to the Study	1
Statement of the Problem	7
Purpose of the Study	9
Research Objectives	10
Research Hypotheses	10
Significance of the Study	10
Delimitations	11
Limitations	11
Organisation of the Study	11
CHAPTER TWO: LITERATURE REVIEW	
Introduction	13
Theoretical Review	13

Conceptual Review	18
Empirical Review	38
Conceptual Framework	47
Chapter Summary	47
CHAPTER THREE: RESEARCH METHODS	
Introduction	48
Research Approach	48
Research Design	50
Study Area	50
Population	51
Sampling Procedure	51
Data Collection Instrument	53
Data Collection Procedures	53
Data Processing and Analysis	54
Chapter Summary	57
CHAPTER FOUR: RESULTS AND DISCUSSIONS	
Introduction	58
Response Rate	58
Demographic Information of Respondents	59
Descriptive Statistics of Construct	62
Chapter Summary	74
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	
Introduction	76

Summary of the Study	76
Summary of Key Findings	76
Conclusions	78
Recommendations	79
Suggestions for Further Research	80
REFERENCES	80
APPENDICES	94



LIST OF TABLES

	Page	
1	Determined Sample Size	52
2	Response Rate	58
3	Demographic Characteristics	63
4	Internal Audit Practices	63
5	Fraud Detection and Prevention	68
6	Model Summary	71
7	ANOVA	72
8	Coefficients	74



LIST OF FIGURES

	Page
1 Conceptual Framework	47



CHAPTER ONE

INTRODUCTION

Every company now recognises the need for a dedicated internal audit division to help promote governance, evaluate risk management practices, and strengthen internal controls due to the prevalence of fraudulent business operations. An organisation is as good as the quality of its internal audit unit. Therefore, this has invited many researchers to find out how the internal audit practices adopted by various organisations have helped to achieve a level of reduction in fraudulent activities, hence the call for the researcher to investigate Ghana Adventist Health Services in the country.

Background to the Study

Fraud is nothing new, as seen by the many high-profile examples in the financial sector over the previous two centuries. Such behaviours have existed since the dawn of human civilization, when people misled others and breached social standards for financial, material, or trust gain. Accounting and auditing have developed throughout economic history in response to a desire, mostly from the state and the church, to regulate and prevent the misuse of their financial resources. Archaeological findings in ancient Babylon and Egypt indicated the existence of some validating papers of economic transactions, allowing for a rudimentary kind of verification and accounting, which may be the earliest examples of auditing (Purnomo, 2017). At some time, the explosion of commercial activity necessitated the development of even the most rudimentary system for keeping track of financial deals. However, with financial success came the temptation to lie to and take

advantage of others. Governmental institutions developed methods of control to monitor and control the circulation of money and transactions, as in ancient Rome, when questors were elected to perform this role (Ahmad et al., 2021).

Massive financial losses, disruption of social order, a threat to democratic processes, loss of faith in the economic system, and corruption and compromise of economic and societal institutions are just some ways fraud hurts an economy. Governmental institutions developed mechanisms for controlling the circulation of money and its use (Petraşcu & Tîeanu, 2014); in ancient Rome, questors elected by the populace were responsible for this task.

Internal auditing is defined by Petraşcu and Tîeanu (2014) as “an independent activity of assessing on behalf of the management of an economic entity,” which may include but is not limited to an examination of financial, accounting, and other kinds of operations pertaining to the services as a whole; an evaluation of tasks and conformity of the accounting entries, reports, assets, capitals, and results; or an attestation or certification of financial account information. Preventing fraud inside an organisation is the responsibility of the audit committee, the executive board, and the internal audit department (Munteanu, Zuca, & Zuca, 2010). To begin, instituting proactive measures for early identification and prevention rests squarely in the laps of the executive board. If particular fraud instances are uncovered, executive board members should submit answers. Caplan and Marcinko (2014) cite National Standard on Audit 240, “Fraud and Error,” which states that the board of directors must put in place and keep suitable accounting and internal control measures in working order to detect and

prevent fraud and error. Technical progress may reduce the frequency of fraud and human error, but this is impossible. Second, the audit committee has to make that the anti-fraud measures taken by the executive board are indeed working. Finally, an internal audit is crucial for managing risks and detecting and preventing fraud. Errors and fraud may be minimised by maintaining a yearly auditing schedule.

Internal auditors, by virtue of their responsibilities, must have the knowledge to spot the red flags that indicate fraud may be occurring, give special attention to any situations where fraud risk is present, and be able to identify when more investigation is required, appropriate parties within an organisation must be notified, and preventative or corrective measures must be put in place (Tieanu & Petraşcu, 2014). In practise, if an audit reveals a case of possible fraud or error, the responsible entity may decide not to disclose the situation and instead try to clean it up using their resources, typically by removing from within the entity the individuals responsible for the potential fraud or covering the losses from internal resources (rarely recovered from the guilty parties), all to maintain their reputation for dependability and marketability. Managers of companies where frauds had occurred were often publicly shamed into admitting, after a media scandal, that they had known (at least in part) about the specific fraud that an internal audit had exposed and that they had taken action to eliminate the losses and the wrongdoers, despite having preferred to remain silent to protect their company.

Additionally, internal auditors may be tasked with a wide variety of responsibilities, including but not limited to assisting management in establishing auditable anti-fraud mechanisms, facilitating the assessment of fraud and

reputational risks at the level of an organisation and its business process, determining the relationships between fraud risks and internal controls; assessing the connections between fraud risks and fraud; auditing frauds; assisting fraud investigation specialists; assisting with forensic accounting; and assisting with internal controls. Although internal auditing cannot entirely avoid fraud, it can alter its working methods and procedures to improve the odds of spotting and accurately interpreting fraud signals (Munteanu, Zuca & Zuca, 2010). Internal auditors must be competent conceptually and practically to perform their jobs.

They need to see the red flags of a possible fraud plan and be familiar with the types of fraud that might occur in the company's sector (such as insurance, retail, telecommunications, etc.). To achieve these goals, it is crucial to invest in the specialism of internal auditors by providing financial support for relevant training programmes. Other firms choose to outsource the auditing task by contracting with external professionals (assuming that doing so would enable them to get the services of highly qualified experts at a reasonable price). It is vital in the fight against and identification of fraud that an appropriate internal control system be established with this particular mission. This requires adhering to the principle of separating functions (no function should allow an employee to execute a whole cycle of transactions, i.e., an employee should not have the authority to execute both front office and back office activities) and conducting background checks on employees and third parties, especially those in positions of authority. To do this, we must verify the company's existence and financial data using third-party, open-source resources.

Accounting's auditing function is essential because it promotes openness and public trust by holding government agencies and other organisations to a higher standard of responsibility. Audits were originally conducted to gain insight into the company's financial processes and documentation. Safety, security, information system performance, and environmental concerns are just a few examples of non-financial topics that auditors are beginning to examine (Banik & Ray, 2020).

Public or private sector officials improperly and unlawfully obtain personal or private gain by using their official position for personal gain or influencing others to do so is corruption, as defined by the Asian Development Bank and cited by Mark, Chris, David, and Graham (2012). Corruption boils down to using one's position of authority for one's benefit. According to the European Health Fund and Corruption Network (2009), cited in Kelland (2010), an estimated 5.59 percent of annual global health expenditure is lost to fraud and deliberate dishonesty that may result in an illegal benefit to the culprit. The World Health Organisation (WHO) predicts that fraud and mistakes add a further US\$260 billion to the global cost of healthcare each year (WHO, 2018).

In Ghana, health fraud can be a significant and delicate issue. Unofficial fees may be charged by medical personnel to treat patients. They might seek bribes in exchange for medicine that ought to be free. According to numerous studies, the poor are most affected by the burden of fraud in the health industry because of their financial situations (Simons, Houkes, Koster, Groffen, & Bosma, 2018; Sulkunen et al., 2021). The Ghana Health Service of the Ministry of Health (MOH) is dedicated to bringing top-notch medical care and services to every home and family

in Ghana, allowing the country to achieve its greatest potential level of life. The primary barrier to accessing healthcare in Ghana is the lack of financial resources; however, the National Health Insurance (NHI) and improvements in the distribution of health facilities have addressed this problem (Ghana Health Service, 2010). This issue worsens because the Ghana Health Service workers have been committing fraud and other irregularities. According to Rahman (2018), Ghana's institutional systems were adequate for combating the pervasive problem of corruption. According to Asiedu and Deffor (2017), the amount of fraud in the nation would decrease if laws like the "Procurement Act," "Financial Administration Act," and "Internal Audit Agency Act" were made to function successfully.

Internal auditing is a crucial component of antifraud efforts in today's organisations, supporting management's strategy to avoid, detect, and respond to fraud and misconduct (Bonrath & Eulerich, 2021). Management determines risk and designs, implements, and maintains controls (Javadi et al., 2013). Those in charge of the entity's governance and administration are primarily responsible for preventing and detecting fraud (Johari et al., 2021). Internal audit is vital to an entity's corporate governance (Tumwebaze et al., 2018). An organisation should conduct an internal audit to determine whether or not management's risk management system and associated controls are effective (Coetzee, 2016). Although management and the board are ultimately in charge of preventing fraud, a successful internal audit activity can be very beneficial in dealing with fraud (Zeff et al., 2014). This is stated clearly in the International Professionals Practices

Framework that the “Institute of Internal Auditors” provides to internal auditors as mandatory guidance. Additionally, it notes that internal auditors can assist in management by assessing whether or not the company has sufficient internal controls and promoting an adequate control environment.

Some forms of fraud may have a negative effect on businesses. Asset misappropriation refers to the theft or unauthorised use of an organisation’s assets. False claims made in the financial sector are an example of the second sort of fraud. The most common type of this is the manipulation of financial data for dishonest gain. It also includes forging documents like employee credentials. Fraud, despite some high-profile cases over the last two centuries, has a long history. Men have always been dishonest and sneaky in pursuit of material gain, and this practice dates back to the earliest days of human civilization. Recent high-profile company failures have piqued public and regulatory interest in corporate fraud (Soltani, 2013). Despite significant attempts to eradicate asset theft and false financial reporting, it seems that fraud in all of its manifestations is an issue that is becoming more prevalent and serious (Syahria, 2019).

Statement of the Problem

In order to attain the highest possible standard of living in each Ghanaian community, the Ministry of Health (MOH) is committed to providing high-quality medical care and services to every doorstep and family. The National Health Insurance (NHI) addresses financial accessibility to citizens that seek medical care at the various hospitals in the country. However, the health care providers and the social intervention policy through the NHIA have been bedevilled with many

malpractices and other intentional, fraudulent transactions by employees, including managers and accounts personnel in managing hospital resources.

Ghana's healthcare access is hampered mostly by the country's geographically dispersed healthcare facilities (Gyasi et al., 2011). Fraud and other irregularities committed by employees of the Ghana Health Service exacerbate this problem. According to Badu and Kuutol (2013), the systems in place in Ghana to identify and prevent fraud were sufficient. They argue that reducing fraud in the nation is possible by implementing laws such as the Procurement Act, Financial Administration Act, and Internal Audit Agency Act (Lastanti et al., 2022). Research undertaken more recently in Barbados via interviews with auditors and users focused on the auditor's duty to identify instances of fraud (Al-Dhubaibi, 2020). According to the findings, auditors and consumers have different expectations about fraud detection.

Most organisations have adopted practices to enhance fraud risk management, yet many fraud occurrences are still being reported. Fraud is an emergent problem affecting public organisations and private companies in all countries and all industries/sectors. The governments and regulatory bodies issued regulations to strengthen the control over fraud risk and limit its likelihood and impact. The response to the fraud problem stands not just in the regulatory environment and the supervision bodies' monitoring, but first of all, in the companies' awareness that fraud does happen, and there is a stringent need to proactively manage the risk of fraud.

Many literatures depict that Nigeria, Kenya, Zimbabwe, and South Africa make up 74% of all fraud cases reported in Africa (Bennett, 2014). In East Africa, most reported frauds come from Kenya (KPMG, 2013). It has been reported by Van Driel (2018) that fraud is one of the most difficult problems facing the financial sector in most countries throughout the world. Financial institutions and depositors have lost astronomical sums due to these fraudulent transactions. As recently as 2015, the country saw first-hand the effects of fraud on society. The banking industry was sent into panic mode forcing regulators to step in and implement stringent measures to counter the rise of fraud. Most of the articles emphasized more on the role of an external auditor.

Data mining has been used in various developed countries to help detect fraud and abuse in health care services. However, in Ghana, the literature suggests that there has been little investigation involving healthcare fraud for data mining techniques. Thus, very few studies have applied relevant recommendations for healthcare services. Meanwhile, there is adequate evidence of fraud in healthcare settings, of which Adventist Health Services is no exception. Therefore, it is against this gap identified in the literature that the study sought to investigate the extent to which internal audit practices are able to detect and prevent fraud in health services in Ghana.

Purpose of the Study

The general purpose of this study is to establish the extent to which audit practices contribute to the success of fraud detection and prevention in Ghana Adventist Health Services.

Research Objectives

1. Evaluate internal audit practices at Ghana Adventist health services.
2. Assess the level of fraud detection and prevention in Ghana Adventist Health Services.
3. Determine the effect of internal audit practices on fraud detection and prevention in Ghana Adventist Health Services.

Research Hypotheses

1. There is no significant contribution of internal audit practices in Ghana Adventist health services.
2. There is no level of fraud detection and prevention in Ghana Adventist health service.
3. There is no effect of internal audit practices on fraud detection and prevention in Adventist health services.

Alternative hypotheses

1. There is a significant contribution of Internal audit practices in Ghana Adventist health services.
2. There is a level of fraud detection and prevention in Ghana Adventist health service.
3. There is an effect of internal audit practices on fraud detection and prevention in Adventist health services.

Significance of the Study

The findings of this study may benefit the health sector in the following ways; The health sector may gain a better understanding of fraud risk management

and thus be able to reduce the negative impact associated with fraud through effective management. The internal auditors, board audit committees, and management of health services may gain an in-depth understanding of fraud risk and be able to use the information to manage fraud in their organisations. The study findings may provide baseline information for policymakers when making fraud and risk management policy decisions to develop applicable prudential regulations supporting the health services in attaining their objectives.

Delimitations

The study is undertaken only in the Adventist health sector in Ghana. This research aimed to examine the connection between internal audit practices and fraud detection and prevention and the impact of internal audit practices on these processes.

Limitations

The study could not cover all internal audit practices in the country due to time constraints. Due to the minimum sample size from the respondents in the quantitative data collection, the results of the study may not be generalised to all Ghana Health Service internal audit departments. Only structured questionnaires were used, which may be subjected to response bias or inaccuracy.

Organisation of the Study

The study was conducted in five chapters. Chapter one dealt with the introduction, background to the study, statement of the problem, the purpose of the study, research questions and hypotheses, the significance of the study, delimitations, and limitations. The second chapter examined the theoretical

framework, conceptual and literature review highlighting research and other writers' perspectives. Chapter three covered the research methods, including research approach, design, population, sampling processes, data collection instrument, pre-testing, validity and reliability of the research instruments, data collection procedures, data processing and analysis, and ethical considerations. The results were presented in chapter four, and the outcomes were examined. Chapter five focused on the study summary, major findings of the study results, conclusions, recommendations, and suggestions for inquiry.



CHAPTER TWO

LITERATURE REVIEW

Introduction

The study examined the extent to which audit practices contribute to the success of fraud detection and prevention in Ghana Adventist Health Services. This chapter reviews the concepts, theories, and empirical studies from the literature related to the study's major variables. The review of related literature covers; a theoretical review that analyses theories underpinning the study, an empirical overview of related studies, a conceptual framework, and an operationalisation of variables.

Theoretical Review

This section identifies a theory supporting the relationship between internal audit practices and fraud detection and prevention. The overarching theories in this study are the agency theory, institutional theory, and fraud triangle theory.

Agency theory

An agency relationship, as defined by Panda and Leepsa (2017), is a contractual arrangement whereby one or more parties (the principal) appoint another (the agent) to act on the principal's behalf and give the agent discretion over certain matters. The literature on corporate governance, which studies the issue of unequal ownership and management (Aebi et al., 2012), has also contributed significantly to the development of agency theory. An internal audit practice is crucial in the construction business since it helps mitigate information asymmetry by providing empirical confirmation of the accuracy of financial statements and the

absence of agency concerns. In agency theory, the principle (the owner) has no reason to trust the agent (the management) because of informational gaps and competing goals (Miernyk, 2019). The Scholars were the first to propose agency theory (Cuervo-Cazurra et al., 2014).

According to the agency hypothesis put forward by Langlois et al. (2014), principals cannot ensure that their agents act in their best interests since they can access more information than they do. According to the agency thesis, profit maximisation for stockholders should be a company's top priority. According to principal-agent theory, principals are the owners of economic resources, and agents are the managers of principals' resources. One criticism of agency theory is that it presupposes that actors are motivated only by a desire to increase their material well-being.

The agency theory not only aids the study in explaining why internal audits occur in organisations but also sheds light on why these departments are often so large and cover a wide range of topics, from financial performance to operational auditing. According to the agency theory, internal auditing, along with other intervention mechanisms such as financial reporting and external audit, helps maintain cost-efficient contracting between owners and managers, which helps maintain cost-efficient leads to financial performance inside the company.

Institutional theory

Institutional theory is an important part of understanding society as a whole. According to Turnbull (2015), an institutional theory studies how institutions (like governments, businesses, and non-profits) become accepted as legitimate rules

governing social behaviour and how their structures are made open and transparent so that their operations and functions meet societal expectations. Consequently, external legitimacy is valued more than an entity's potentially opaque inner workings. How a company is managed and what kinds of technology it employs are also significant determinants of how the general public views that enterprise.

Ahmohamed (2017) argues that the theory of institutions has made a significant contribution by clarifying what an organisation has accomplished. Regardless, it is safe to say that any company's extraordinary or common successes are impressive. Although the company's revenue mostly depends on internal processes, the mechanisms used to connect with external parties are not always current. According to Ahmohamed (2017), companies can protect themselves against foreign espionage with the proper infrastructure. Successfully addressing external hurdles indicates the value of a loose technical relationship to operations. Internal audits can only be carried out efficiently if businesses are willing to invest heavily in new tools and their employees' training.

Internal auditing practices show how a firm operates behind the scenes, with activities seldom seen by outsiders, and how different structures kept for misfits may not necessarily boost efficiency. Organisations may prevent social misfits from being subjected to inquiries if they take the necessary precautions. Therefore, internal auditing practices are the finest strategy to boost the company's efficiency. In order to provide a more all-encompassing conceptual framework, this study highlights the relationship between institutional theory and the economic resources dependency perspective to explain why auditing practices are essential in the public

sector. It considers the methods by which structures, including plans, standards, measures, and timetables, get the opportunity to be developed as authoritative guidelines in evaluating hone.

Donald Cressey's Fraud Triangle Theory

The Fraud Triangle Concept (FTT), developed by American criminologist Donald Cressey, who made fundamental contributions to the study of organised crime, is a widely acknowledged theory that integrates numerous features that ultimately lead to the Fraud Triangle Perspective (Fraud Analysis, 2022). Artificial neural networks are used for fraud analysis. The concentration that human activities must have meaning has been the subject of many studies. To better understand dishonesty, he investigated the factors that motivate individuals to engage in deceitful behaviours like a fraud. He claims that there are three prerequisites for engaging in criminal behaviour: pressure, opportunity, and justification. Cressey argues that for a regular person to commit fraud, three things are required: pressure, opportunity, and rationalisation.

A person in need who cannot legitimately get funds may feel compelled to resort to illegal means, such as theft or misrepresenting financial transactions, to get by. In order to get out of his financial jam, the criminal may use his trusted position, which is where the opportunity resides (Rasmussen, 2014). This is a widespread practice in environments with inadequate internal controls. The rationalisation is the third element of the fraud triangle. When they commit their first act of fraud, most con artists do not yet see themselves as criminals. They

persuade themselves that they are nice people trapped in a bad position to excuse their actions.

When trusted people come to believe that they have a non-shareable financial problem that can be secretly resolved by violating the position of financial trust and when they are able to verbally justify their behaviour in this context, Morales et al. (2014) argue that they have crossed over into trust violator territory. This theory adds to the inquiry because it suggests that fraud may be greatly decreased if the reasons of it (internal organisational factors such as pressure, opportunity, and rationalisation) are addressed. In addition, internal auditors may have a basis for recommending internal controls to management and conducting investigations into any fraudulent activity.

There are four elements necessary for fraud to take place: incentive, where the offender needs to commit fraud; opportunity, where there is a systemic weakness that the right person could exploit and fraud is feasible; rationalisation, where the offender has convinced themselves that the risks of the fraudulent behaviour are worthwhile; and capacity, where the offender is aware that they possess the traits and abilities that make them the most suitable person to the perp. While the authors acknowledge some overlap between these four components, they argue that fraud diamond provides more value by openly and separately considering each facet of the ability to commit fraud when determining fraud risk. The fraud diamond is unnecessary, given that current auditing standards only look at possible internal sources of fraud.

Since the theory suggests that fraud can be significantly reduced if the organisation addresses the pressures, opportunities, and rationalisation of individuals by having internal auditors address the practises of the organisation that is related to fraud, having fraud prevention and detection techniques in place, and having the capabilities aspect of the fraud perpetrators, who may also commit other types of crimes, including in the fraud management programme.

Conceptual Review

This section provides an elaboration of the key variables and concepts of the study. These concepts are explained as follows:

Overview of internal audit practices

The purpose of internal auditing is to ensure that resources are being used effectively and efficiently, and it does this by conducting independent assessments of existing systems and procedures.

Primary goals are protecting government property, maintaining accurate records, promoting productive operations, demonstrating a commitment to best practices, and guaranteeing adherence to legal mandates. There has been a shift in the function and focus of internal auditing over time. Once upon a time, audits were scheduled on a cyclical, methodical basis, and auditors' roles were defined in terms of a checklist of existing corporate policies and practices to guarantee that the enterprise's internal controls were operating well.

Since then, the primary objective of an internal auditor has been risk mitigation (Edouard Felix & Parkinson, 2022). This strategy made sense when time and technology moved at a slower pace, but it is not feasible for today's businesses,

which use sophisticated electronic technology for virtually every facet of their operations and rely on real-time data to guide decisions across their 15 locations worldwide. Naheem (2016) defines internal auditing as the consulting and assurance activity performed by an organisation's employees to improve and secure the organisation's internal processes. An internal audit's independence and objectivity are valuable assets because they allow for the methodical, disciplined evaluation of a company's risk management, control, and governance systems.

Internal auditing is difficult due to the diversity in legal and cultural environments, organisational goals, sizes, structures, and internal and external auditors (Schwartz, 2013). Internal auditing practices may need to be modified to consider these variations. Whatever the situation, auditors conducting internal audits must adhere to the Standards. The concept of auditing one's activities is centuries old. To combat corruption in the ruler's treasury, auditors checked the legitimacy of financial transactions on behalf of governments and royal houses (Tanzil, 2020). An internal and external auditor was used for the auditing process (Kettunen, 2012). Financial issues were often reported verbally by authorised authorities to the auditors.

It is generally considered that the origin of the word "auditor" may be found in this metaphorical "hearing of accounts." Before the extensive use of written papers, it was common practice for parties to ratify financial transactions orally. Internal auditing is crucial to good management since it offers audit services to upper-level managers like the board of directors and audit committees (Arena & Sarens, 2015). The internal auditor is responsible for ensuring that the company's

assets are safe, that the books and records are accurate, and that all rules and regulations are followed on time. Over time, the role of the internal auditor has expanded and gotten more intricate. In light of these responsibilities, it is simple to understand how internal auditing techniques might improve the organization's corporate governance.

According to the new concept of internal auditing, it is expected that the internal audit will run the organisation's activities and controls efficiently, effectively, and economically, so the definition of internal auditing has been expanded to include assessing and improving the efficacy of a company's governance process (Krishnamoorthy & Maletta, 2016). Internal auditors' standing as professionals have been on the upswing, but management's recognition of their work's full value and potential. Therefore, there must be ongoing work to raise awareness of internal auditing and the value it can add to businesses and communities.

The evolution of auditing practices

The Latin word 'adore,' which means to hear, is where we get the English word audit. Historically, auditors would have accountants pore over their books as they checked for errors. Auditing is just as old as accounting. It was widely used throughout antiquity, from Mesopotamia to Greece to Egypt, Rome to the United Kingdom, and India (Daidj, 2022). Books of accounts and audits are mentioned in the Vedas. In his book "Arthasashthra," Kautilya laid down strict guidelines for the accounting and auditing of public funds. Auditing's primary function was to identify and forestall fraudulent activity. With the rise of joint stock firms in the

18th century, auditing developed and expanded fast as ownership and management of businesses were decoupled for the first time. The company's Board of Directors, who are the employees, was tasked with managing the firm's finances, but the company's shareholders, who are the owners, required an independent expert's assessment of those finances.

Instead of finding mistakes and fraud, auditors are now tasked with determining if the financial statements are accurate and complete. The Companies Act of 1913 mandated that all Indian corporations have their financial records audited. As businesses grew larger and more transactions were processed, the focus of audits evolved from ensuring accuracy to determining if the books were honest and fair. Therefore, a just portrayal of the financial efforts was prioritised over precise numerical results. Companies originally had their auditors' credentials spelt out by the Companies Act of 1913. Standard accounting and auditing procedures have been established by the "International Accounting Standards Committee" and the Accounting Standards Board of the Institute of Chartered Accountants of India. The computerisation of accounting and auditing is crucial to the most recent advancements in the field.

Development of auditing

The history of auditing is classified into the following five chronological periods: (i) before 1840; (ii) between 1840 and 1920; (iii) between 1920 and 1960; (iv) between 1960 and 1990; and (v) from 1990 to the present. Before 1840, nothing is known about the early history of auditing (Hay & Cordery, 2017). Ancient Egyptian, Greek, and Chinese civilizations practiced auditing by checking activities

(Hay & Cordery, 2017). Ancient Greek artefacts (around 350 B.C.) resemble contemporary auditing practices. Anyone guilty of embezzlement and punished ten times the amount found to have been taken.

Anyone found guilty of corruption by the court based on their evidence also faces a fine equal to ten times the bribe amount. If he is found responsible for an administrative error, the amount involved is assessed, and he has penalised that sum as long as he pays it in full within nine months; otherwise, the fine is doubled. The historic English Exchequer was also known to engage in similar checking procedures. Special audit officials were employed when the Exchequer was founded in England during the reign of Henry 1 (1100-0 1135) to ensure that the state revenue and expenditure activities were accurately recorded (Colbert & Jahera, 2011). The “auditor” was responsible for conducting the account inspections. This examination’s goal was to stop fraudulent behaviour (Trotman & Trotman, 2013).

To verify the wealth brought by the captains of sailing ships from the Old World bound for the European Continent, it was found that checking activities existed in the Italian City States. Finding instances of fraud during audits has proven difficult once again. The 1394 Pisa audit was typical of those conducted in the Italian City States. The goal was to check the government employees’ books for signs of defalcation (Doxey et al., 2016).

According to Lee et al. (2013), auditing had few business applications before the industrial revolution. This is due to the fact that at this time, cottages and small mills that were personally owned and operated accounted for the majority of

industries. As a result, business managers had no requirement to update owners on their resource management. As a result, auditing is rarely used. Before 1840, an audit consisted of a careful inspection of each transaction. Nothing like testing or sampling was done during the audit. The existence of internal control is also unknown.

Modern-day auditing (1960-present)

The rapid expansion of economies worldwide since the 1990s has prompted corresponding changes in the auditing industry. The role of auditing today goes beyond simply attesting financial statements. Today's auditing has evolved into new methods that build on a client's understanding of business risk, according to Anderson et al. (2012). The foundation of the business risk approach is the idea that a wide variety of business risks the customer faces are pertinent to the audit. Many company risks are believed to eventually have an impact on the financial statements if they are not managed. If the auditor thoroughly understands the full range of risks businesses face, they will be better able to rapidly spot concerns of significance and relevance. Since the early 1990s, the audit profession has been expected to do more, including assess and more explicitly raise concerns about an auditee's capacity to continue in compliance with societal and regulatory concerns over corporate governance issues.

Auditor effectiveness in performing these functions is enhanced using the business risk strategy. These days, audits are conducted so investors can have faith in the financial and other data supplied by management in annual reports. All the major US audit firms' consulting income surpassed their auditing revenues by

2000. Given their reliance on consultant fees, investors and auditing industry regulators began to wonder if audit firms could still be considered independent in audit matters. Financial scandals have recently hit publicly traded companies, including Sunbeam, Waste Management, Xerox, Adelphia, Enron, and WorldCom. As a result, the quality of audits has come under scrutiny.

This process has undergone some of the more common types of audits, including those listed below. An external audit called a financial or statutory audit aims to ensure that a company's financial statements are complete, accurate, and fairly presented per a reporting framework, such as the International Financial Reporting Standards (IFRS). When a business wants to ensure its internal controls, risk management, and governance are doing everything possible to help it reach its objectives, it will conduct an internal audit, sometimes called an operational audit. So, the legislation mandates annual external audits for businesses.

In contrast to an external audit, which is conducted by experts independent of the organisation and submits an audit report to the shareholders, an internal audit is mostly carried out by workers who report to the board's audit committee of directors. Certain companies require internal audits under the Ghana Companies Act 2019 (Act 992). Forensic audits apply auditing and investigative techniques to circumstances that may have legal repercussions. Forensic audits may be required during investigations into fraud involving the theft of funds, money laundering, tax evasion, insider trading, and estimating damages in the context of insurance claims.

Examinations of Conformity Audits for compliance with federal, state, and University rules, regulations, policies, and procedures are conducted, and

investigative audits are carried out when needed. Alleged violations of federal and state laws and university policies and regulations are the primary focus of these investigations. There could be legal ramifications or disciplinary measures taken if this continues. Investigative audits examine issues including employee theft, improper use of University resources, and potential conflicts of interest, whereas Information Systems (IS) Audits examine the internal control environment of automated information processing systems and how they are used. Audits of information systems often examine such things as backup and recovery strategies, system security, and input, output, and processing controls.

The role of internal audit function on corporate governance and management

The internal auditing function is the department within a firm that is in charge of conducting audits. Internal auditing success depends on four things: adequate funding, trained auditors, a well-defined organisational framework, and adherence to the IIA's International Standards for Internal Auditing (Alan, 2017). Globalization of the demand for financial accounting and integrated reporting is largely responsible for the current uptick in regulation compliance concerning capital market regulation (Freidank et al., 2014). Among the many elements that Power cites to explain auditing's evolution is a greater emphasis on corporate governance and an institutionalised function for internal control (Mat Zain et al., 2015). The IIA's definition and criteria for internal auditing are the most well-known in the field; they require the auditor to make many contributions to assessing the corporate governance process (Zaman & Sarens, 2013). There are two ways in which internal audit contributes to corporate governance framework compliance. A

robust business monitoring system would be useless without an internal audit. Second, the data it collects in the field can be used to ensure that a business complies with applicable regulations. Internal audit plays a role in many facets of company governance (Verschoor, 2022).

To illustrate the impact of internal auditing on corporate governance, consider the following: It serves as the board's auditing body and ensures that corporate governance best practices are followed (e.g., a national or international code). Therefore, internal auditing improves company governance by assessing the status quo. Therefore, it aids a firm in determining if its values are effectively communicated to its staff (Sawalqa & Qtish, 2012).

Over the past few years, the job of internal auditors has shifted from one concerned almost solely with questions of external financial reporting to one concerned with general corporate governance issues (Parker & Johnson, 2017). The audit function has seen significant modifications due to the rise in corporate accountability over the past three decades. More precisely, it has led to the acceptance of the need to establish an "audit trinity" consisting of internal auditors, external auditors, and an audit committee (Parker & Johnson, 2017). As a "three-legged instrument" of corporate governance, the Blue Ribbon Committee presents audit committees, internal auditing, and external auditing to increase the reliability of financial reports (Mihret & Grant, 2017). One mechanism of corporate governance is internal audits. *Journal of Accountancy and Financial Reporting Across Borders* (Petridis et al., 2019). When improving corporate governance, internal auditing's audit committee role is crucial.

A component of the company's governance structure, the audit committee's responsibility is to monitor the company's management, "internal auditors," and "external auditors" to guarantee that the equity and interests of the shareholders are safeguarded (Al-Baidhani, 2014). The audit committee has been given oversight duties by the board of directors in order to protect investors and uphold a culture of corporate accountability (Masli, 2018). Internal and external auditors and corporate management report to the audit committee on the efficacy and efficiency of the firm's internal controls (Report of the National Commission on Fraudulent Financial Reporting, 1987). The audit committee is often tasked with evaluating the internal control structure and associated processes (Al-Baidhani, 2014). Relationships with the board of directors, management, external auditors, internal auditors, legal counsels, professional institutes, and standard-setting bodies are crucial to the audit committee's capacity to fulfil its oversight responsibilities (Chan & Vasarhelyi, 2011). Given the present state of affairs, the audit committee and auditors play a crucial role.

Stakeholders expect the auditing team and the audit committee to keep the firm functioning smoothly (Karagiorgos et al., 2010). Regarding corporate governance, the audit committee is vital in establishing strategic goals, implementing control measures, and enforcing accountability. Al-Baidhani (2014) explains that it is a crucial aspect of any company's internal control system because it protects the honesty of management and the reliability of financial statements. A well-organized audit committee greatly enhances the effectiveness of an organization's independent auditors. Audit quality is also impacted by how auditors

are chosen and appointed (Petridis et al., 2019). Internal audits and corporate governance have been shown to affect all financial metrics (Karagiorgos et al., 2010).

Audit committee members with specialist skills are in more demand than ever (Petridis et al., 2019) due to the growing importance of the committee's role in corporate governance and other issues related to consumer contact. In recent years, continuous auditing has become more important. One of the various interpretations of "continuous auditing" (Lins et al., 2016) is an efficient and timely reaction to events that have already taken place. Considering this, it is easy to see why internal auditing is crucial. According to Kontogeorgis (2018), an auditor must fulfil the following minimum standards as part of their legal responsibilities. Responsible employees educate their managers, disclose problems inside the organisation, follow policies, report wrongdoing when they see it and behave ethically.

Several indicators, such as the availability of a company's corporate governance statement, may be used to make an educated guess about the auditors' workload (Nerantzidis, 2015). A corporate governance statement may be a part of the annual report or issued separately, depending on what is required by law in a Member State. The European Union does not have the most stringent requirements on corporate governance transparency compared to certain other countries. Definition of Internal Controls Reviews, checks, balances, methods, and procedures are all examples of internal controls. These are put in place by an organisation to (1) keep operations running smoothly and efficiently, (2) protect

their assets and resources, (3) prevent and detect fraud and theft, (4) keep their books in order and provide accurate and timely financial and management information, and (6) ensure that their policies and procedures are followed.

According to this definition provided by Schneider et al. (2011), internal control extends beyond merely finance and accounting. Internal auditors' purview has broadened recently to include corporate governance and personal accountability concerns (Mu'azu Saidu Badara & Siti Zabedah Saidin, 2012). Agency fees and the possible lack of information may be cushioned for shareholders and other interested parties by disclosing information on internal audits and the composition of the board's monitoring committees (Mensah, 2016).

When a company suddenly fails, it is natural to wonder if the internal control system is sloppy or inadequate. It seems to have a poor risk management policy (Mensah, 2016). The role of the auditor includes looking for and reporting instances of wrongdoing. According to Kontogeorgis (2018), an impartial auditor performs better. Since the auditor is likely to be the first to notice corporate weakness (Kontogeorgis, 2018), auditors are entrusted with a great deal of responsibility from the perspective of corporate governance. Their robust investor protections demonstrate the absence of political involvement in certain countries.

According to the dictionary definition of "assurance," one of the services internal auditors give is assurance. As a result, the internal audit role serves as a source of direction and counsel for management (Abuazza et al., 2015). The internal auditing function provides value to management in two ways. The company's finances and output may be evaluated this way (Kontogeorgis, 2018). Internal

auditors go into operations and provide ideas to boost efficiency. Internal auditing also contributes to the success of an organisation by helping it reach its operational objectives (Koutoupis & Pappa, 2018).

Concept of internal audit practices

Internal auditing has long been seen as a human preoccupation with verifying and auditing one's actions, with the bonus of being able to point out flaws in others' procedures. Internal audit's impact is likely to be far-reaching even when viewed through a narrow lens, as it can lead to improved accountability, ethical and professional behaviour, risk management, product quality, and decision-making and performance monitoring support.

Conventional wisdom holds that the purpose of an internal audit is to ensure that financial records are up-to-date, that assets are being managed securely, and that policies and procedures are being adhered to. This concept's original intent and use have been drastically rethought. Cost-benefit analysis, resource utilisation, deployment, propriety, management efficacy, etc., are all topics that the contemporary perspective thinks should be given equal weight to monetary ones.

The term "internal audit" refers to a service conducted by a company or other organisation to provide a fair and objective evaluation of operations within that entity. According to the Institute of Internal Auditors of the United Kingdom and Ireland, Internal Auditing is an independent, objective guarantee and consulting interest designed to add value and enhance an employer's operations. Methodical, data-driven evaluation and improvement of risk management, manipulation, and governance practices aid in achieving company objectives. The Institute of Internal

Auditors in New York defines internal auditing as the independent appraisal of an organisation's accounting, economic, and other activities to provide value to that organisation. It is a management control that keeps tabs on and evaluates how well other controls are doing their jobs.

The following definitions of internal audit emphasise the significance of objectivity, calling for internal audit to be a non-biased role inside an organisation. Therefore, an internal audit's fundamental goal is to provide an unbiased, objective assessment to the head of a government agency. A department's officers are equipped to take the necessary remedial action and help plug holes that could otherwise go undiscovered for a long time, thanks to the findings and suggestions of an impartial, focused internal audit function. Definitions of internal audit emphasise both assurance and consulting. Internal auditors must be dispassionate and objective while carrying out these tasks. Management is ultimately responsible for determining the project's course of action, although internal audits may provide valuable insight. An internal audit, which may act as a consultant on risk and control concerns, is one tool that can assist management in figuring out how to deal with the dangers that naturally arise in each project.

On-the-job training, when auditors instruct other, less experienced staff members, is the primary source of employee development. Each auditor is accountable for keeping track of their professional growth and adjusting to remain current. This calls for keeping abreast of developments in auditing's rules, procedures, and techniques. An internal auditor must ensure the confidentiality of

the information he gathers. Personal information will not be disclosed unless forced by law, legal procedure, or professional ethics.

According to the definition, internal auditing must include independent assessment procedures. However, the fact that this “independence” exists inside a company makes the term “independent” worthless. An impartial internal auditor can report objectively on all pertinent information. Please consider the following description of how to incorporate an internal auditor’s conclusions as outlined by the International Auditing Standards: Since an internal audit function is already embedded in the organisation, its autonomy, and objectivity are not the fundamental indicators of independence. This is due to the fact that the nature of his reporting relationship may affect his judgement and transparency.

Objectives and Scope

As was previously said, internal auditing is a service provided by an unbiased department inside an organisation that performs evaluations and inspections of the company’s internal processes. Therefore, internal auditing seeks to enhance the efficiency with which personnel of the organisation carries out their duties. Internal auditing allows them to access evaluations, suggestions, advice, and data on the actions being examined. The audit is an effort towards fostering control at a reasonable cost. Management and the board of directors are not the only ones who may benefit from an internal audit. The purpose of an internal audit is to evaluate the effectiveness of the organisation’s internal control system and the standard of its output.

The company's internal auditors need to ensure that the current controls work well with how the company is structured. It saves time and money if the controls are located near the action being done. Identify the benefits and drawbacks of each control measure; Assess the reliability of the company's financial and operational data and the efficacy of the tools used to gather and analyse it. Procedures for checking that activities and reports align with all applicable policies, plans, procedures, regulations, and laws should be double-checked. Verify the existence of and level of security around the assets in question. Loss prevention is management's top responsibility; thus, the organisation takes great care to lock down assets and monitor their whereabouts. There are many dangers today, theft being only one of them. Evaluate the effectiveness and economy of resource use, and Check in on ongoing projects to ensure everything is going according to plan and that outcomes align with initial expectations.

Components of internal audit practices

Independence

There should be no ties between internal auditors and the operations they are auditing. A characteristic of independence is the capacity of internal auditors to carry out their responsibilities free from intervention or prejudice. Internal auditors need the freedom to think and act freely to make the dispassionate judgements essential to quality audits. Keeping your credibility and neutrality while working inside the firm is key. For an internal auditor to be impartial, they must be able to report on important issues without fear of retaliation or interference from superiors. The present structure of the internal auditing team should be sufficient for

performing its auditing responsibilities. The head of internal auditing should report to the management or board with sufficient power to ensure proper audit coverage, adequate inspection of audit reports, and appropriate action on audit recommendations. Independent thought is essential for an auditor to maintain impartiality in their task.

When conducting an audit, internal auditors should not consider the views of management or other interested parties. Auditing does not include a system's design, deployment, or upkeep. Finally, an audit is not responsible for developing system procedures. It is thought that such actions compromise an audit's impartiality. An internal auditor must, therefore, be forthright, honest, and sincere in their approach to the auditing task; fair in that they do not allow prejudice or bias to cloud their judgement; impartial in that they are free of any interest that could be viewed as incompatible with integrity and objectivity; and free of any bias or prejudice.

If an auditor's ability to make impartial judgements is threatened by factors inside or outside their control, they should inform their superiors. Therefore, Internal Audit contributes to better management by offering an independent and ongoing review of how things are managed (Murphy, 2018). An effective internal audit ensures the efficiency and effectiveness of all programmes, aids in the development and upkeep of all financial and administrative procedures, and enhances the conduct of audit examinations on financial information in an impartial, state-of-the-art, and professional manner in order to convey an unbiased opinion on the quality and veracity of that information.

Approved fraud policy

Recent research (The Dynamics of Investigating and Prosecuting Financial and Economic Crimes in the UK, 2017) suggests that all businesses should actively work to create an anti-fraud culture that permeates every level of the organisation, from employee to manager. A formal proclamation of that commitment shows the commitment of upper management to combating fraud. Employers have an obligation to make it clear to their staff that they will report workers to law enforcement for any illegal activity related to their work. Employees, contractors, and suppliers should be familiar with the company's fraud policy statement. A fraud policy declaration must be brief, clear, and understandable.

While the specifics will differ from company to company, it is important to at least touch on the following points: take appropriate measures to deter fraud; introduce/maintain necessary procedures to detect fraud; investigate all instances of suspected fraud; report all suspected fraud to the appropriate authorities; assist the police in investigating and prosecuting suspected fraudsters; recover wrongfully obtained assets from fraudsters; and encourage employees to report any suspicion of fraud.

The study may also wish to include the following:

The allocation of responsibilities for the overall management of fraud; and procedures to be followed if fraud is suspected.

A fraud policy statement should clarify that all employees are responsible for fraud prevention and detection. The statement must be actively and regularly promoted

throughout the organisation to all employees, irrespective of grade, position, or length of service.

Code of ethics

The government's code of ethics for internal auditors is built on integrity, impartiality, competence, secrecy, and independence. Integrity: The internal auditing process should always be conducted with the utmost integrity. At all times, honesty and fairness are required. The main point is that people should trust and respect his report and that it should be fair. An impartial internal auditor has the appropriate skill set and thoughtfully assesses the evidence.

An internal auditor should not make assertions that cannot be backed up by evidence or provide views not supported by facts. Internal auditors are tasked with using their extensive knowledge of the industry. An internal auditor should not take on work beyond his purview or skill set. The audit and related report should be conducted by qualified professionals with the necessary training and experience in auditing.

Continuous monitoring

Executives in the finance and auditing sectors are typically well-versed in the concepts of continuous controls monitoring and continuous auditing, as well as the benefits that stem from them. However, few businesses have reached their full potential, especially on a company-wide scale. According to Deloitte, there are primarily two causes for this: first, executives have not seen a clear, strong business case for establishing either continuous monitoring (CM) or continuous auditing (CA) in their enterprises; and second, executives have not seen a clear picture of

how CM or CA would be implemented in their organisations. There was some confusion between CM and CA, and we decided a definition could help (this will be expounded below). These two kinds of programmes are distinct, despite their shared characteristics of being automated and continuing.

As its name suggests, continuous monitoring enables management to keep tabs on business processes frequently to ensure they are operating as expected and to spot any issues or areas for improvement. Similarly, internal audits may continually receive, from processes, data that supports auditing activities with the use of continuous auditing. With hazards, regulatory action, and compliance expenses on the rise, now is a great moment to look at (or re-look into) the potential function of CM, CA, or both in your company.

It would be useful if you considered the means necessary to implement such monitoring and auditing, as well as their form and operation. Internal audit, accounting, finance, and risk management executives may find this material useful. CEOs, COOs, and board members who share the executives' worries about the effect of rising risk, regulation, and costs on their organisations may find this research informative (Jin et al., 2011).

Roles and responsibilities

An organisation's internal auditing group is essential, and its members must always defer to the wishes of higher-ups and the board. The internal auditing department's role, authority, and responsibilities should be spelled out in a formal written document approved by upper management or the board. The document should outline the purposes of internal auditing, the responsibilities of the

department, and the fact that auditors will bear no responsibility for the results of their investigations. Organisations of many shapes and sizes, with a broad range of aims and objectives, perform internal audits across the globe.

In addition, regulations and norms might vary greatly from one jurisdiction to the next. These differences may need unique approaches to internal auditing in each organisation. That is why it is more important than ever to follow the rules as they are right now. As part of their duties, auditors must use reasonable professional care when they plan the audit, collect evidence, and report their findings. Therefore, auditors should watch for warning signs indicating wrongdoing, fraud, waste, inefficiency, or illegal or inappropriate expenditure. The internal auditor must weigh the importance of achieving audit objectives, the significance of issues to be investigated, the efficiency of accounting and administrative internal control systems, and the estimated costs of implementing audit test plans against the expected benefits gained in order to determine which audit tests and procedures constitute reasonable professional care.

Empirical Review

The present state of knowledge on the topic is discussed below. It cites supporting evidence from previous research. Finding and explaining this study's literature gaps helps fulfil the section's overarching goal. This section includes a number of critical analyses. This part also sets the stage for contrasting the current study's findings with previous research.

Fitriyah (2017) looked at how the internal audit unit at public universities in West Java, Indonesia, responded to the challenge of identifying and preventing

fraud. This research aims to determine the degree to which the Satuan Pengawas Intern (Internal Audit Unit) plays a role in identifying and preventing fraud at West Java public institutions under the jurisdiction of the Ministry of Research, Technology, and Higher Education. In this study, the Internal Audit Unit at each public university served as the unit of analysis, and the research strategy used was a qualitative case study. This study's findings suggest that the Internal Audit Unit at a public institution is effective at spotting and preventing fraud by raising red lights whenever accounting irregularities are spotted. There are inconsistencies in recording state-owned assets into a state property management system (SIMAK BMN), which could result in loss to the state if not conducted properly, and inaccurate budget planning, which leads to inappropriate use of funds.

Internal auditing, fraud prevention, and detection in the Upper West Region of Ghana were all investigated by Abdul-Hafiz (2020). Forty-one respondents were surveyed from the included organisations in the Upper West Region of Ghana, and an explanatory research methodology was used for the study. Participants were polled using a predetermined questionnaire. Descriptive statistics were used to examine the data collected from the questionnaire using the Statistical Package for the Social Sciences (SPSS). According to the findings, internal auditors' efforts to prevent, detect, and reduce fraud were influenced by internal control systems; risk management and governance; laws, policies, standards, systems, and procedures; and the reporting of any suspected fraud or misuse of public funds to responsible authorities. The study also found that fraudulent billing, cheque tempering, and payroll fraud have decreased within covered entities over the past three years, while

indicators like cash-on-hand fraud, corruption, and fraudulent expense reimbursement have increased.

Regulatory agencies in Kenya as a case study for Harriette's (2016) investigation of the impact of internal audit practices on organisational performance. For a long time, internal control was just a basic management technique that mostly included looking through old records, counting up the available resources, and answering questions from the Board of Directors, the management, or the external auditors. However, diverse forces have recently caused a quiet upheaval in the vocation. Organisations have a duty to demonstrate stewardship over shareholder funds and efficiency in service delivery. Rare assets must be transmitted all the more effectively to minimise and supervise risks, and organisations today demand exceptional expertise and refined approach from internal review. All of the structures inside an organisation designed to provide reasonable assurance of achieving top-down objectives form what is known as the internal control framework.

This research aimed to examine the impact of an internal audit system on the efficiency and effectiveness of Kenyan regulatory agencies. This research aimed to determine whether regulatory bodies in Kenya are affected by their control environment, risk appraisal, internal auditing, and control activities. This research aimed to examine the role of the internal audit system in regulating entities in Kenya. Employees from 265 regulatory Bodies were included in the research. The research used a stratified sampling method to choose its sample size of 53 participants, with one participant selected from each participating organisation.

Questionnaires were the main tool for gathering responses for this study. The information was put through SPSS version 20, regression analysis, and descriptive statistics before being shown as percentages, means, SDs, and frequencies.

The results were shown as frequency tables and figures, and the data as text. The connection between the dependent and independent variables was determined using multiple regression analysis. Risk management's ability to forecast an organization's performance before regulatory agencies were non-existent in the research ($p = -0.07$). When it comes to forecasting how well an organisation will do, risk management has a negative and statistically insignificant regression coefficient. This means that the performance of an organisation will decline by -0.752 for every unit of improvement in risk management. The research also discovered that the co-efficient for the control environment was significant ($p=0.242$). Organisational performance was positively and significantly correlated with the control environment's regression coefficient.

That means a 0.262-point improvement in performance may be expected whenever a unit's control actions are doubled. A p-value of 0.009 was statistically significant, indicating that Control activities are significantly correlated with organisation performance. Organisational performance might be accurately predicted using the control environment as a regressor. The research results determined that risk assessment evaluation should be focused both at the level of individual organisations and across the combined association's diverse array of activities and ancillaries. The emphasis also recommends that if environmental considerations are among the aims of a project, internal management should

support the assured attainment of those goals. The research concludes by recommending that internal control be effective when analysing outline since it can be very useful in protecting assets and creating a conducive trading environment in areas like accounting methods, management structure, and operational strategy.

According to Kiplangat (2021), deposit-accepting savings and credit Co-Operative Societies in Kericho County, Kenya, were studied regarding their internal audit practices and financial performance. Kenya's cooperative savings and loan associations have improved their performance over the last decade. Despite Kenya having the fastest-growing DT-SACCOs in Africa, those in Kericho County have lagged financially behind the rest of the country. This justifies the need for the investigation that was conducted. The research set out to determine how internal auditing practices influenced the financial success of deposit-accepting SACCOs in Kericho County, Kenya. Focusing on Savings and Credit Cooperatives in Kericho County, this research determined how audit committees, internal auditor independence, risk management, and internal controls influence financial performance.

The study's foundation was the theoretical connections between agency theory, capture theory, and contingency theory. The research method used was a descriptive one. The survey's intended respondents were upper-level managers at five Kericho County SACCOs authorised to accept deposits. The research used a census survey approach. Primary data were collected through pilot testing of questionnaires to establish validity and reliability. Descriptive statistics like means, standard deviations, and frequencies, as well as inferential statistics like correlation

and regression, were used in SPSS to analyse the data. Tables, charts, and talks were used to show the acquired findings.

The research demonstrated that the DT-SACCOs' financial performance was greatly impacted by their internal audit practices in Kericho County. This is supported by the results of the correlation study, which found a value of 0.655 between risk management and monetary success. The independence of the auditor was shown to have the lowest correlation (0.357) with financial results, followed by internal controls (0.526) and the audit committee (0.420). The connection between internal auditing practices and their effectiveness is somewhat favourable. In addition, the findings indicated that alterations to internal audit practices accounted for 47.4% of the variance in the financial results of the deposit-accepting SACCOs in Kericho County. The study concluded that internal audit practices positively and significantly influenced the financial performance of deposit-taking SACCOs in Kericho County. The research found that deposit-accepting SACCOs in Kericho County performed better financially after adopting internal audit practices and their features. Firms that want to boost their financial performance are urged by the research to use internal audit procedures.

Fraud detection and prevention

A well-implemented code of conduct (a transparent organisational structure, the development of a policy concerning the conflict of interests, and the presence of a department of internal audit) is one of the most important tools for informing employees of the acceptable standards for their work and highlighting the management's commitment to upholding the integrity of the entity. A well-

designed communication and training programme (such as a hotline for reporting fraud or regular lectures about professional ethics) will also help employees better understand their roles in relation to the controls put in place to prevent professional fraud and transgression. It is important to take note of the precursors of fraud as a means of early identification. Changes in an employee's behaviour, lifestyle, addiction to drugs, alcohol, gambling, inconsistencies regarding leave requests, etc., should all be taken seriously by upper management.

In this sense, the management can set up a confidential support system for its employees, including family counselling, addiction counselling and aid, or financial counselling. An important action in fraud prevention and detection is establishing an appropriate internal control system tasked with this responsibility. It should aim to: respect the principle of separating functions (no function should allow an employee to execute a whole cycle of transactions, i.e., an employee should not have the authority to execute both front office and back office activities); examine the staff on their qualifications, competence, education, previous jobs, regular evaluations of their performances, taken leave; access the public resources to compare the accounting data to their physical existence; properly investigate the employees and third parties, especially in cases of authority positions in the process of financial reporting.

According to Priscilla, Martha, and Brigitte's (2011) study, by searching databases for information to identify connections between people and checking employees' backgrounds for convictions, financial incidents, loans, etc., proactive data analysis can help management catch potential frauds and professional

infractions that might otherwise go undetected. Furthermore, by carefully analysing the risks associated with fraud and professional transgression, management may obtain insight into their business's challenges, identify control gaps, and develop a strategy to fill those holes. Another element that may aid in reducing the issue is how people perceive individuals who engage in fraud. Every time an economic infraction is found, the same response must be taken to create a culture of intolerance for fraud. As a result, owing to an effective control and risk management system, staff members are prepared to report suspicious behaviour and are aware of the repercussions of engaging in fraud.

Such an attitude may deter the majority of wrongdoers. In essence, it is also meant to demonstrate to staff members that wrongdoers will be treated equally regardless of their position within the firm. Finally, how a business responds to a fraud discovery is crucial; it should act to make the fraud and professional breach known to the public. Corrective action should be conducted when fraud or other infraction is discovered. This entails making reparations for any wrongdoing, looking into the root reasons to lower the chance of fraud in the future, and willingly submitting the results of the inquiry to a regulatory organisation or any other relevant authority.

The executives who could not stop or even notice the onset of these issues must also be interviewed, and those who were immediately impacted. The business should also inform the staff that management responded to fraud or other infractions with the proper remedies. To prevent fraud and professional misconduct, creating a disciplinary system that clearly defines the accountability

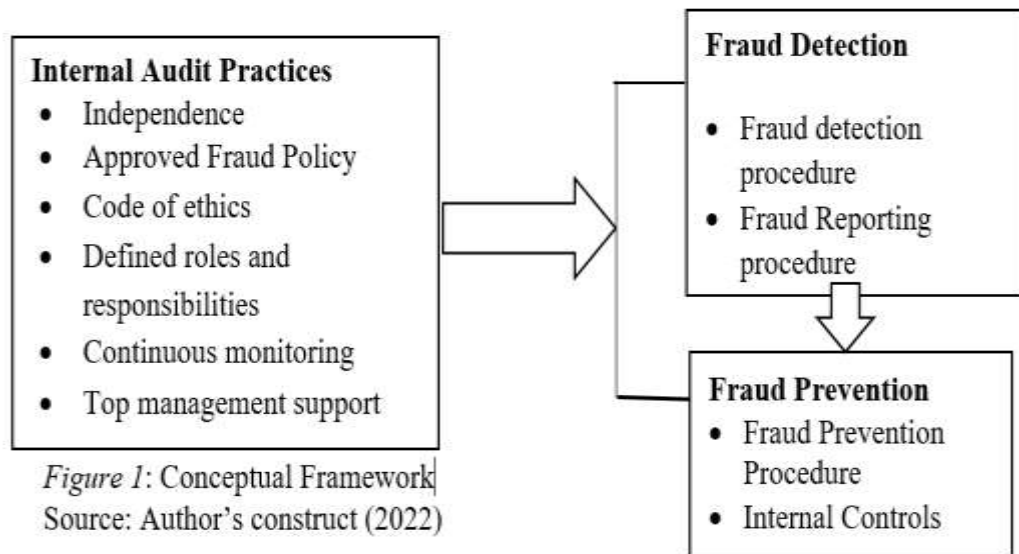
procedure and assures employees that risk assessment and management are top objectives is crucial.

Knowledge Gaps

Insights into fraud prevention, detection, and response have been provided in several papers and studies on the management of fraud risk, including the following (Cohen et al., 2010): Creating a plan for prevention, detection, and response of fraud as well as risk management (KPMG Forensic, 2014). A study by Ohando (2015) that evaluated the fraud risk management techniques used by Kenyan insurance firms focused on the financial performance of commercial banks, and a study by David (2013) looked at the effect of fraud risk management techniques on the financial performance of commercial banks in Ghana. However, many Insurance and financial fraud were the main topics of the articles. It is, therefore, the aim of this paper to gain an understanding of the risk of fraud faced by health services and investigate the extent to which internal audit practices affect fraud risk management in health services in Ghana.

Conceptual Framework

From the Figure, the independent variable is an internal audit practice comprising “internal audit independence,” “risk management,” “internal audit quality,” and control activities, while the dependent variable is fraud prevention and detection. Based on prior research, this study is expected to establish a link between internal audit practices and fraud prevention and detection.



Chapter Summary

This chapter undertook a thorough revision of exact concepts and academic propositions that have been espoused in internal audit practices and fraud prevention and detection, alongside theories underpinning the study, an empirical review, and a conceptual framework depicting the relationship between the two variables under study.

CHAPTER THREE

RESEARCH METHODS

Introduction

The study examined the extent to which audit practices contribute to the success of fraud detection and prevention in Ghana Adventist Health Services. This chapter presents the methods used to carry out this study. It, therefore, identifies how the research was undertaken and the rationale behind each method. The elaborated elements under this section include; research design, research approach, research area, population, sample and sampling techniques, instrument, data collection procedure, reliability, validity, data analysis, and ethical issues.

Research Approach

In order to perform this research, the researcher used a descriptive survey approach. Though there are many research designs, the descriptive study was purposely chosen to characterise phenomena connected with a certain population or to determine the percentage of the population with certain characteristics (Cooper, 2018). The descriptive study approach allowed the researcher to collect quantitative data to offer detailed information using frequencies, means, standard deviations, and percentages. Again, a descriptive survey approach was used to determine whether there was a significant association between the degree of internal audit and the level of fraud detection and prevention in selected Ghana Adventist healthcare institutions.

Quantitative, qualitative, and mixed methodologies research are the three main schools of thought (Zhang & Creswell, 2013). While the former allows for

the investigation of correlations between variables, the latter focuses on particulars of social reality (Sekaran & Bougie, 2016). Zhang and Creswell (2013) proposed that the type of data collected could play a role in determining whether a study employs a quantitative or qualitative approach. Quantitative research relies on numerical data, while qualitative research uses other types of information.

According to Neuman (2014), there is a distinction to be made between the two methods in how the data is collected and analysed. As an illustration, in quantitative research, questionnaires are used for data collection and analysis, while in qualitative research, interviews are used for data collection and analysis. According to Saunders and Bristow (2015) and Sekaran and Bougie (2016), the mixed-methods approach, the third method, combines the first two methods. The authors argued that whereas a quantitative study's results may be extrapolated to the entire population, the same cannot be said for qualitative studies.

The study's philosophical foundations are those of positivists, who hold that there is truth and that it can be verified by quantitative methods (Saunders, Lewis & Thornhill, 2019). Due to the nature of the research problem, the study's unique aims, and the primary data to be collected and analysed, a quantitative research strategy will be used. The constructs may be measured and manipulated statistically because of their very nature. The study's goals and design make this a necessary sacrifice. The current investigation necessitates the collection of numerical data for further quantitative analysis.

The new research also necessitates extrapolating the study's findings to the full population. It has been argued (Tashakkori & Teddlie, 2010) that the inferences

drawn from the testing of statistical hypotheses lead to broad conclusions about the features of a population; therefore, quantitative approaches are typically considered deductive. According to Walliman (2017), quantitative research aims to provide ideas and hypotheses that can be tested and applied in various contexts. The earlier arguments justify the preference for a quantitative research strategy over a qualitative one.

Research Design

This study used an ex-post facto descriptive research design that relies on secondary data collected following the occurrence of the event over which the researcher had no influence. The effectiveness of audit techniques in fraud detection and prevention at the Ghana Adventist Health Services is investigated using inferential and descriptive statistics. While inferential statistics aid in demonstrating a causal relationship between the variables of investigation, descriptive design assisted in defining and understanding the features of the variables utilised in the study. Many people's opinions, ideas, or impressions regarding a current problem can be gathered using a descriptive survey approach (Rahi, 2017).

Study Area

The research is conducted in Ghana, precisely in Adventist health services. Ghana Adventist Health Service operates nine hospitals and eight clinics in Ghana; they are Seventh-day Adventist Hospital, Koforidua; Asamang Seventh-day Adventist Hospital; Akomaa Memorial Adventist Hospital; Bremang Seventh-day Adventist Hospital; Dominase Adventist Hospital; HART Adventist Hospital;

Konkoma Seventh-day Adventist Hospital; Kwadaso Seventh-day Adventist Hospital; Obuasi Seventh-day Adventist Hospital; Tamale Adventist Hospital; Valley View Adventist Hospital; Valley View University Hospital; Wiamoase Seventh-day Adventist Hospital; Anyinasaso Seventh-day Adventist Clinic; Apaah Seventh-day Adventist Clinic; Asamang Adventist Health Centre; Asawinso Seventh-day Adventist Clinic; Denkyira-Dominase Seventh-day Adventist Clinic; Nagel Memorial Seventh-day Adventist Clinic; Nobewam Seventh-day Adventist Clinic & Sefwi Kofikrom. The researcher will select nine hospitals for this study.

Population

The term “population” describes a group of cases that meet certain criteria. Oliver (2010) argues that a population is any set of objects that have been selected for the sake of scientific study. To draw inferences and conclusions, the population may represent a specific group of people the researcher is interested in learning more about (Bhattacharya, 2017). The intended audience was the Ghana Adventist Health Services employees. There were 168 participants in this survey, including executives, financial controllers, accountants, cashiers, and internal auditors. The researcher chose this group of people because they are expected to be well-versed in internal audit’s role in fraud detection and prevention in healthcare settings.

Sampling Procedure

One hundred and three employees of Ghana Adventist Health Services made up the entire sample size for the study, and a purposive sampling technique was used to select the sample size out of 168 people in total. The entire population can duplicate the findings of this study because the sample is large and

representative enough to validate the results. However, 95 of the respondents were used for the analysis due to the fact that eight of the respondents could not bring their responses. Table 1 presents the summary of information on the population and sample.

Table 1: Determined Sample Size-Respondents from selected hospital from GAHS

Name of hospital	Population	Sample
Kwadaso	25	15
Domenasa	20	11
Ahensan	18	10
Asamang	25	14
Sunyani	24	14
Valley View	15	10
Takoradi	15	10
Kwadaso NTC	11	9
Techiman	15	10
Total	168	103

Source: Field survey (2022)

Formula used for computation of sample size

$$n = \frac{N}{1 + N(e^2)}$$

where n=sample size; N Targeted population; a=constant variable which is equivalent to 0.05, which is the allowed margin of error

$$n = \frac{168}{1 + 168(0.0025)}$$

$$n = \frac{168}{1.625}$$

$$n = 103$$

The personnel of Ghana Adventist Health Services was the intended respondents. Top management, financial controllers, accountants, cashiers, and internal auditors were among the 103 participants in this research. The researcher selected these individuals because he expects them to be well-versed in the internal audit function of fraud detection and prevention in healthcare settings.

Data Collection Instrument

The main data collection tool for this study was a structured questionnaire. There are closed-ended questions on the survey. Because of their highly organised character, case studies must collect primary data using structured methods (Maxwell, 2013). Additionally, it has been shown in this chapter's earlier parts that the researcher accepted the positivist research ideology, which further influenced the employment of the quantitative research methodology. In order to record the experiences, activities, and attitudes of the research participants, the questionnaire, frequently employed in big survey research, was the instrument used for data collection (Schindler, 2022).

A systematic series of questions known as a questionnaire is used to gather information from respondents (Singer & Couper, 2017). The questionnaire was created using a Likert scale. The questionnaire's items were scored on a scale of 1 to 5, with 1 denoting "Strongly Disagree" (SD), 2 "Disagree," 3 "Neutral," 4

“Agree,” and 5 “Strongly Agree” (SA). Statistical Package for Social Science was used to code and log the questionnaire’s data (SPSS version 25.0). Objectives 1 and 2 were addressed using descriptive statistics like mean and standard deviation, whereas aim 3 was addressed using correlation and regression. They were presented as tables to make the results understandable and comprehensible.

Data Collection Procedures

This study made use of primary data. Primary data are fresh, first-time sources obtained in their original form, making them primary. The survey method was used to gather the primary data. This entails distributing questionnaires and gathering information from responses. Well-designed questionnaires with closed-ended questions were utilised to collect the data needed to meet the study’s objectives. With a letter from the School of Business, University of Cape Coast, permission for the data-gathering exercise was requested from the administrators of the healthcare facilities. All respondents in the study were informed of its goal, and data collection was made possible with the respondents’ consent. After distributing questionnaires, the researcher returned to collect them three days later.

Data Processing and Analysis

Villarino (2020) asserts that raw data from the field is difficult to interpret unless cleaned, coded, and analysed. The collected data was analyzed using quantitative data analysis methods. Data from the questionnaire were coded and logged into the computer using Statistical Package for Social Sciences (SPSS version 25.0). Descriptive statistics such as mean and standard deviation was

employed to tackle objectives 1 and 2, while correlation and regression were used for objective 3. The results were presented in tables for clarity and readability.

Validity and Reliability

If a research tool measures exactly what it is meant to quantify, that tool's validity can be established (Mohajan, 2017). Yilmaz (2013) explains that measurement validity refers to the extent to which the data collection procedures are capable of achieving the objectives that they are intended to pursue (Yilmaz, 2013). The necessity to elicit accurate responses from the respondents will serve as the researcher's direction while designing the survey (Roberts et al., 2014). The researcher used the content validity approach, in which the supervisor and colleagues examined the questionnaire items for screening and endorsement to ensure content legitimacy and ascertain candidates' correctness.

Cronbach's alpha is a frequently used method for evaluating the internal dependability of the research instrument, according to Bonett and Wright (2015). Because the researcher created the questionnaire's items not used in previous studies, this practice is extremely important for this study. Using the Cronbach Alpha method, the researcher evaluated the consistency of the responses from the 103 staff members chosen for the study. If the results are trustworthy, the researcher can test them again and maybe get the same outcomes. However, this result must test over 0.7, which indicates 70% dependability, to test for the instrument's reliability.

Pilot Study

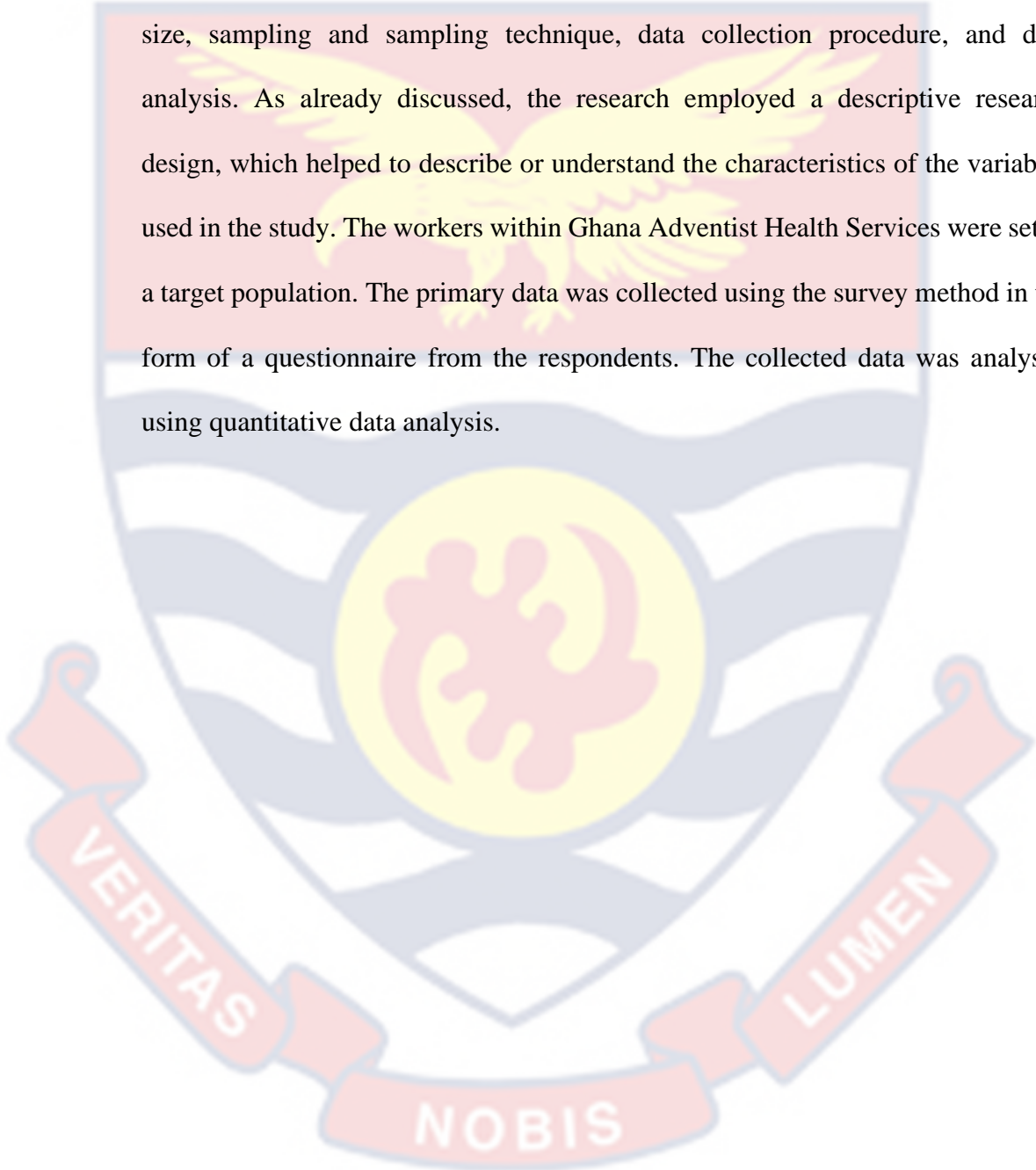
The pilot study was carried out at the S.D.A Hospital at Dominase in Ghana to establish the reliability of the research instrument. A pilot study aimed to ascertain whether the instruments were logical and clear. The researcher visited the pilot hospital and explained the study's objectives to the respondents before allowing them to participate. The questionnaire was pre-tested on ten (10) workers for the study's criteria to be sampled but was excluded from the final sample given the questionnaire to fill. The pilot study was undertaken to determine the effectiveness of the research instruments used to give the feasibility of the study. The interview guide was pre-tested on one (1) premises in the hospital. The health Director in the analysis checklist was also pre-tested in the hospital.

Ethical Issues

A study compromised by an ethical quandary cannot be taken seriously. The rules or standards of conduct that serve as a moral compass for our interactions with others and behaviour are known as ethics (Saunders & Bristow, 2015). Awases et al. (2013) assert that ethics is primarily related to morality and concerns questions of right and wrong in communities, societies, and groups. Therefore, everyone involved in the study must understand the ethical issue (Babbie & Rubin, 2021). The SPSS programme safely preserved the data that were gathered. Additionally, the School of Business at the University of Cape Coast was asked for a letter of introduction clarifying the purpose and reliability of the study. Respondents who wanted to confirm the study's validity were given this letter.

Chapter Summary

This chapter has discussed the research methods employed in the study. Discussions so far have centred on the research design, target population, sample size, sampling and sampling technique, data collection procedure, and data analysis. As already discussed, the research employed a descriptive research design, which helped to describe or understand the characteristics of the variables used in the study. The workers within Ghana Adventist Health Services were set as a target population. The primary data was collected using the survey method in the form of a questionnaire from the respondents. The collected data was analysed using quantitative data analysis.



CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The study examined the extent to which audit practices contribute to fraud detection and prevention success in Ghana Adventist Health Services. This chapter provides the results and discussions of the analysis of the study. Again, the findings were discussed in light of their managerial implications and how they relate to some empirical claims as enshrined in the literature review. The findings are presented in Tables chronologically reflecting the order of the specific objectives.

Response Rate

Survey questionnaire research was chosen to analyse 103 individuals (upper management, financial controllers, accountants, cashiers, and internal auditors) using the census method, and 95 questionnaires were returned (representing 92% of the total number of questions given).

Table 2: Response Rate

Questionnaire	Count	Percentage (%)
Returned	95	92
Non Returned	8	8
Total	103	100

Source: Field survey (2022)

The response rate fell within the response rate of 50%, 60%, and 70% proposed by Babbie (2018) to be adequate, good, and very good, respectively, and

well above the average response rate of 35.7% (+/- 18.8), which was normal for a research study conducted at the organisational level (Baruch & Holtom, 2008).

Demographic Information of Respondents

The respondents' backgrounds are described in this section. The section considered several factors, including the respondents gender, age, marital status, degree of education, and job history at Ghana Adventist Health Services. Frequency and percentage (%) were used to measure the respondents' demographic data descriptively because these statistical methods are suitable for measuring categorical data. The information provided here outlines the polled respondents to demonstrate that the sample was chosen from the intended demographic. The results are displayed in Table 3.

Table 3: Demographic Characteristics

Variables	Frequency	Percentage (%)
Gender		
Male	61	64.2
Female	34	35.8
Total	95	100
Marital Status		
Married	50	52.6
Single	43	45.3
Divorced	2	2.1
Total	95	100

Age

18-24 years	31	32.6
25-35 years	27	28.4
36-45 years	10	10.5
46 and above	27	28.4
Total	95	100

Academic Qualification

First degree	27	28.4
Masters	40	42.1
Doctorate	28	29.5
Total	95	100

Working Experience

1-5 years	28	29.4
6-10 years	34	3.85
11 years and above	33	34.7
Total	95	100

Position

Senior officer	24	25.3
Departmental Head	30	31.6
Managerial Member	41	43.2
Total	95	100

Source: Field survey (2022)

Table 3 shows the results of the demographic characteristics of the study participants. As shown in Table 3, the results reveal that the majority (64.2 percent) of the study participants were male, while 35.8 percent were female. Pertaining to marital status, 52.6 percent of the study participants were found to be married, 45.3 percent were single, and less than 3.0 percent were divorced. The distribution of the participant's ages reveals that 32.6 percent were 18-24 years, 28.4 percent were 25-35 years, 10.5 percent were 36-45 years, and 28.4 percent were more than 46 years of age. Regarding the academic qualification of the study participants, 28.4 percent of the participants had a first degree, 42.1 percent had a masters' degree, and 29.5 percent had a doctorate.

The results of the working experience of the participants of the study revealed that the majority (31.6 percent) of the participants of the study had 6-10 years of working experience in the Ghana Adventist Health Services, 34.7 percent of the participants of the study had more than 11 years working experience in the Ghana Adventist Health Services while 29.5 percent of the participants of the study had 1-5 years working experience in the Ghana Adventist Health Services. Again, with respect to the position of the participants, 25.3 percent are senior officers, 31.6 percent are the departmental head, and 43.2 percent are management members. This result shows that the majority of the participants of the study are abreast with internal audit practices and fraud detection and prevention measures in Ghana Adventist Health Services.

Descriptive Statistics of Construct

The constructs were descriptively measured with the means (M) and standard deviation (SD).

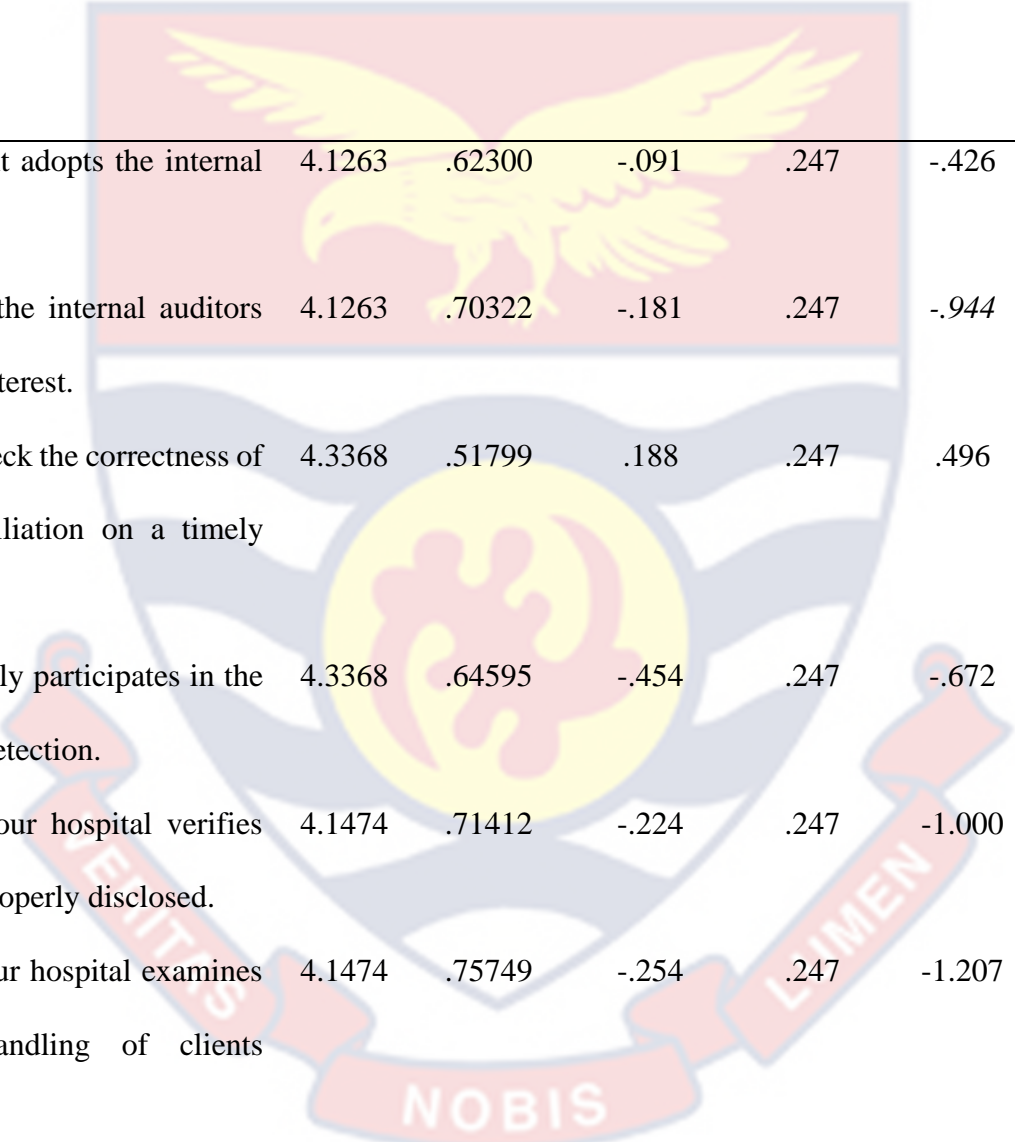
Internal Audit Practices

In order to assess the internal audit practices, respondents were asked to rate the extents they agree or disagree with the following internal audit practices that give them a competitive edge in the sector at the Ghana Adventist Health Services, and their responses were descriptively measured with the mean (M), standard deviation (SD), Skewness and Kurtosis. The mean score was reported using a mean scale of 1 to 5, with mean scores of 1 to 2.9 indicating 'low' and 3 to 5 indicating 'high' internal audit practices indicators and fraud detection and prevention measures as applied by Rauch et al. (2009). The interpretation of the mean was based on these subjectively created criteria as informed by previous studies and the scale of measurement.

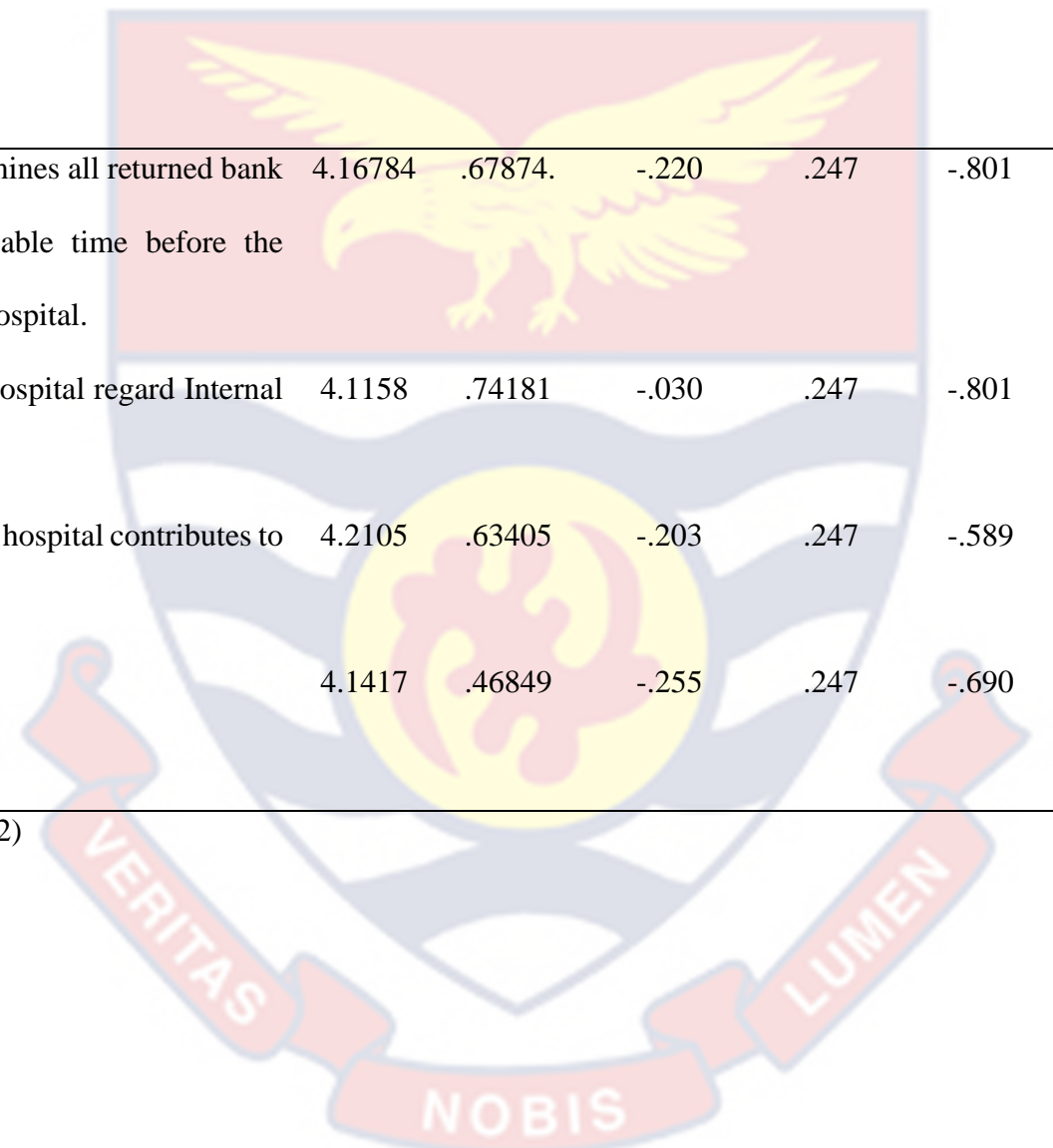
1 = *Strongly Disagree (SD)*, 2 = *Disagree (D)*, 3 = *Neutral (N)*,
4 = *Agree (A)*, 5 = *Strongly Agree (SA)*

Table 4: Internal Audit Practices

	Mean statistic	Std. Dev. statistic	Skewness statistic	Std. Error	Kurtosis statistic	Std. Error
Your hospital's internal audit unit functions autonomously.	3.9053	.79992	.046	.247	-1.143	.490
It is the internal auditor's job to detect and report fraud to the proper authorities.	4.0842	.70956	-.487	.247	.274	.490
The internal auditor in your hospital evaluates the hospital management's approach to see if it might lead to misleading financial reporting.	4.1895	.70401	-.658	.247	.588	.490
The internal auditors in your evaluate hospital management's approach to see if it might lead to misleading financial reporting.	4.1474	.79851	-.785	.247	1.025	.490



Your hospital management adopts the internal audit results.	4.1263	.62300	-.091	.247	-.426	.490
In order to detect fraud, the internal auditors examine for conflicts of interest.	4.1263	.70322	-.181	.247	-.944	.490
The internal audit units check the correctness of the bank account reconciliation on a timely basis.	4.3368	.51799	.188	.247	.496	.490
The internal auditor actively participates in the implementation of fraud detection.	4.3368	.64595	-.454	.247	-.672	
The internal auditor in your hospital verifies that clients accounts are properly disclosed.	4.1474	.71412	-.224	.247	-1.000	.490
The internal auditor in your hospital examines the monitoring and handling of clients complaints.	4.1474	.75749	-.254	.247	-1.207	.490



The internal auditor examines all returned bank statements for a reasonable time before the inspection date in your hospital.	4.16784	.67874.	-.220	.247	-.801	.490
The employees in your hospital regard Internal Auditors as partners.	4.1158	.74181	-.030	.247	-.801	.490
Top management in your hospital contributes to internal audit planning.	4.2105	.63405	-.203	.247	-.589	.490
Internal audit practice	4.1417	.46849	-.255	.247	-.690	.490
Valid N(List-wise)						

Source: Field survey (2022)

Table 4 presents the internal audit practices at the Ghana Adventist health services. Based on the findings as presented in Table 4, the respondents highly agreed that your hospital's internal audit unit functions autonomously ($M = 3.9053$; $SD = 0.79992$); it is the internal auditor's job to detect and report fraud to the proper authorities ($M = 4.0842$; $SD = 0.70956$), the internal auditor regularly evaluates internal controls for detecting false financial reporting and asset theft in your hospital ($M = 4.1895$; $SD = 0.70401$), the internal auditor in your hospital evaluates the hospital management's approach to see if it might lead to misleading financial reporting ($M=4.1474$; $SD = 0.79851$), your hospital management adopt the internal audit results ($M = 4.1263$; $SD = 0.62300$), in order to detect fraud, the internal auditor examines for conflicts of interest ($M = 4.1263$; $SD = 0.70322$), the internal audit unit checks the correctness of the bank account reconciliation on a timely basis ($M = 4.1368$; $SD = 0.51799$).

The internal auditor actively participates in the implementation of fraud detection ($M = 4.3368$; $SD=0.64595$), the internal auditor in your hospital verifies that client accounts are properly disclosed ($M = 4.1474$; $SD = 0.71412$), and the internal auditors in your hospital examine the monitoring and handling of client's complaints ($M = 4.1474$; $SD = 0.75749$). Similarly, the respondents agreed that through internal audit practices, the internal auditor examines all returned bank statements for a reasonable period prior to the inspection date in your hospital ($M = 4.1684$; $SD = 0.67874$), the employees in your hospital regard Internal Auditors as partners ($M = 4.1158$; $SD = 0.74181$) and top management in your hospital contributes to internal audit planning ($M = 4.2105$; $SD = 0.63405$). When all the

indicators were put together, there were also high internal audit practices ($M = 4.1417$; $SD = 0.46849$).

The conclusions imply that Ghana Adventist health services have used internal auditing procedures. In order to ensure the efficient and effective use of resources, Ghana Adventist health services have been measuring, assessing, and reporting the efficiency of their internal control systems and processes. The outcome also demonstrates how well Ghana Adventist Health Services protects its assets, ensures the accuracy of its records, fosters operational efficiency, monitors adherence to rules, and ensures compliance with legal requirements. The results again support Naheem's (2016) claim that internal auditing is an unbiased, impartial assurance and consulting activity intended to provide value and enhance an organisation's operations.

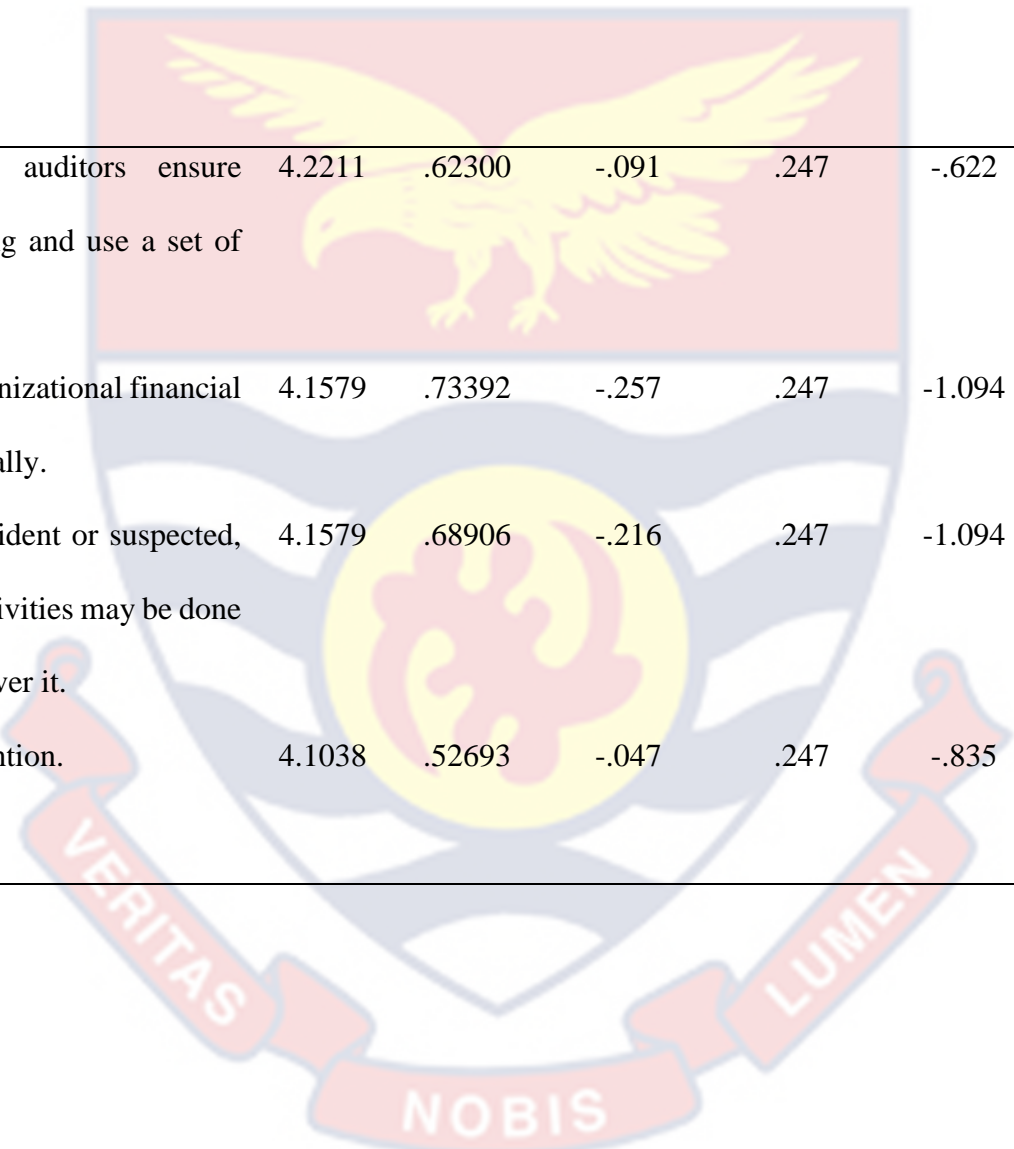
Fraud Detection and Prevention Measures

Respondents were asked to indicate the extent and agreement or disagreement with the following statement about fraud detection and prevention in Ghana Adventist Health Services, and their answers were descriptively quantified using the mean (M), standard deviation (SD), skewness, and kurtosis. Based on prior research and the measuring scale, these arbitrary criteria were used to interpret the mean.

$1 = \text{Strongly Disagree (SD)}$, $2 = \text{Disagree (D)}$, $3 = \text{Neutral (N)}$, $4 = \text{Agree (A)}$, $5 = \text{Strongly Agree (SA)}$

Table 5: Fraud Detection and Prevention

	Mean statistic	Std. Dev. statistic	Skewness statistic	Std. Error	Kurtosis statistic	Std. Error
The autonomy of the internal audit function helps to detect fraud in these hospitals.	3.9369	.76923	-.178	.247	-.611	.490
Fraud activities are detected regularly in your hospital.	4.0632	.72656	-.267	.247	.527	.490
Your hospital puts in the effort to manage risks to the achievement of financial reporting objectives.	4.0105	.77863	-.157	.247	.962	.490
Your hospital is a victim of a financial reporting scam.	4.1789	.65198	-.431	.247	.359	.490



The hospital's internal auditors ensure accurate financial reporting and use a set of fraud detection policies.	4.2211	.62300	-.091	.247	-.622	.490
The hospital manages organizational financial reporting fraud professionally.	4.1579	.73392	-.257	.247	-1.094	.490
When fraud conduct is evident or suspected, specialist internal audit activities may be done to help management discover it.	4.1579	.68906	-.216	.247	-1.094	.490
Fraud detection and prevention.	4.1038	.52693	-.047	.247	-.835	.490
Valid N (listwise)						

Source: Field survey (2022)

The findings relate to the fraud detection and prevention measures in Ghana Adventist Health Services. It was discovered that the respondents agreed that such measures are being used, and this includes the autonomy of the internal audit function helps to detect fraud in this hospital (M = 3.9368; SD = 0.76923); fraud activities are detected regularly in your hospital (M = 4.0632; SD = 0.72656), your hospital put in the effort to manage risks to the achievement of financial reporting objectives (M = 4.0105; SD = 0.77863), your hospital is a victim of a financial reporting scam (M = 4.1789; SD = 0.65198), the hospital's internal auditors assure accurate financial reporting and use a set of fraud detection policies (M = 4.2211; SD = 0.63880), the hospital manages organisational financial reporting fraud professionally (M = 4.1579; SD = 0.73392), and when fraudulent conduct is evident or suspected, specialist internal audit activities may be done to help management in discovering it (M = 4.1579; SD = 0.68906). There was an agreement when all the fraud detection and prevention indicators were put together (M = 4.1038; SD = 0.52693).

Thus, it is established that the Ghana Adventist Health Services have been engaging in fraud detection and prevention. The overall implication of these findings is that, at the moment, the performance of the Ghana Adventist Health Services is good, as they claim there is a high improvement in the performance of all the fraud detection and prevention measures in the context of this study.

Effect of Internal Audit Practices on Fraud Detection and Prevention

This study component aims to answer the question, how effective are internal audit methods in preventing and detecting fraud in Ghana Adventist Health Services? by analysing data gathered from an exhaustive survey of the organization's audit committees and other auditing personnel. Results from SPSS-based regression analysis are displayed in Tables 6 and 7 below. The model output is summarised in Table 6. This table displays R, R squared, adjusted R squared, and the standard error.

The Pearson product-moment correlation coefficient, denoted by the symbol R, measures the linear relationship between two variables. In this case, the independent variable is the success rate of fraud investigations (internal audit practices).

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Estimated Std. Error
1	.677 ^a	.458	.452	.39005

a. Predictors: (Constant), Internal audit practices

Source: Field survey (2022)

Internal audit practices were used as a predictor, and a correlation was calculated between that and anti-fraud measures (dependent variable). Using the data in Table 5, we can infer the robustness of a .677 correlation between internal audit practices and fraud detection and prevention. R-squared is path models' most popular effect size metric (Garson, 2014). The following provisional cut-off points for describing R-square were also prescribed by Hair et al. (2016): Values greater

than 0.67 (Very significant), 0.33 (Very good), and 0.19 (Good) (Weak). Changes in internal audit methods explained 45.8% of the large positive variance in fraud detection and prevention in the Ghana Adventist Health Services ($R^2=0.458$), demonstrating the model's predictive power.

This section also looked at the adjusted R^2 . The adjusted R^2 is the coefficient of determination (R^2) which explains the extent to which changes in the dependent variable (fraud detection and prevention) can be explained by the change in the independent variable (internal audit practices) or the percentage of variation in the dependent variable (fraud detection and prevention) that is explained by all the independent variable (internal audit practices) at 95% confidence intervals. The independent variable studied (internal audit practices) explained that only 42.9% of fraud detection and prevention was represented by adjusted R^2 . Therefore, other factors not studied in this research contribute 57.1% to fraud detection and prevention.

Table 7: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	11.951	1	11.951	78.553	.000 ^b
	Residual	14.149	93	.152		
	Total	26.100	94			

a. Dependent Variable: Fraud detection and prevention

b. Predictors: (Constant), Internal audit practices

Source: Field survey (2022)

To determine whether the 45.8% variance in fraud detection and prevention in the Ghana Adventist Health Services, as accounted for by variance in the predictors (as measured by internal audit practices), was statistically significant, the ANOVA report was generated alongside the model summary. Table 6 is the ANOVA Table which provides the test significance for R and R² using the F-statistic. The F statistic is the regression mean square (MSR) divided by the residual mean square (MSE). If the significance value of the F statistic is small (smaller than, say, 0.05), then the independent variables (internal audit practices) do a good job explaining the variation in the dependent variable (fraud detection and prevention). In this analysis, the ρ -value is well below .05 ($\rho < .000$).

It follows that the R and R² between internal audit practice and fraud detection and prevention in the Ghana Adventist Health Services are statistically significant and that the internal audit practices can significantly affect fraud detection and prevention in the Ghana Adventist Health Services. This study's findings provide empirical support for the claim that the model can predict fraud detection and prevention shifts in response to conditional changes in indicators (and internal audit practices indicators) in this setting, suggesting that users can rely on the model rather than on chance alone.

Table 8: Coefficients

	Unstandardised Coefficients B	Std. Error	Standardised Coefficients Beta	t	Sig.
(Constant)	.952	.358		2.659	.009
1 Internal practices	.761	.086	.677	8.863	.000

a. Dependent Variable: Fraud detection and prevention

Source: Field survey (2022)

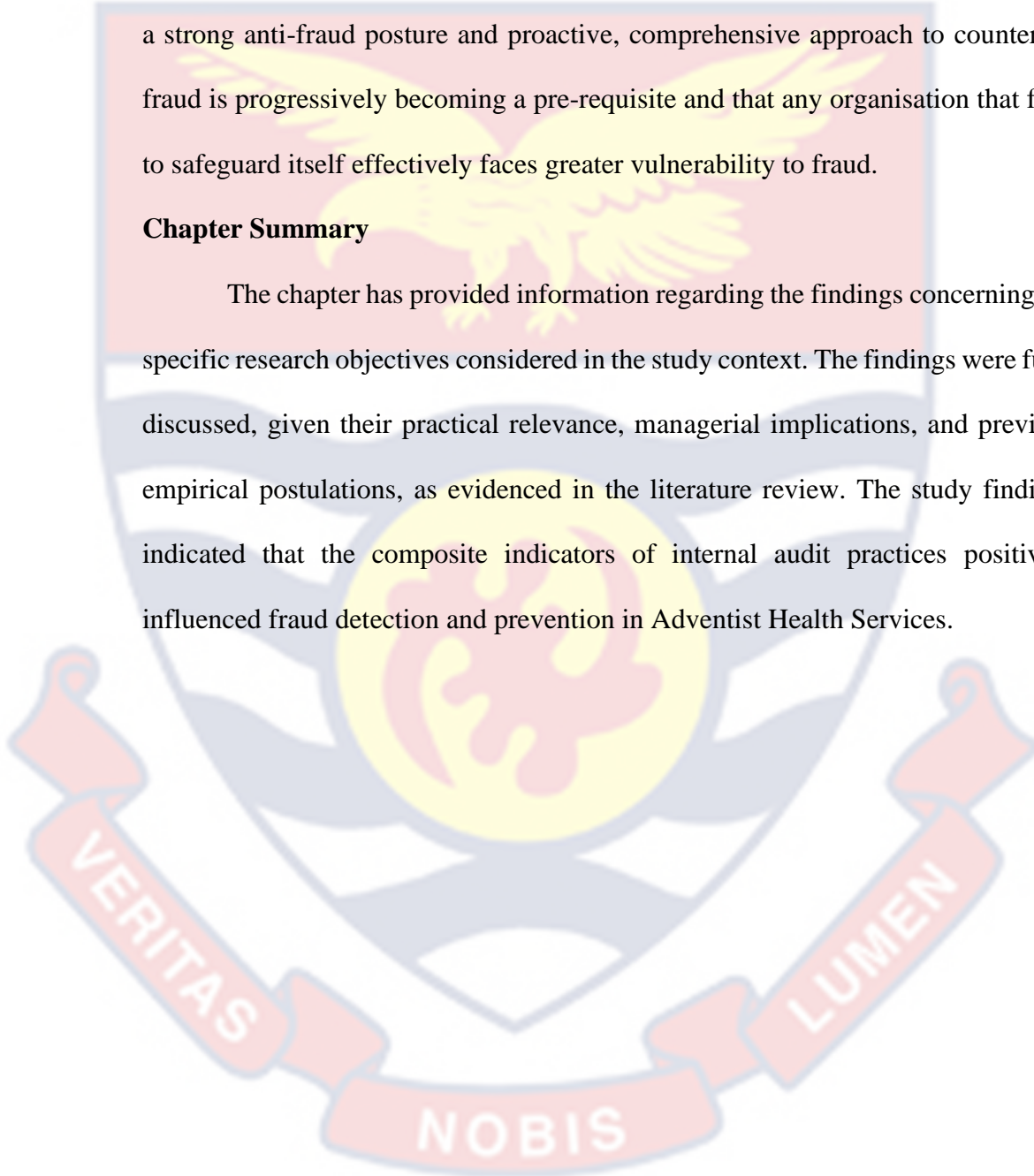
The study further sought to examine the impact of composite indicators (all indicators put together) of internal audit practices on fraud detection and prevention in the Ghana Adventist Health Services. This was assessed with the standardized coefficient, as shown in Table 7. Internal audit practices (Beta = 0.677; $p = 0.000$; $p < 0.05$) significantly influenced fraud detection and prevention in the Ghana Adventist Health Services.

Based on the results, it can be stated that internal audit techniques should continue to be prioritised by management of performance in the Ghana Adventist Health Services to enhance fraud detection and prevention. This confirms the findings of an empirical study by Petrascu and Tieanu (2014), who found that an organization's internal audit is essential to the efficient management of its assets, the cutting of unnecessary expenses, the maximisation of profits, and the attainment of intermediate and long-term goals. The result supports the claim made by Abdullahi and Mansor (2015) that the internal audit department is in the best

position to take a proactive approach to reduce the risk of fraudulent behaviour of employees when the firm's activities are directed toward assuring the effectiveness of all processes in the company and their improvement. CIMA (2008) argues that a strong anti-fraud posture and proactive, comprehensive approach to countering fraud is progressively becoming a pre-requisite and that any organisation that fails to safeguard itself effectively faces greater vulnerability to fraud.

Chapter Summary

The chapter has provided information regarding the findings concerning the specific research objectives considered in the study context. The findings were fully discussed, given their practical relevance, managerial implications, and previous empirical postulations, as evidenced in the literature review. The study findings indicated that the composite indicators of internal audit practices positively influenced fraud detection and prevention in Adventist Health Services.



CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Introduction

The study examined the extent to which audit practices contribute to the success of fraud detection and prevention in Ghana Adventist Health Services. In this chapter, the significant findings and the valuable information obtained by this study have carefully been summarised. The concluding chapter of this study starts with a summary of the objectives of the study, methodology as well as data analysis techniques. It progresses by summarising the key findings relating to each objective, conclusions, recommendations, and suggestions for future research.

Summary of the Study

The study's main aim was to examine the extent to which internal audit practices contribute to fraud detection and prevention success in Ghana Adventist Health Services. To help achieve the objectives, three research objectives were formulated and tested. The study employed descriptive and inferential statistics as the main statistical technique for analysing the objectives. From a population of 168 staff from the Ghana Adventist Health Services, 103 were sampled. Ninety-five valid responses were obtained using the purposive sampling technique, thus a 92% response rate. Following a successful pre-test, self-administered questionnaires developed from a thorough review of the existing literature and tested for reliability and validity were distributed to respondents. The instrument centered on the demographic characteristics of the Ghana Adventist Health Services staff.

Descriptive statistics, including frequencies and percentages, means and standard deviation, data on demographic traits, internal audit procedures, and the degree of fraud detection and prevention, were used. Using multiple regression techniques, analyses were conducted on the impact of internal audit procedures on fraud prevention and detection at Ghana Adventist Health Services. The data were analysed using IBM SPSS Statistic version 25. The study's main conclusions are summarised here. All significance tests had an alpha level of 0.05. Accordingly, the key findings have been outlined in relation to the study's unique objectives.

Summary of Key Findings

Objective 1: Evaluate internal audit practices at Ghana Adventist health services.

The indicators of internal audit practices had high composite performance ($M = 4.1417$; $SD = 0.46849$), and the indicators of fraud detection and prevention put together were high ($M=4.1038$; $SD=0.52693$). Internal audit practices and fraud detection and prevention are positively correlated, and the strength of the relationship is strong at 0.677.). Regarding the model's predictive capacity, it was discovered that changes in internal audit practices accounted for a 45.8% substantial positive variance in fraud detection and prevention in the Ghana Adventist Health Services ($R^2=0.458$).

Objective 2: Assess the level of fraud detection and prevention in Ghana Adventist Health Services.

Thus, it is established that the Ghana Adventist Health Services have been engaging in fraud detection and prevention. This survey found that most respondents believe fraud activity is detected regularly in their facility. The overall implication of these findings is that, at the moment, the performance of the Ghana Adventist Health Services is good, as they claim there is a high improvement in the performance of all the fraud detection and prevention measures in the context of this study.

Objective 3: Determine the effect of internal audit practices on fraud detection and prevention in Ghana Adventist Health Services.

The study further sought to examine the impact of internal audit practices on fraud detection and prevention in the Ghana Adventist Health Services. The summary of the results on the effect of Internal audit practices (Beta = 0.677; $p = 0.000$; $p < 0.05$) shows a significant influence on fraud detection and prevention in the Ghana Adventist Health Services.

Conclusions

This study looked into internal audit practices, fraud detection, and prevention in Adventist health services and discovered positive feedback about internal audit practices and their contributions to success in fraud risk management, as well as fraud detection procedures and internal audit control on fraud prevention procedures, was prevalent. The study revealed that the extent of internal audit has a significant and positive relationship with detecting and preventing fraud.

With respect to the objectives, it can be concluded that the R and R² between fraud detection and prevention in Ghana Adventist Health Services and internal audit practices are statistically significant, and internal audit practices can significantly influence fraud detection and prevention in Ghana Adventist Health Services. In all, the overall indicators of internal audit practices have high performance. Finally, the study significantly contributed to filling the literature gap on internal audit and fraud detection in Ghana Adventist health service.

Recommendations

1. Based on the findings of this study, it is recommended that the management of Ghana Adventist Health Services should pay critical attention to the internal audit practices as it tends to improve fraud detection and prevention in the business environment.
2. Also, the contribution of the internal audit activity is potentially of major importance as an effective internal audit system leads to improved accountability and ethical and professional practices. Effective risk management improves output quality and supports decision-making and performance tracking. Thus, an internal audit serves as an independent appraisal activity to review accounting, financial and other operations as a service to the organisation. This creates a competitive advantage that improves the organisation's efficiency since the modern approach suggests that internal audit should not be restricted to financial issues alone but also to issues such as cost-benefit analysis, resource utilisation and deployment, matters of propriety, and the effectiveness of the management.

3. Finally, Ghana Adventist Health Services should maintain the integrity of its employees when it comes to internal audits since effective internal audit practices safeguard the organization's assets and ensure that policies and procedures are in place and are duly complied with.

Suggestions for Further Research

It is suggested that further research be carried out in other developing countries to aid in the generalisability of the scale measuring the internal audit practices. This will provide in-depth clarification with regard to how each practice of internal audit relates to one another, as well as how that relationship can be predicted by fraud detection and prevention. In addition, replicating this study within other industries in Ghana would give a better insight into the predictive power of internal audit practices. Finally, users of the findings of this study can rely on the model to predict changes in fraud detection and prevention and are given the same conditional changes in internal audit practices (internal audit practices indicators) in this context because the claim is scientifically supported and not merely due to chance.

REFERENCES

- Abbott, L. J., Parker, S., & Peters, G. F. (2004). Audit committee characteristics and restatements. *Auditing: A Journal of Practice & Theory*, 23(1), 69-87.
- Abdullahi, R., & Mansor, N. (2015). Fraud Triangle Theory and Fraud Diamond Theory. Understanding the Convergent and Divergent for Future Research. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 5(4).
- Abuazza, W. O., Mihret, D. G., James, K., & Best, P. (2015). The perceived scope of internal audit function in Libyan public enterprises. *Managerial Auditing Journal*.
- Agyei-Mensah, B. K. (2016). Accountability and internal control in religious organisations: a study of Methodist church Ghana. *African Journal of Accounting, Auditing, and Finance*, 5(2), 95-112.
- Ahmad, B., Ciupac-Ulici, M., & Beju, D. G. (2021). Economic and non-economic variables affecting fraud in European countries. *Risks*, 9(6), 119.
- Al Sawalqa, F., & Qtish, A. (2012). Internal control and audit program effectiveness: Empirical evidence from Jordan. *International business research*, 5(9), 128.
- Alazzabi, W. Y. E., Mustafa, H., & Karage, A. I. (2023). Risk management, top management support, internal audit activities and fraud mitigation. *Journal of Financial Crime*, 30(2), 569-582.

Al-Dhubaibi, A. (2020). Auditors' responsibility for fraud detection: Views of auditors, preparers, and users of financial statements in Saudi Arabia. *Accounting*, 6(3), 279-290.

Anderson, U. L., Christ, M. H., Johnstone, K. M., & Rittenberg, L. E. (2012). A post-SOX examination of factors associated with the size of internal audit functions. *Accounting Horizons*, 26(2), 167-191.

Arena, M., & Sarens, G. (2015). Editorial: Internal Auditing: Creating Stepping Stones for the Future. *International Journal of Auditing*, 19(3), 131-133.

Asiedu, K. F., & Deffor, E. W. (2017). Fighting corruption by means of effective internal audit function: Evidence from the Ghanaian public sector. *International Journal of Auditing*, 21(1), 82-99.

Babbie, E., & Rubin, A. (2021). Empowerment Series: Research Methods for Social Work (9th ed.). Brooks/Cole.

Badara, M. S., & Saidin, S. Z. (2012). The status of internal audit at the local government level in Nigeria. *Journal of Business and Management*, 5(5), 37-41.

Badu, E. A., & Kuutol, P. K. (2013). The effectiveness of internal auditors in detection of financial irregularities: an empirical examination of its determinants in organisations in Ghana. *African Journal of Accounting, Auditing and Finance*, 2(4), 299-311.

Banik, G. G., & Ray, K. P. (2020). Emerging Trends in Internal Auditing and Good Governance. *The Management Accountant Journal*, 55(6), 90.

Bennett, E. L. (2015). Legal ivory trade in a corrupt world and its impact on African elephant populations. *Conservation Biology*, 29(1), 54-60.

Bhattacharya, K. (2017). *Fundamentals of qualitative research: A practical guide*. Taylor & Francis.

Bonrath, A., & Eulerich, M. (2021). Internal Auditing's Role in Preventing and Detecting Fraud: An Empirical Analysis. Available at SSRN 3899753.

Brannen, J. (2005). Mixing methods: The entry of qualitative and quantitative approaches into the research process. *International Journal of Social Research Methodology* 8(3), 173-184.

Burnaby, P., Howe, M., & Muehlmann, B. W. (2011). Detecting fraud in the organization: an internal audit perspective. *Journal of Forensic & Investigative Accounting*, 3(1), 195-233.

Christou, T. A. (2017). The Dynamics of Investigating and Prosecuting Financial and Economic Crimes in the UK. *Alessandro Bernardi and Daniele Negri, Investigating European Fraud in the EU Member States (Hart Publishing*.

Coetzee, P. (2016). Contribution of internal auditing to risk management.

Cohen, J., Krishnamoorthy, G., & Wright, A. (2010). Corporate governance in the post-Sarbanes-Oxley era: Auditors' experiences. *Contemporary Accounting Research*, 27(3), 751-786.

Colbert, J. L., & Jahera, Jr., J. S. (2011). The Role of the Audit and Agency Theory. *Journal of Applied Business Research (JABR)*, 4(2), 7.

Colli, A. (2012). Contextualizing performances of family firms: The perspective of business history. *Family Business Review*, 25(3), 243-257.

Cooper, D. R. (2018). *Business Research: A Guide to Planning, Conducting, and Reporting Your Study* (1st ed.). SAGE Publications, Inc.

Daidj, N. (2022). *The digital transformation of auditing and the evolution of the internal audit*. Taylor & Francis.

Debrah, G., & Adanu, K. (2022). Does the Inverse Farm Size-Productivity Hypothesis Hold Beyond Five Hectares? Evidence from Ghana. *Journal of Agricultural and Applied Economics*, 54(3), 548-559.

Dittenhofer, M. (2001). Analytical auditing and risk analysis in government. *Managerial Auditing Journal*, 16(8), 469–476.

Dominic Canestrari-Soh, & Nonna Martinov-Bennie. (2011). The Internal Audit Function: Perceptions of Internal Audit Roles, Effectiveness, and Evaluation. *Social Science Research Network*.

Doxey, M. M., Fuller, S. H., Geiger, M. A., Gist, W. E., Hackenbrack, K. E., Janvrin, D. J., & Roush, P. B. (2017). Comments by the Auditing Standards Committee of the Auditing Section of the American Accounting Association on PCAOB Release No. 2016-003, Proposed Auditing Standard—The Auditor's Report on an Audit of Financial Statements when the Auditor Expresses an Unqualified Opinion and Related Amendments to PCAOB Standards. *Current Issues in Auditing*, 11(1), C26-C40.

Drogalas, G., Pazarskis, M., Anagnostopoulou, E., & Papachristou, A. (2017). The effect of internal audit effectiveness, auditor responsibility and training in fraud detection. *Accounting and Management Information Systems*, 16(4), 434-454.

Dutta, S. K., Caplan, D. H., & Marcinko, D. J. (2014). Blurred vision, perilous future: Management fraud at Olympus. *Issues in Accounting Education*, 29(3), 459-480.

Edouard Felix, E., & Parkinson, J. (2022). Strategic change at the hospital Saint-Jacques at le Roeulx (Belgium), from the account book of sister Madelaine Delcourt. *Accounting History*, 27(2), 277-296.

Eleanor Singer, & Mick P. Couper. (2017). Some methodological uses of responses to open questions and other verbatim comments in quantitative surveys. *Methods, data, analyses: A Journal for quantitative methods and survey methodology (mda)*, 11(2), 115-134.

Fratini, F., & Tettamanzi, P. (2015). Corporate governance and performance: Evidence from Italian companies. *Open Journal of Business and Management*, 3(02), 199.

Garson, G. D. (2014). *Structural equation modeling*. G. David Garson and Statistical Publishing Associates.

Gary P. Schneider, Aamer Sheikh, & Kathleen A. Simione. (2011). Holistic risk management: An expanded role for internal auditors. *Academy of Accounting and Financial Studies Journal*, 16(1), 25.

Gherghina, Ș. C., Botezatu, M. A., Hosszu, A., & Simionescu, L. N. (2020). Small and medium-sized enterprises (SMEs): The engine of economic growth through investments and innovation. *Sustainability*, 12(1), 347.

Gouldby, B., & de Bruijn, K. (2022). Good practice in risk analysis. *Journal of Flood Risk Management*, 15(3).

Gyasi, R. M., Mensah, C. M., Osei-Wusu Adjei, P., & Agyemang, S. (2011). Public perceptions of the role of traditional medicine in the health care delivery system in Ghana.

Hair, J., Hult, T. G. M., Ringle, C. M., & Sarstedt, M. (2016). A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM) (Second). SAGE Publications, Inc.

Halbouni, S. S. (2015). The role of auditors in preventing, detecting, and reporting fraud: The case of the United Arab Emirates (UAE). *International Journal of Auditing*, 19(2), 117-130.

Hall, A., Koenraadt, R., & Antonopoulos, G. A. (2017). Illicit pharmaceutical networks in Europe: organising the illicit medicine market in the United Kingdom and the Netherlands. *Trends in Organized Crime*, 20(3-4), 296-315.

Hanim Fadzil, F., Haron, H., & Jantan, M. (2005). Internal auditing practices and internal control system. *Managerial auditing journal*, 20(8), 844-866.

Horak, S., Farndale, E., Brannen, M. Y., & Collings, D. G. (2019). International human resource management in an era of political nationalism. *Thunderbird International Business Review*, 61(3), 471-480.

International Business Review, 61(3), 471–480. Internal audit and corporate governance at Ghana water company limited: the study of Cape Coast Metropolis in the Central Region, Ghana. (2018). Internal Audit and Corporate Governance at Ghana Water Company Limited: The Study of

Cape Coast Metropolis in the Central Region, Ghana. *International Journal of Public Sector Management*, 29(4), 348–364.

Javadi, M., Yaghoubi, M., Sham, A., Karimi, S., & Alavi, A. (2013). Organizing and policy-making as a key factors to establish a hospital clinical risk management system. *International Journal of Health System and Disaster Management*, 1(1), 48.

Jin, J. Y., Kanagaretnam, K., & Lobo, G. J. (2011). Ability of accounting and audit quality variables to predict bank failure during the financial crisis. *Journal of Banking & Finance*, 35(11), 2811-2819.

Johari, R. J., Ibrahim, I., & Hussin, S. A. H. S. (2021). Creating Auditable Environment: An Approach Towards Eliminating Fraud Opportunities. *Ethics and Sustainability in Accounting and Finance, Volume III*, 87-103.

Kayigema, J. L., & Mutasa, D. E. (2021). Aspects of deceptive cognate derived loanwords in Kinyarwanda. *South African Journal of African Languages*, 41(2), 113-122.

Kayikcioglu, S., & Teker, S. (2019). Fraud detection in an internal audit: A case study. *Pressacademia*, 9(9), 54–57

Kelland, K. (2010, January 18). *Global healthcare fraud costs put at \$260 billion*. Reuters.

Kettunen, J. (2012). External and internal quality audits in higher education. *The TQM Journal*, 24(6), 518–528.

- Khalid, A. F., & Grimshaw, J. M. (2022). Preparing for audit and feedback: practical considerations. *International Journal of Evidence-Based Healthcare*, 20(2), 111–112.
- Krishnamoorthy, G., & Maletta, M. (2016). The contingent effects of board independence and audit committee effectiveness on internal audit reliance: a pre-SOX perspective. *International Journal of Accounting and Finance*, 6(1), 62.
- Lastanti, H. S., Murwaningsari, E., & Umar, H. (2022). The Effect of Hexagon Fraud On Fraud Financial Statements with Governance and Culture as Moderating Variables. *Media Riset Akuntansi, Auditing & Informasi*, 22(1), 143–156.
- Lee, J. G., Henriksen, L., Myers, A. E., Dauphinee, A. L., & Ribisl, K. M. (2014). A systematic review of store audit methods for assessing tobacco marketing and products at the point of sale. *Tobacco control*, 23(2), 98-106.
- Li, Y., Zhao, Y., Tan, J., & Liu, Y. (2008). Moderating effects of entrepreneurial orientation on market orientation-performance linkage: Evidence from Chinese small firms. *Journal of small business management*, 46(1), 113-133.
- Lin, S., Pizzini, M., Vargus, M., & Bardhan, I. R. (2011). The role of the internal audit function in the disclosure of material weaknesses. *The Accounting Review*, 86(1), 287-323.
- Mark N. K. Saunders, Philip Lewis, & Adrian Thornhill. (2018). Research methods for business students, (8th ed.). Pearson EBooks.

Mat Zain, M., Zaman, M., & Mohamed, Z. (2015). The Effect of Internal Audit Function Quality and Internal Audit Contribution to External Audit on Audit Fees. *International Journal of Auditing*, 19(3), 134–147.

Maxwell, J. A. (2013). *Qualitative research design: An interactive approach (applied social research methods)* (p. 232). Thousand Oaks, CA: Sage.

Mitambo, F. M., & Ndemo, P. B. (2016). Employees Perception Towards Talent Management Strategy and Staff Retention at Deloitte & Touche, Kenya. *Journal of Strategic Management*, 1(1), 18.

Morales, J., Gendron, Y., & Guénin-Paracini, H. (2014). The construction of the risky individual and vigilant organisation: A genealogy of the fraud triangle. *Accounting, Organisations and Society*, 39(3), 170–194.

Munteanu, V., Zuca, M., & Tînta, A. (2010). Internal audit regulations in Romania and their convergence to European exigencies. *Annales Universitatis Apulensis: Series Oeconomica*, 12(1), 267.

Murphy, K. M. (2018). *Vile Affections: Medieval Literature in Reprobum Sensus Traditus*. The University of Chicago.

Naheem, M. A. (2016). Internal audit function and AML compliance: the globalisation of the internal audit function. *Journal of Money Laundering Control*, 19(4), 459–469.

Norman, C. S., Rose, A. M., & Rose, J. M. (2010). Internal audit reporting lines, fraud risk decomposition, and assessments of fraud risk. *Accounting, Organizations and Society*, 35(5), 546-557.

Ojha, U. C. (2012). Journal Scan. *Indian Journal of Sleep Medicine*, 7(2), 62–68.

Parker, S., & Johnson, L. A. (2017). The development of internal auditing as a profession in the US during the twentieth century. *Accounting Historians Journal*, 44(2), 47-67.

Petraşcu, D., & Tieanu, A. (2014). The Role of Internal Audit in Fraud Prevention and Detection. *Procedia Economics and Finance*, 16, 489–497.

Petridis, K., Drogalas, G., & Zografidou, E. (2021). Internal auditor selection using a TOPSIS/non-linear programming model. *Annals of Operations Research*, 296, 513-539.

Purnomo, B. H. (2017). The role of internal audit in governance, risk management, and controls for fraud prevention at PPATK. *Asia Pacific Fraud Journal*, 2(1), 15-26.

Rahi, S. (2017). Research design and methods: A systematic review of research paradigms, sampling issues and instruments development. *International Journal of Economics & Management Sciences*, 6(2), 1-5.

Rasmussen, S. C. (2014). *The quest for Aqua Vitae: The history and chemistry of alcohol from antiquity to the Middle Ages*. Springer Science & Business.

Rauch, A., Wiklund, J., Lumpkin, G. T., & Frese, M. (2009). Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship theory and practice*, 33(3), 761-787.

Richard N. Langlois, T Yu, & Paul L. Robertson. (2014). Alternative Theories of the Firm. *Microeconomics*, 383–413.

Saleem, M. I., SALEEM, M. F., & ARSHAD, M. (2012). Proparacaine; Efficacy as a Topical Anesthetic in Pterygium Surgery. *The Professional Medical Journal*, 19(06), 872-876.

Schindler, P. (2022). *Business Research Methods* (13th edition). McGraw Hill.

Schwartz, M. (2013). Do Not Audit Internal Control Over Financial Reporting—
Audit Internal Control! *EDPACS*, 48(4), 1–11.

Sekaran, U. and Bougie, R. (2016). *Research Methods for Business: A Skill-Building Approach*. 7th Edition, Wiley & Sons, West Sussex. Open Access Library Journal, Vol.5 No.10, October 10, 2018.

Simons, A. M., Houkes, I., Koster, A., Groffen, D. A., & Bosma, H. (2018). The silent burden of stigmatisation: a qualitative study among Dutch people with a low socioeconomic position. *BMC Public Health*, 18, 1-13.

Social Research Methods: Qualitative and Quantitative Approaches. Pearson, Essex, UK. (2014). Open Access Library Journal, Vol.4 No.10, October 17, 2017.

Soltani, B. (2013). The Anatomy of Corporate Fraud: A Comparative Analysis of High Profile American and European Corporate Scandals. *Journal of Business Ethics*, 120(2), 251–274.

Stewart, J., & Subramaniam, N. (2010). Internal audit independence and objectivity: emerging research opportunities. *Managerial auditing journal*, 25(4), 328-360.

Sulkunen, P., Babor, T. F., Cisneros Örnberg, J., Egerer, M., Hellman, M., Livingstone, C., & Rossow, I. (2021). Setting limits: Gambling, science and public policy—Summary of results. *Addiction, 116*(1), 32-40.

SURYANI, E., & FAJRI, R. R. (2022). Fraud Triangle Perspective: Artificial Neural Network Used in Fraud Analysis. *Quality-Access to Success, 23*(188).

Syahria, R. (2019). Detecting Financial Statement Fraud Using Fraud Diamond (A Study on Banking Companies Listed On the Indonesia Stock Exchange Period 2012–2016). *Asia Pacific Fraud Journal, 4*(2).

Tanzil, S. (2020). Internal Audit Effectiveness and the Using of Generalized Audit Software to Detect Material Misstatements, Control Deficiencies and Fraud. *SSRN Electronic Journal*.

Tashakkori, A., & Teddlie, C. (2010). Putting the human back in ‘‘human research methodology’’: The researcher in mixed methods research. *Journal of mixed methods research, 4*(4), 271-277.

Taylor, K. (2016). Preventing fraud in general practice. *Practice Management, 26*(6), 36–37.

Tjahjani, F., Mulyadi, Y., & Pujiastuti, W. (2022). Diamond Fraud Elements: Implication of Fraud Indications on Preparation of Financial Report. *Jurnalku, 2*(2), 225-239.

Trotman, A. J., & Trotman, K. T. (2015). Internal audit's role in GHG emissions and energy reporting: Evidence from audit committees, senior accountants,

and internal auditors. *Auditing: A Journal of Practice & Theory*, 34(1), 199-230.

Trotman, K. T., & Wright, W. F. (2012). Triangulation of audit evidence in fraud risk assessments. *Accounting, Organizations and Society*, 37(1), 41-53.

Tumwebaze, Z., Mukyala, V., Ssekiziyivu, B., Tirisa, C. B., & Tumwebonire, A. (2018). Corporate governance, internal audit function and accountability in statutory corporations. *Cogent Business & Management*, 5(1), 1527054.

Variables Affecting Fraud in European Countries. *Risks*, 9(6), 119.

Verschoor, C. C. (2022). Audit committee briefing -- 2001: Facilitating new audit committee responsibilities (IIA handbook series). Institute of Internal Auditors.

Weinstein, O. (2012). Firm, property and governance: From Berle and means to the agency theory, and beyond. *Accounting, Economics, and Law*, 2(2).

Yao, J. (2017). Analysis of Management Fraud in listed companies based on Fraud Triangle Theory. *DEStech Transactions on Social Science, Education and Human Science*.

Zaman, M., & Sarens, G. (2013). Informal interactions between audit committees and internal audit functions: Exploratory evidence and directions for future research. *Managerial Auditing Journal*.

Zeff, S. A., Radcliffe, V., & Gunz, S. (2014). Accounting and Auditing Activities of the Ontario Securities Commission, 1960s to 2008 Part 3: The Fifth Chief Accountant, 1996–2008. *Accounting Perspectives*, 13(4), 223-252.

APPENDIX

UNIVERSITY CAPE COAST

COLLEGE OF HUMANITIES AND LEGAL STUDIES

SCHOOL OF BUSINESS/ DEPARTMENT OF ACCOUNTING

QUESTIONNAIRE INTERNAL AUDIT PRACTICES, FRAUD DETECTION
AND PREVENTION IN GHANA ADVENTIST HEALTH SERVICES

Dear respondent,

I am Eric Anokye, a University Cape Coast postgraduate student researching the topic: INTERNAL AUDIT PRACTICES, FRAUD DETECTION, AND PREVENTION IN GHANA ADVENTIST HEALTH SERVICES in partial fulfilment of the requirement for the award of Master of Business Administration (Accounting option). Please respond by ticking the options that best reflect your views. Kindly note that all responses provided will be kept confidential and shall be for the purpose of this study only.

Part I: Demographic information

1. Gender: Male Female
2. Age: 18-24 Years 25 - 35 years 36 – 45 years 46 and above
3. Marital Status: Single Married Divorced
4. Educational Background: First-degree Masters
Doctorate Professional certificate
5. Number of years spent in the hospital: 1-5years -10 years
11yrs and above.

6. Position: Senior Officer Departmental head
 Management Member

PART II

The following are important internal audit practices that the researcher suggests (using the scale SA-Strongly Agree, A-Agree, N-Neutral, D-Disagree, SD-Strongly Disagree; these practices that apply to your hospital).

	INTERNAL AUDIT PRACTICES	SA	A	N	D	SD
IP1	Your hospital's internal audit unit functions autonomously.					
IP2	It is the internal auditor's job to detect and report fraud to the proper authorities					
IP3	The internal auditor, regularly, evaluates internal controls for detecting false financial reporting and asset theft in your hospital.					
IP4	The internal auditor in your hospital evaluates the hospital management's approach to see if it might lead to misleading financial reporting.					
IP5	Your hospital management adopts the internal audit results.					
IP6	In order to detect fraud, the internal auditor examines for conflicts of interest.					

IP7	The internal audit unit checks the correctness of the bank account reconciliation on a timely basis.					
IP8	The internal auditor actively participates in the implementation of fraud detection.					
IP9	The internal auditor in your hospital verifies that client accounts are properly disclosed.					
IP10	The internal auditors in your hospital examine the monitoring and handling of <u>clients</u> complaints.					
IP11	The internal auditor <u>examine</u> all returned bank statements for a reasonable time period prior to the inspection date in your hospital.					
IP12	The employees in your hospital regard Internal Auditors as partners.					
IP13	Top management in your hospital contributes to internal audit planning.					

PART III

The following are fraud detection and prevention measures. Kindly indicate the extent to which these measures apply to your hospital (using the scale SA-Strongly Agree, A-Agree, N-Neutral, D-Disagree, SD-Strongly Disagree).

	FRAUD DETECTION AND PREVENTION MEASURES	SA	A	N	D	SD
DP1	The autonomy of the internal audit function helps to detect fraud in <u>these hospital</u> .					
DP2	Fraud activities are detected on a regular basis in your hospital.					
DP3	Your hospital put in effort to manage risks to the achievement of financial reporting objectives.					
DP4	Your hospital is a victim of a financial reporting scam.					
DP5	The hospital's internal auditors assure accurate financial reporting and use a set of fraud detection policies.					
DP	The hospital manages organizational financial reporting fraud professionally.					
DP7	When fraudulent conduct is evident or suspected, specialist internal audit activities may be done to help management in discovering it.					

PART IV

The following are the effect of internal audit practices on fraud detection and prevention. Kindly indicate the extent to which these practices apply to your hospital (using the scale SA-Strongly Agree, A-Agree, N-Neutral, D-Disagree, SD-Strongly Disagree).

	INTERNAL AUDIT PRACTICES, FRAUD DETECTION AND PREVENTION	SA	A	N	D	SD
PP1	Internal audit practices have reduced the incidence of assets theft and scams in this hospital.					
PP2	Internal audit practices have reduced errors and frauds in the hospital					
PP3	The internal audit team in this hospital has detected asset misappropriation occasionally.					
PP4	The hospital's internal audit practices have helped to preserve organization's assets and prevent mistakes or anomalies in transactions.					
PP5	Shareholders confidence on the financial reports are assured based on the effective internal audit practices.					
PP6	Internal audit practices in this hospital have enhanced physical and financial controls checks in relation to cash.					
PP7	Internal audit practices in this hospital have enhanced physical and financial controls checks in relation to consigned drugs and consumables.					
PP8	Internal audit practices in this hospital in relation to physical and financial controls checks in investment and loans have improved.					