



MIDLANDS STATE UNIVERSITY

FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING

**THE IMPACT OF THE ABSENCE OF AN INTERNAL AUDIT
FUNCTION / DEPARTMENT IN THE JUDICIAL SERVICE
COMMISSION –A CASE STUDY OF BULAWAYO HIGH COURT**

DESSERTATION

BY

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DEDICATION

To my wife Qondani Tshuma ,daughter Nokuthaba Ncube and my late mother.

To my supervisor Reaboka Kitso Noko, lecturers Mvura , Kazembe, Mhaka, Mashiri ,Senga community and supporting staff at Midlands State University.

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>. Qondani Tshuma

>.Belinda Nokuthaba Ncube

Lastly I would love to thank all my friends , classmates and relatives for the support they gave me . I feel humbled and blessed by their team spirit and help ,and my sentiment is aptly expressed by Albert Einstein who said ; every day I remind my self that my inner and outer life are based on the labours of other men ,living and dead, and I must exert myself in order to give in the same measure as i have received and i am still receiving . I would not have been successful without them and i am deeply thankful.

May the good lord bless you all in your endeavors.

ABSTRACT

Purpose: The purpose of this project is to assess the impact of the absence of an internal audit function / department and related performance of Judicial Service Commission. While empirical works have given diverse reasons for the poor financial performance of the Commission, research evidences the impact of the absence of internal audit practices on the financial performance of Judicial Service Commission in a case study of Bulawayo High Court in context. Chapter 1 Of the research project highlights shortly the purpose of the study, as well as the approach taken by the researcher taken to address the problem. Chapter 2 reviews the available literature on the effects and impact of the absence of an internal audit function / department in the Judicial Service Commission – A case study of Bulawayo High Court. Chapter 3 details the research methodology. It shows the type of research carried out and the field work conducted by the researcher. Chapter 4 summarizes the Findings from the researcher`s observation, and analyses the responses from questionnaires. Chapter 5 concludes the whole research project and suggests some recommendations on the need to install and implement the internal audit function/ department and the associated benefits.

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List of Abbreviations

JSC Judicial Service Commission

IIA Institute of Internal Auditors

MSU Midlands State University

COBIT Control objectives for Information Technology

SAC System Assurance and Control

TQM Total Quality Management

SDLC System Development Life Cycle

HC High Court

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CHAPTER ONE.

INTRODUCTION.

1.1 Chapter introduction

This chapter is a framework of the background of the study , statement of the problem, limitations of the study , research objectives, research question and sub research questions that will highlight the purpose and objective of the study.

1.2 Background to the study

Judicial Service Commission was formed under the constitution of Zimbabwe Amendment (19) Act in 2010 with a vision and mission statement of in accordance with laws of Zimbabwe and best practices , to provide administrative support to the judiciary in promotion and maintenance of a justice delivery system that inspires public trust , accountability and confidence in the rule of law. However, the Judiciary Services Commission at Bulawayo High Court does not have internal audit function since its formation or inception, regardless of the statute in the constitution of Zimbabwe requesting and stipulating that institutions of such capacity should have an internal audit department. The prolonged absence of an internal audit department exposes the Commission to wide variety of risks and compromises the performance of the Commission.

The annual reports by the Registrar and Master of the High Court for the year ending 2012 and 2013 highlighted that the absence of the internal audit function at Bulawayo high court had caused a budget overrun. In the reports the Registrar of the High Court asserted that the budget overrun was as a result of misappropriation of funds, irregular expenditures and losses

due to waste, extravagance and non-administration all these resulting from the absence of the internal audit function.

Supporting the contents of the report by the Registrar, the acting accountant, in the 2013 midterm report emphasized the need for the establishment of the internal audit function and appealed to the responsible authorities for the immediate installation of an internal auditing function. In the report he also cited non-compliance with financial and administration regulations and laws, improper and disorderliness of inventory and capital asserts records, lack of supervision on vital records and override of internal controls by senior officials. The audit report (2011) highlighted records indicate that top officials continue to defraud the state or commission when procuring goods and equipment as there is a tendency of non-adherence with acceptable procurement procedures. The report also indicates the management of circuits funds indicated that there were no records kept to account these funds and this conclusively puts the Judicial Service Commission under high risk.

Addressing senior officials from Ministry of Finance and Justice in a meeting held at Bulawayo high court offices on 28 November 2013 ,the Judge President explained to the delegates that Judicial Service Commission was facing severe challenges of collusion amongst members of staff, inefficient uses of public resources due to lack of monitoring of resources in achieving defined objectives. He mentioned that poor performance of this organ of justice commission was a result of the absence of internal audit function. He also hinted on the circular by the Finance Manager for (2013), that personnel are producing their own receipts and collecting the revenue for their own personnel benefit therefore defrauding government revenue. He noted that these fraudulent activities are left undetected due to lack of a tracking function that is the absence of an internal audit function

The Judge President also highlighted that the establishment of the internal audit system will assist the Bulawayo High Court in the protection of assets and proper accountability of revenue collection by continuous examination of activities in order to detect fraud, misappropriations and irregular expenditures, the audit function will also ensure continued maintenance of soundly based system of controls and to review and where necessary make recommendations for the improvement of systems.

Apparently, the external audit report(2011—2013) highlighted that the major driver for poor financial performance at Bulawayo high court was due to the absence of the internal audit function which by its nature would have detected and corrected fraud and mistakes earlier.

The external audit report (2012) highlighted that the absence of internal audit department has led to employees not adhering to policies, non-compliance to laid down procedures ,regulations ,laws ,plans and internal controls which guides the operation of the Commission.

1.3 Statement of the problem

The judiciary services commission at Bulawayo high court is currently experiencing poor financial performance in form of irregular expenditures, misappropriation of funds and in efficient allocation of valued resources to defined objectives, all these challenges are as a result the absence of an internal audit function

1.4 Research objectives

1.4.1 Main research objective

The research seeks to investigate the impact of the absence of an internal audit function/ department on the performance of judicial service commission at Bulawayo high court.

1.4.2 Sub research objectives

The research aims to achieve the following objectives

- To investigate the financial performance of the judiciary service commission in the absence of the internal audit.
- To determine the impact of the absence of audit function on financial performance.
- To determine the critical success factors for the establishment of the audit function.
- To establish merits and challenges associated with the presence of audit function
- To recommend methods of improving the performance of judiciary service commission.

1.5 Research questions

- What is the performance of the judiciary service commission without the internal audit function?
- Does the absence of audit function have adverse effect on performance of the High Court?
- What are critical success factors that must be considered for establishment and efficient?
- What are the merits and challenges associated with the establishment and functioning of the internal audit function?
- What are the methods that Bulawayo High court can implement in order to improve its performance?

1.6 Justification of the study

To the University

The University will benefit from the study since it adds value to the existing body of research in the field of accounting and serves as material for reference by other students.

To the Judicial Service Commission(JSC)

The research will assist policy makers and implementers to understand the need for the commission to have an internal audit section.

To the researcher

The study will give the researcher the valuable chance to contribute to the accounting profession.

It is also done for the partial fulfillment of the requirements of the Bachelor of Commerce Honours Degree in Accounting at Midlands State University(MSU).

1.7 Delimitation of the study

The research was conducted at the High Court of Bulawayo , covering the following sections - accounts , deceased estate, criminal and civil , administration and human resources.

The research covered the period from (2010) to date, which is the period the entity does not have an internal audit department or section.

1.8 Conceptual framework.

**Figure 1: Conceptual framework. **

Independent variable:

Internal audit function

Dependent variable.

Performance of Judicial Service Commission.

Absence of an internal audit
Department.

Non-compliance to policies ,laws
and regulations.
Poor performance of the
commission.

Source: Developed by the researcher from several literature reviews. (International Research Journal of Finance and Economics issue 27 2009 and The Institute of Internal Auditors (2012)

The conceptual framework indicates that the absence of an internal audit department in the Judicial Service Commission adversely affect its performance .This makes the audit department an independent factor and performance a dependent factor .When this is not implemented the Commission will continue to be exposed to risk and poor performance

1.9 Limitation of the study

The researcher faced the following challenges

- The researcher found out that those people in authority were reluctant to give information that they regarded as confidential to the organization
- The researcher found out that the head of departments did not have enough time to give information.
- The researcher found out that some of members of staff had no idea about the answers to the questionnaires.

The challenges on the limitation of the study were resolved by-

>Asking for appointment to meet the head of stations during lunch hour , after working hours and calling them through their cellphones.

>The researcher explained to those who did not understand the reason of filling the questionnaires.

1.10 Definition of terms.

Commission-A statutory body established by the constitution of Zimbabwe.

High Court -A superior court of records.

1.11 Chapter summary

The chapter above has dealt with the introduction, background of the study ,purpose of the study ,statement of the problem ,research questions , and significance of the study, conceptual framework, delimitations , limitations and definition of terms .

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The chapter covers the following; overview of the internal audit function, the impact of the absence of the audit function on the performance of judicial service commission, critical success factors for the establishment of an audit function, challenges allied to the presence of audit function, existing gaps in literature, chapter summary.

2.1 Scope

The chapter aims to examine the literature propounded by renowned scholars, regarding the impact of the absence of an internal audit function on the performance of judicial service commission. This chapter also aims to review the available literature by scholars and academicians in the line with the conceptual framework. It covers overview of the internal audit function, the impact of the presence of audit function on the performance of judicial service commission , critical success factors for the establishment of an audit function, merits and challenges allied to the presence of audit function, existing gaps in literature, chapter summary.

2.2 Overview of internal audit

Foulks (2010) defines internal audit as an appraisal activity established by management for the review of accounting and internal control systems as a service to the entity. Section 90 of the

judicial service commission Act 2010, stipulates that every Commission shall provide for an internal Audit. In addition, section 172 of the Judiciary Financial and Accounting Regulations, (2010), stipulates that internal Audit shall report on the system and operations of the judicial service commission under their jurisdiction whether efficient, effective, and economical and free from fraud and other malpractices and give recommendation for their elimination. Golooba, (2011), asserts that there must be independent and effective supervisory mechanisms capable of preventing or combating malpractice regardless of a kind leadership in place In order to help minimize incidences of malfeasance, incompetence, or sheer dereliction of duty. An internal Audit is a process (carried out by suitably qualified Auditors) whereby the accounts of business entities including limited companies, charities trusts, professional firms, are subjected scripting in such detail as will enable the Auditors to form an opinion as to their accuracy, truth and fairness. This opinion is then embedded in an “Audit report” addressed to interested parties who commission the Audit or to whom the Auditors are responsible under the statute (Emile Woolf)

Internal Audit is an independent appraisal function established by management of an organization for the review of internal control system as service to the organization to examine, evaluate and report on the accounting and other controls on operations. It exists either voluntarily or in certain situations because of the statutory requirements (Manasseh, 2012) According to Attwood (2012) internal audit is defined as an element of internal control system set up by management as a method of imposing controls.

2.3 Analysis of the impact of the presence of internal audit on performance

Most internal audit professionals argued that an effective internal audit function correlates with the improved financial performance. According to Betide (2011) an effective internal audit function can, in particular, help reduce overhead, identify ways to improve efficiency and maximize exposure to possible losses from inadequately safeguarded company assets all of which can have significant influence on the bottom-line. Concurring to the research by Betide, the Bulawayo High court judge president, addressing senior officials from Ministry of Finance and Justice in a meeting held at Bulawayo high court offices on 28 November 2013, the Judge President explained to the delegates that Judicial Service Commission was facing severe challenges of collusion amongst members of staff, inefficient uses of public resources due to the absence of internal audit function.

Similarly, Enablers and Implies (2011) had stated that internal audit is an invaluable tool of management for improving performance. Frazil et al (2010) had also noted that internal auditors help run the company more efficiently and effectively to increase shareholders value. The above mentioned study was supported by the Bulawayo High court external audit report (2012-2013) findings which highlighted that the major driver for poor financial performance at Bulawayo high court was the absence of the internal audit function which by its nature would have detected and corrected fraud and mistakes earlier.

Hermanson and Rotenberg (2013) had argued that the existence of an effective internal audit function is associated with superior organizational performance.

At an empirical level, a survey conducted by KPMG(2013) found out that the internal audit function in organizations where it exists, contributes substantially to performance improvement and assist in identifying profit improvement opportunities. Moreover, research evidence in

corporate disasters ,particularly financial fraud consistently documents an association between weak governance (e.g. less independent boards or absence of internal audit function) and the incidence of problems(Beasley et al 2012,Abott 2012)

By critical examination of the above stated literature ,the researcher concluded that internal audit function acts as a watch dog and could save the organization from malpractices and irregularities thus enabling the organization to achieve its objectives of ensuring high productivity levels and profit.

However , Greenly and Fox all (2013) note that although studies have found an association between accounting control systems and performance theory, they argued that these associations are influenced by external environment .Thus although Judicial service commissions are insulated from politics they are however linked to politics through powers vested in the respective ministers.

The researcher found out that in Zimbabwean context, these powers include powers by ministers to appoint the chairman, chief executive officers and members of the board.

However, the researcher contends that board members of the Judiciary commission in Zimbabwe are appointed not because of personnel qualification and experience but largely on political reliability. Hence, board members not only interfere with corporate management but also use their positions to promote the interests of their favorites with dire consequence for the organization performance

2.4 Critical success factors for the establishment of an audit function

Prasad and Rae (2010), defined critical success factors for the establishment of an audit function as those components of an internal audit conceptual framework advocated by various renowned academicians and scholars, which when observed by organizations will result in the internal audit department of an organization being efficient and effective. Critical success factors or components internal audit conceptual frame work are: defining internal control system and its objectives, understanding the control environment, Risk assessment ,understanding control activities, dissemination of information and communicating, monitoring and independence

2.4.1 Definition of internal control systems

Fouls, (2010), defines internal control system as comprising the control environment and control procedures adopted by directors and management of an organization in achieving its objectives by ensuring practical, orderly and efficient conduct of an organization. This may include adherence to policies, safe guarding assets, prevention and detection of fraud accuracy and competences of accounting records and timely preparation of financial reports by those charged with governance at Bulawayo High court. According to Whittington, (2011), an internal control system consists of policies and procedures established to provide reasonable assurance that the organization's related objectives are achieved. The concept of reasonable assurance recognizes that no structure is perfect and that the cost of the entity's internal control should not exceed the benefits to be derived. Internal control may be defined as the whole system of controls, financial and otherwise, established by the Judicial service commission management at Bulawayo High court in order to carry on the business of the company in an orderly manner, safeguard its assets and secure as far as possible the accuracy and reliability of its records. It will be observed that the concept of internal control goes beyond financial and accountancy matters and the custody of

company assets to include controls designed to improve operational efficiency and ensure adherence to company policies (Coopers and Lybrand, Manual on Auditing 4th Edition)

According to the Standards for Professional Practice of Internal Auditors (SPPIA 2011), internal control comprises the plan and methods of the organization adopted to safeguard assets, comply with the laws and regulations, ensure the completeness and correctness of accounting data, promote efficiency and encourage adherence to management policies. This means that the management of the Judiciary service commission at Bulawayo High court must have plans and methods of safeguarding assets which are conversant to laws and regulations.

(Katz 2012) argues that to ensure the goals and objectives of a financial institution are properly met, that the company will achieve long-term profitability targets, and maintain reliable financial and managerial reporting, a system of strong internal controls must be in place. COSO (2012), states that company management should continuously and periodically evaluate the effectiveness of its internal controls .This enables management of Bulawayo High court to mitigate malpractices by employees.

(Roth 2013), further confirms that, frauds that caused the collapse of Enron and world could not have arisen from the non- compliance with low-level accounting procedures. The root cause is always a breakdown in the control environment usually the ethical climate and behavior of executives.

Consistent with the COSO frame work (2012), Annoyed, 2012, identified five inter- related components of internal control i.e. control environment, risk assessment, information and

communication, risk assessment, information, and communication, control activities and monitoring derived from methods used by agencies to conduct their business

Crawford (2010) agrees with (Annoyed 2010) and added that the five elements replaced the historical one element. Control activities helped to redefine internal control as anything an organization does to ensure the achievement of its objectives.

2.4.2 Objectives of internal control system

Consistent with the firm's objectives of maintaining optimum cash balance in order to meet the firm's obligations and when they fall due, and aware of the different risks associated with the various sources and uses of funds, it is important to stream line the policies and procedures for accessing, using, recording and custody of cash(Pander, 2011) .This means that streamlining the policies and procedures for accessing ,using and recording and custody of cash at Bulawayo High court will reverse the current situation.

According to Swami, (2011), internal controls in accounting system serves the function of ensuring that all transactions carried out are suctioned that authorized by management. This is important because all activities of the Bulawayo High court are supposed to be performed in line with the laid down policies. All transactions should be accounted for in the relevant books of accounts regularly, correctly and systematically (Mill champ, (2009). This should be according to the application reporting framework, like the relevant legislation and applicable Accounting Standards. (Fouls, 2012), this should lead to proper accountability of all assets and liabilities of the firm.

2.4.3 Control environment

According to Willis and Lightly, (2012) control environment is the tone set by top management and the overall attitude, awareness and actions of the board of directors, management, and owners. And others concern the importance of internal control in the company's policy, procedures methods, and organizational structure. This indicate the need by Bulawayo High court administration to a conducive control environment for the efficient operation of the internal audit function (COSO, 2012) makes it clear that the control environment is the most important component of internal control .karat (2013) identifies attributes of control environment as integrity and ethics of management, competence of employees, operating style of management, structure and Audit committee and evaluation of the environment. According to the above study Bulawayo High court should employ qualified personnel for efficient operation of the audit function.

According to Hubbard (2013) managers and internal auditors need to understand the status of the factors at the base (control environment), not to change them, but to consider their impact on the other control components. Chicora and Muhlstein, (2013) adds that the nature of many of the soft control is such that they can only be assessed by the employees. Therefore to understand the control environment, auditors at Bulawayo High court should interview employees and make use self –assessment workshops and questionnaires.

2.4.4 Risk assessment

Risk assessment as stated by Lannoye (2012) is the entity's identification and analysis of relevant risks (both internal and external) to the achievement of its objectives, forming a basis for determining how the risk should be managed. This assertion is in consistence with observations of (Keane 2010).According to chioccola and Muhlstein (2013) the need for organizations to

move to a risk based audit approach has called for risk assessment decisions to help relate the cost/benefit analysis of the control to the known risk. By understanding the nature of the business, information system the management at Bulawayo High court can identify and categorize the types of risks that will better determine the risk model or approach used in conducting the review. Bortz (2010) asserts that risk assessment is a process of estimating a riskiness coefficient or score to be associated with each auditable unit within the organization. Thus risk assessment is typically undertaken to focus attention on significant audit areas at Bulawayo High court, to allocate scarce audit resource to the most important audit areas at Bulawayo High court, and to help with key audit prioritizing decision such as audit frequency, intensity and timing. (Warren, 2013) argues that changes in economic industry and regulatory environments change entities activities and managing such changes acquires a constant assessment of risk and the impact on internal controls. Thus mechanisms are needed to identify and react to changing conditions at the Judiciary commission at Bulawayo High court.

2.4.5 Control activities

According to the Statement on Auditing Standards (SAS) 2012 control activities are the policies and procedures that help ensure that management's directives are carried out. Crowford (2011) states that unit recently, this has been the historical component of internal control Jago,(2013) asserts that control activities can be categorized as authorization, segregation of duties, record keeping, safeguarding and reconciliations and these controls depend greatly on the activity under consideration.

Hubbard (2013) argues that a great deal of activity specific knowledge is required to determine what the controls should be incorporated at Bulawayo High court. COSO's control framework presents a risk control matrix that analyses activity level objectives risks and control. COSO lists some complete frameworks or models, that can be used to model control activities such as control objectives for information technology (COBIT), System Assurance and Control (SAC), Total Quality Management (TQM) and System Development Cycle (SDLC) depending on the activities involved.

Warren (2013) argues that control activities usually involve two elements; a policy establishing what should be done and procedures to affect the policy.

2.4.6 Information and communication

According to Hubbard, (2013) information refers to employees getting the information they need to do their jobs, while communication relates to the free flow of information up down, across, inside and outside the organization. Consistent with Hubbard, (Keane 2010) states that information and communication system support the identification, capture, and exchange of information in a form and time frame that enable management and other appropriate personnel to carry out their responsibilities. This means that management at Bulawayo High court should consider communication as a critical success factor in establishing audit function.

Warren (2013) argues that similar to the control environment auditors cannot evaluate information and communication without consulting the employees. Thus a self-assessment process is often used together with the audit evidence. According to, Kannan, (2012), the responsibility of ensuring appropriate information system, covering all activities and the senior management is needed.

2.4.7 Monitoring

Monitoring is a process that assesses the quality of internal control performance over time (Willis and Lightle(2010). Lannoye(2012), says periodic evaluations of internal control made and personnel, in carrying out their regular duties, obtain evidence as to whether the system of internal control continues to function. This implies that Bulawayo High court must consider monitoring as a critical success factor of successful establishment of audit function .

Chioccola and Muhlstein, (2013) argues that organizational structure should include an independent monitoring function of derivatives, providing senior management with an understanding of the risks of derivative activities, validating result and assessing compliance with established policies. According to Thornton, (2012) the process of monitoring can be accomplished through on going monitoring activities, separate evaluation or a combination of the two. On going monitoring occurs in the course of operations and includes regular management and supervisory activities, and other actions personal take in performing their duties. In line with Thornton, (Warren, 2013), asserts that the scope and frequency of separate evaluation will depend primarily on an assessment of risks and the effectiveness of on going monitoring procedures. Thus internal audit should promptly identify internal control deficiencies and report to top management and the board.

2.4.8 The independence of internal audit department

Independence is mandatory in auditing and is particularly important that the internal auditor has freedom to select areas of audit he/she wishes to investigate and to report there on to all levels of management in the organization independence is the fundamental importance in the effective in

the internal Audit. It enables the internal Audit to freely highlight the areas where fraud could or has occurred as a result of the weak system of control in the organization for the internal audit to operate effectively, the following principal elements of independence should be present.

The internal Audit should be independent of all financial system operating within the organization. The internal audit should at all times have direct access to departmental heads, the accounting officer and the organizations records and information. Practice professional due care and skill as prescribed by the institute. The public accounts committee guideline, October 2012, (Woolf 2011) also emphasized the need for the internal audit to be independent .The work should be planned and carried out according to the professional roles. This indicate that Bulawayo High court consider independence as a critical success factor for successful and efficient operation of audit function. (Ndahura 2011) says that the chief executive should aim at preserving the independent status of the internal audit function and ensure that it has access to all financial and administration records of the organization to enable it to ensure management of continuous existence of financial security, control and transparency Independence of an auditor is entrained in both the legislation and the code of ethics to be observed by practicing auditors .The companies act chapter 85, section 159-162 outlines the procedures for the appointment, remuneration and removal of an auditor. The auditor is appoint by shareholders and can only be removed by the shareholders during the Annual General Meeting (AGM) but not the management of the company. Such provisions in the Act are made to promote objective reporting by the Auditor, it is important that the audit is independent of management.

According to Mirand (2012), internal Auditors should be independent of activities they audit. They are independent when they can carry their work freely and objectively. Independence permits internal Auditors to render the impartial and unbiased judgment essential to the proper

conduct of audit. They should be responsible to an individual in the organization with sufficient authority to promote independence and to ensure broad audit coverage adequate consideration of audit reports and appropriate action on audit recommendations .He further argues that internal auditors are not so independent because they are employed and are responsible to management and politicians and may be punished through non proportion, no career prospects and other such punishments. Due to such fear they usually get comprised. Ursula, (2012) argues that there are significant political obstacles to devolve decision making and enhancing policy responsiveness at the local level. According to Enster (2011), the role of audit in the management of finance is a critical one. It is for this reason that most countries have supreme audit institutions to ensure that the finances of government institutions are audited .Enster (2011) quotes Mugus (2010) who states that the internal audit department has to be independent in approach, opinion and appearance. It has to be managed by staff that should strictly adhere to professional ethics laid down by recognized professional accounting bodies

2.5 Challenges associated with the audit function in an organization

However, available data in Judiciary commission of Zimbabwe indicate that High court which does not have the audit function , performed poorly against the annual projections or budget due to poor auditing carried out. This is evidenced by accumulation of salary arrears, failure to account funds, failure to fund employee’s career development projects and poor service delivery. Baryy Haggin (2013) argued that many internal audit departments do pre- audit as part of their audit duties especially in public corporations. This is contrary to internal auditing which is the

review of operations. Thus internal auditors do not get time to receive all operations since Audit staffs are normally few in number. This cause bottlenecks and slows down decision making. In the Judiciary commission that must meet minimal standards before they can receive government funding.

2.6 Existing Gaps in Literature

Much of the literature on internal auditing function concentrated on specific issues such as improving accountability and responsibility in organizational transactions. No literature was forwarded for the impact of an internal audit function on the performance of judiciary service commission. The proponents of internal audit function literature focused mainly on the benefits of an audit function but not outlining challenges that can be faced in efficient operation of an internal audit function. The gap identified in the literature review is that researches were concentrating on the single aspect of benefits of internal auditing, failing to consider obstacles that causes internal audit to function efficiently.

2.7 Chapter Summary

The chapter evaluated what renowned scholars say about the impact of internal audit function on performance. The chapter provided a framework of the study.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The chapter covers the research design, sampling techniques, sources of data, research instruments, validity and reliability of research instruments, data analysis, and summary

3.1 Research Design

A research design is a strategy implemented in a research towards achievement of the research objective. The research used the quantitative research design .The research design was successfully used in the collection of reliable information relating to the research topic.

Churchill (2012) defined a research design as the study guide plan for data collection and data analysis. The research design guarantees the collection of relevant data that satisfy the research objectives. The research design is in three forms; namely .explorative , casual and descriptive. The research makes use of the descriptive research design because of the nature of research topic which seeks to analyze the impact of internal audit function on performance of Judiciary service commission at Bulawayo High court.

3.1.1 Descriptive research design

For the purpose of this study descriptive research design approach was used.

Babbie et al (2011) defined a descriptive research as a study devised to attain specific information establishing the nature of the study at particular point in time. This implies that the

study is based on analyzing the impact of internal audit function on performance of Judiciary service commission at Bulawayo High court.

3.1.2 Justification of descriptive research design on this study

The descriptive research was found to be useful in recognizing areas which needs further studies. It is also useful in obtaining non-financial information such as customer satisfaction where financial models are in applicable. It is a very flexible research method. This research method is easy to perform because it entails description and reporting of observations. In interviews the respondents may not answer questions that have potential to affect confidentiality.

However, the descriptive research approach was found to be limited on describing and reporting observation, it does not look at the cause and effect of a variable therefore it is narrow and it suitable for comparison,

3.2 Population, Sample and Sampling techniques

3.2.1 Population and Target Population

Darshan (2010) defined population as total number of observation under study. In research, target population consists of the selected observation for a particular purpose, Brandon (2009). The target population of this research consists of the following employees drawn from the judiciary service commission at Bulawayo high court, Prosecutors, magistrates, interpreters, lawyers, judges and the Bulawayo high court judge president.

3.2.2 Sample

Manoharan (2011) defined a sample as representative portion of the overall population chosen on random bases, but bearing the characteristics of the population. In this research a sample was

used to represent the targeted population. The sample of this research consists of the personnel drawn from the administration and finance departments of Bulawayo high court using the sampling technique below.

3.2.3 Sampling Technique

Purposive sampling which is non-probability sampling technique was used in this research.

Rao (2011) defined non probability sampling as a sampling technique where by the selection of sample and sample units is based on the sampler's discretion or judgment. Purposive sampling technique was employed in this research.

3.2.4 Purposive Sampling

Purposive sampling is a sampling method in which the sample selection is based on the researcher's discretion in choosing sample units that best fits the research design Kent (2011).The technique was employed in order to suit and satisfy the aims of the research. In this research, purposive sampling was used to select as sample made up of 14 people drawn from the Finance and Administration department of Bulawayo high court.

The tables below show the population and sampling units of this research based on the sampling method and technique used.

Table 2: Bulawayo high court, population and samples for the study

Elements	Population	Sample	%
Judge president	1	1	100
Judges	2	2	100
Magistrates	2	2	100
Accounting officers	8	3	38
Accounts clerks	1	1	100
Lawyers	10	5	50
Total	24	14	58

3.2.5 Advantages of purposive sampling

Purposive sampling eliminates people who do not fit the requirements of the research. That means to say only suitable sample units are selected. This implies that the Selection of the Administration and Finance department at Bulawayo high court was based on purposive sampling as these departments are important to the subject of the study.

Purposive sampling is less time consuming as the most appropriate people for the study have been selected.

The cost of carrying out the sampling is greatly reduced since there are fewer time constraints.

Purposive sampling is best when the study looks for a targeted population.

3.2.6 Disadvantages of Purposive Sampling

The population sample used may not absolutely represent the population of the study.

A small sample is often used in this sampling technique and a small deviation in the sample may cause deviance in the results.

3.2.7 Justification of the sampling technique

The sampling technique eliminated other departments at Bulawayo high court and included only those people from Administration and Finance department which are relevant to the study. It is so accurate and has a systematical approach that would quickly lead to main targets in no time at all.

3.3 Sources of Data

3.3.1 Sources of data

The research used primary and secondary data. Primary data was collected from the case study using questionnaires and interviews. The secondary data of the research was collected from journals, textbooks and internet

Crawshaw and Chambers (2009) articulated that there are two forms of sources of data namely;

- Primary source of data and
- Secondary source of data.

The research used both of the two forms of the sources of data to produce quality results.

Primary source of data

These are methods which can be used to obtain raw data from the source. The primary data was collected to address specific objectives of the research. Interviews and questionnaires were used to obtain quantitative and qualitative data.

Primary quantitative data was obtained from the use of questionnaire. Primary qualitative data for this research was obtained from interviews.

Advantages of Primary data to this research

- Unveiled challenges that were beyond the scope of the research.
- Primary data helped to obtain information on the impact of the absence of audit function at Bulawayo high court which is not expressed in secondary data.
- The data obtained by using primary sources were current and up-to date applicable to Bulawayo high court.
- **Disadvantages of primary data to this research**
- Obtaining primary data was costly in the research as compared to secondary data.
- Primary data was time consuming and tiresome to obtain.

3.3.2 Secondary source of data

Secondary sources of data can be defined as data collected previously as primary for past events (Kumar 2011). A secondary source of data involves analysis and applicability of the past data to the current research.

For the purpose of this study secondary data was obtained from internal auditing journals, and Ministry of justice high court performance reports.

Advantages of secondary data to this research

- Secondary data was readily available hence short access period
- Data was generally cheap to obtain
- Cost reduction data was already processed and simplified by authorities and legal experts.
- It provided a reasonable starting point and helps to the problem statement and objectives
- It partially solved the impact of internal auditing on performance which was not answered through interviews and questionnaire.

Disadvantages of Secondary data to this research

- Some of the data was obsolete and therefore irrelevant from the current studies.
- Since the data was secondary, a number of assumptions were made regarding the validity of data.
- Some data contained legal jargon making it difficult to interpret.
- Obtaining records and other explanatory notes and interpretation from Bulawayo high court was difficult as permission was first to be sought.

3.4 Research Instruments

These are techniques applicable to the collection of relevant data to satisfy the research's objectives. This research made use of interviews and questionnaires.

3.4.1 Questionnaires

The Questionnaire was used as data collection tool in this research. A questionnaire is a data collection method that makes use of well-planned questions for which respondents are politely asked to reply. It requires sending of the planned questions to the selected target population sample requesting respondents to earnestly reply (Kothari, 2010). Closed questionnaires were used.

Questionnaires

These are structured questions used under set parameters, Kumar (2011)

Advantages of the use of questionnaires to this research

- They were quicker and easier for respondents to answer
- Answers from different respondents was easier to compare and contrast
- The answers were generally easier to code and statistically analyze
- Response choices clarified questions' meaning for respondents
- Respondents gave answers on areas that are generally believed to be sensitive
- Very few irrelevant or confusing answers to questions asked were received.
- No respondent/s in the sample was disadvantaged on the bases of literacy
- They were easy to replicate

Disadvantages of the use of questionnaires to this research

- The selected sample of people were forced to make choices they would not have make in the real world
- They were prone to clerical mistakes or giving the wrong response.

3.4.2 Personal interviews

Open ended questions offer respondents the greater chance to express themselves freely as there were not restricted to any certain response format. This technique was directed to those issues that the researcher deem to need or demand clear and well explained answers. The respondents provided information by filling in the blank space of the questionnaire in their own words (Kumar, 2011)

Advantages of personal interviews to this research

- Permitted an unlimited number of possible solutions to each question.
- Respondents gave answers in full detail.
- Some unanticipated findings were discovered that enriched the research.
- Adequate answers to complex issues were received.
- Creativity, self-expression, and richness of detail were encouraged.
- Revealed respondents' logical thinking and frame of reference.

Disadvantages of personal interviews to this research

- Greater amount of respondent time, thought, and effort was required
- Different respondents gave different degrees of detail in answers making it difficult to quantify

3.4.3 Likert Scale.

Likert scaling is a technique that measures the degree of agreement or disagreements to different statements related to a particular question, Aaker et al (2011). The scale is in two parts. The first part represents the statement and the second part is for the response. The questionnaires in this research were designed on the Likert scale basis. The Likert scales in this research awarded points from 5 to 1 and based on the degree of response rate from strongly agree to strongly disagree.

3.5 Validity and Reliability of Research instruments

3.5.1 Validity

Validity measures the extent to which the research instruments satisfy their intended measure. Yin (2010) stated that, credibility of results is based on its validity. Validity enhances data collected to be error and bias free.

3.5.2 Reliability

This is the extent to which the observable measure represents a theoretical concept that is predictable, accurate and stable according to (Kumar, 2011). The greater the degree of consistence and stability of the results from the instrument, the greater the reliability. To assess on the reliability of instruments questionnaires and interview schedules were first pilot tested and adjustments were made before administering them to sampled respondents.

3.5.3 Pilot testing/ Pre- Test

A pre-test was completed on both the interviews and questionnaire techniques in order to evaluate the impact of the questions, and assess the quality of responses with a view of adjusting questions so that they work towards achieving the objectives of this research. Pilot testing was also aimed to assess the validity of the questions and reliability of data collected. Fellow students who have knowledge on the research were used for the pilot test. The questionnaire and interview questions that appended to this research are refined and finalized ones.

5.3.1 Pilot testing results.

Question	Question Requirement	Feedback
Qn 1 What is your gender?	The question requires the respondents to provide their gender	Fellow students advised the researcher to exclude the

		question because the respondents' gender would not influence research findings
Qn 2 In which department do you work?	The question requires the respondents to indicate the department in which they work	Fellow students acknowledged that the question was fine and advised the researcher to use it as closed question

3.6 Data analysis

Data analysis is a process of assessing, editing, elimination and modeling of data with the aim of producing useful information and drawing up of conclusions and summaries. It involves the use of statistical methods in reducing data collected to manageable size (Kumar, 2011). The mean and the mode were used in this study for data analysis because of their accuracy in analyzing data central tendency.

3.7 Data Presentation

In this research quantitative data will be presented in form of scatter plots, pie charts, bar graphs and histograms. Because pie charts and bar graphs are easy to construct and explain draw.

3.8 Conclusion

The chapter has dealt with research design, research methods and methods used in coming up with the, target population and sample. The chapter also highlighted the techniques used for data

collection. The advantages and disadvantages of techniques used for data gathering were eluded. The following chapter will look at the actual presentation, analysis and interpretation of the data collected

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.0 Introduction

The chapter focuses on the analysis, interpretation and presentation of data gathered from the field research. The researcher used information collected from questionnaires and interviews conducted as the source of data referred to in this analysis. The findings and analysis were directed towards addressing research objectives and answering research questions. The findings and data analysis sought to understand the impact of the absence of an internal audit function on the performance of Judicial Service Commission – A case study of Bulawayo High Court.

4.1 Interviews

Two interviews were scheduled to be conducted with the heads of station Deputy Master and Registrar at the High Court Bulawayo that is Raymond Antonio and Tofara Hwara respectively. However due to other commitments by the above mentioned, they gave excuses and I could not secure their interviews.

Questionnaires.

The researcher sent questionnaires to respondents who had been selected by way of judgmental and convenience sampling to come up with a convenient sampling to come up with a proper sample.

4.2 Questionnaire response rate

Table 4.2 Response rate – Questionnaire

Description	Questionnaire issued	Questionnaire responded	Response rate %
Judge president	1	1	100
Judges	2	2	100
Magistrates	2	2	100
Accounting officers	3	3	100
Accounts clerks	3	3	100
Lawyers	2	2	100
Total	13	13	100

The table 4.2 above shows an average questionnaire response rate of 100%, indicating that the data collected from the field using this method can be reliably used for the presentation, analysis, interpretation and making conclusion of the research findings.

Five interview questions were conducted and the response rate was 100%, indicating that the data can be reliably used in the presentation, analysis interpretation and making conclusion of the research findings.

4.3 Existence of Audit function

Q Does Bulawayo high court have audit function?

Table 4.3: Existence of Audit function

Statements	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Total

Audit function exist	10	3	-	-	-	13
	77%	23%	-	-	-	100%

Source: Primary research

The table above illustrates research findings on whether the audit function exists at Bulawayo high court.

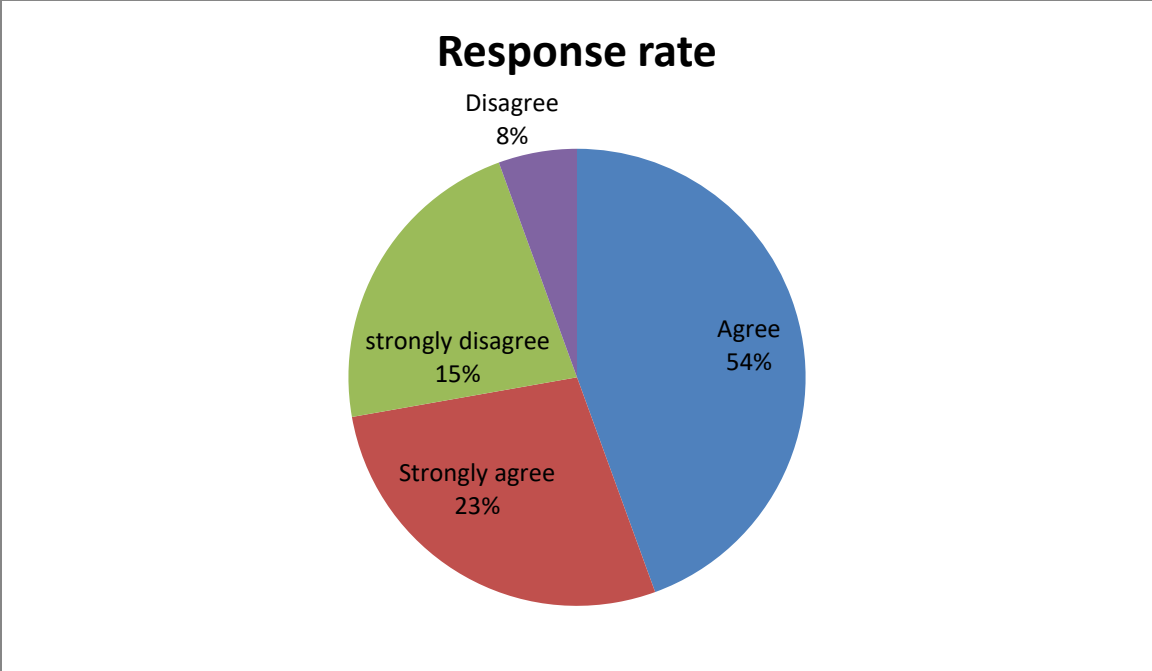
From the table 4.2 above, 77 %(10/13) of the respondents strongly disagreed with the statement that the audit function exist at Bulawayo high court and 23% disagreed with the existence of audit function at Bulawayo high court. This implies that the majority of respondents agreed that the audit function does not exist. The research findings therefore indicate the non-existence of audit function at Bulawayo high court .The results of this research concurred with the study by Prahad (2012)that indicated that most government department do not have audit functions.

4.4 Internal audit function and financial performance

Q Internal audit function correlates with improved financial performance company?

The question required respondents to indicate if internal audit function correlates with improved financial performance. The outcome is illustrated in the pie chart below.

Figure 4.4 Internal audit and financial performance.



Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$ Therefore the mean is 2 respondents per response class.

From the research finding given in figure 4.1 above, 54% (7 out of 13) of the respondents agreed and 23% (3 out of 13) of the respondents strongly agreed, whilst 8% (1 out of 13) of the respondents disagreed and 15% (2 out of 13) of the respondents strongly disagreed that internal audit function correlates with improved financial performance. The mean is 2 respondents per response class and the modal response class is agreeing.

Overall , 77% (10 out of 13) of respondents agreed that internal audit function correlates with improved financial performance at Bulawayo high court whilst 24%(3 out of 13)of the respondents disagreed that internal audit function correlates with improved financial performance at Bulawayo high court. This implies that the majority of the respondents agreed that internal audit function correlates with improved financial performance; this was supported by Bejide (2011)who argued that effective internal audit function correlates with improved financial performance.

4.5 Internal audit function and service delivery

Q Internal audit improved service delivery?

The question required the respondents to indicate if internal audit improves service delivery at Bulawayo high court. The research findings are given below.

Table 4.5 Internal audit function and service delivery

Response	Frequency	Percentage
Strongly agree	1	8%
Agree	1	8%
Uncertain	1	8%
Disagree	2	15%
Strongly disagree	8	61%
Total	13	100%

Source: Primary Research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$. Therefore the mean is 2 respondents per response class.

From the research findings in the table 4.3 above, 1 out of 13 (8%) strongly agreed, 1 out of 13 (8%) agreed, 1 out of 13 (8%) uncertain, 2 out of 13 (15%) disagreed and 8 out of 13 (61%) strongly disagreed.

Overall, 11 out of 13 (84%) agreed and 2 out of 13 (16%) disagreed. The modal class of responses is strongly disagree which was supported in literature by Venebales and Impley (2012) who said that service delivery is not influenced by presence of internal audit function only but by other factors which include professional experience of the audit personnel.

4.5.1 Q Internal audit impedes financial malpractices?

The question required the respondents to indicate whether internal audit function impedes financial malpractices.

Table 4.5 internal audit and financial malpractices

Response	Frequency	Percentages
Strongly agree	8	62
Agree	4	31
Uncertain	0	0
Disagree	1	7
Strongly disagree	0	0

Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 3.6$. Therefore the mean is 2 respondents per response class.

From the research findings in the table 4.4 above, 8 out of 13 (62%) strongly agreed, 4 out of 13(31%) agreed, 1 out of 13(7%) disagree. The mean response is 2 respondents per response class which equals to the expected sample mean, indicating that the research findings can reliably used in drawing research conclusion.

Overall , 12 out of 13 (93%) agreed and 1 out of 13(7%) disagreed .The modal class of responses is strongly agree which was supported in literature by Beasley (2011) who said that internal audit function impedes financial malpractices by employees.

4.5.2 Internal audit enhanced improved efficiency?

The question required the respondents to indicate whether internal audit improves efficiency.

Table 4.5.2 Internal audit and Efficiency

Response	Frequency	Percentages
Strongly agree	7	54
Agree	5	38
Uncertain	1	8
Disagree	0	0
Strongly disagree	0	0
Total	13	100

Source: Primary source

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$ Therefore the mean is 2 respondents per response class.

From the research findings in the table 4.5 above, 7 out of 13 (54%) strongly agree, 5 out of 13 (38%) agreed, 1 out of 13 (8%) uncertain, 0 out of 13 (0%) disagree and 0 out of 13 (0%) strongly disagree .

Overall, 12 out of 13 (92%) agreed and 1 out of 13 (8%) disagreed. This gives a modal response class of strongly agree and the research findings demonstrated that the majority of respondents agreed that internal audit function enhances improved efficiency .The research findings concurred with the study by Hermanson and Ritternberg (2013) who acknowledged that internal audit enhances efficient use of resources.

4.5.3 Q internal audit function improves cost savings?

The question required the respondents to indicate whether internal audit improves cost saving in the finance department of Bulawayo high court

Table 4.5.3 Internal audit and cost savings

Response	Frequency	Sample
Strongly agree	8	61
Agree	4	31
Uncertain	0	0
Disagree	1	8
Strongly disagree	0	0

Total	13	100
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Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$. Therefore the mean is 2 respondents per response class.

From the research findings in the table above, 8 out of 13 (61 %) strongly agreed, 4 out of 13 (31%) agreed, 0 out of 13 (0%) uncertain, 1 out of 13 (8%) disagreed and 0 out of 13 strongly disagreed.

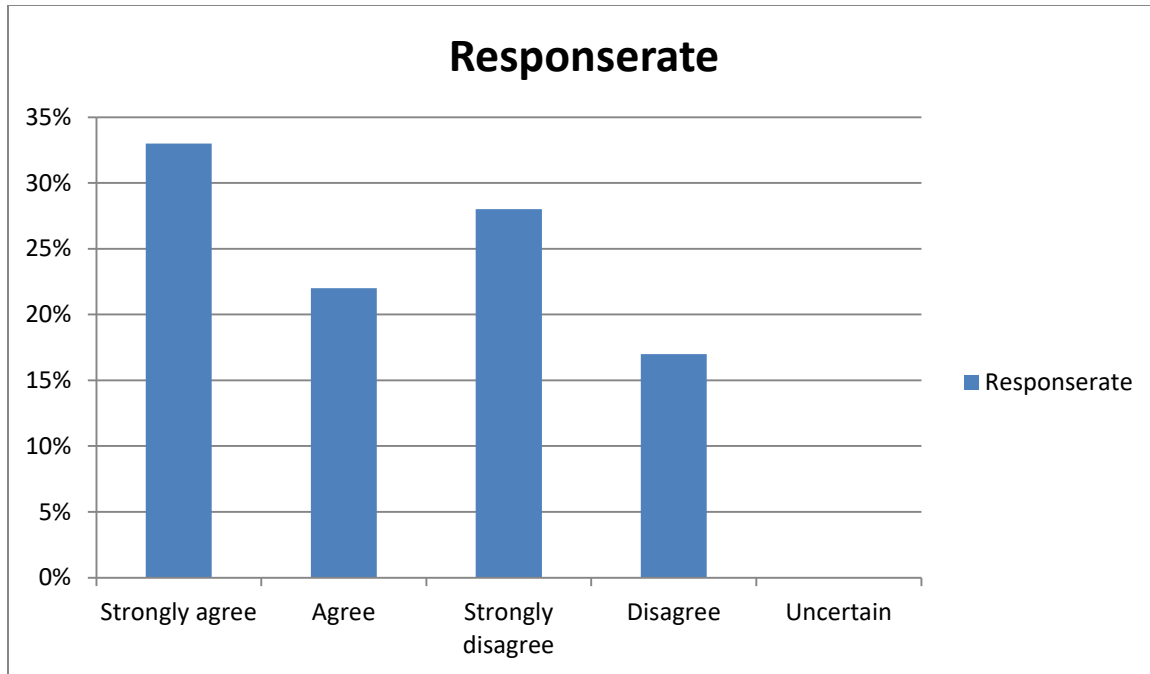
Overall, 12 out of 13 (92%) agreed and 1 out of 13 (8%) disagreed. The mean is 2 respondents per response class and the modal class of response is strongly agreed. This implies that the majority of respondents at Bulawayo high court admitted that cost saving will accruing to the Finance department is if the internal audit department is established. The above research finding concurred with the study by Fadzil, (2010) who said that the main reason why companies establishes internal audit function is cost reduction and cost saving.

4.6 Critical success factors of internal audit function

4.6.1 Q Competence a critical success factor?

The question required the respondents to indicate whether competence was considered as a critical success factor

Figure 4.6 internal audit and competence



Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$. Therefore the mean is 3 respondents per response class.

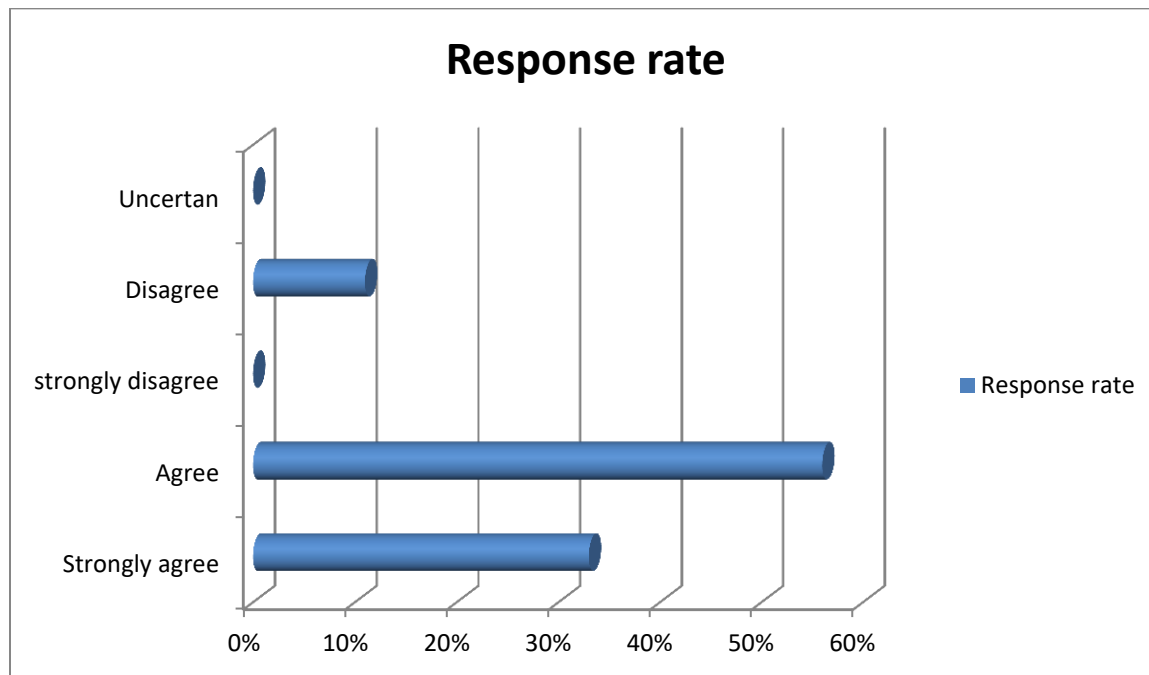
From the research findings in the figure 4.2 above, 6 out of 13 (33%) strongly agreed, 4 out of 13 (22%) agreed, 3 out of 13 disagreed and 5 out of 18 strongly disagreed. The mean is 2 respondents per response class and the modal class of response is strongly agreed. This statistical result indicated that the majority of the respondents acknowledged that competence is a critical success factor.

Overall, 10 out of 13 (55%) agreed and 3 out of 13 disagreed. The above research findings supported the study by KPMG (2013) who articulated that, competence of audit personnel need to be first assessed before recruiting employees..

4.6.2 Q Control environment a critical success factor?

The question required the respondents to indicate control environment is a critical success factor for internal audit function .

Figure 4.6.2 internal audit and control environment



Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$. Therefore the mean is 2 respondents per response class.

Figure 4.3 above indicate that 33 % (5 out of 13) strongly agreed, 56 % (7 out of 13) agreed, 11 % (1 out of 13) disagreed .The mean is 2 respondents per response class and the modal response class is the agreeing, which indicated that most respondents agreed that control environment must be considered before establishing internal audit function.

Overall, 89% (16 out of 13) agreed and 11% (2 out of 13) disagreed. This implies that the majority of respondents acknowledged that control is a critical success factor. The research findings concurred with the study by Crawford(2011) which articulated that for internal audit function to be effective control environment must be established.

4.6.3 Monitoring a critical success factor?

The question required the respondents to indicate whether monitoring was considered as a critical success factor.

Table 4. 6.3 Monitoring and internal auditing function

Response	Frequency	Percentage
Strongly agree	7	54%
Agree	6	46%
Total	13	100%

Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$. Therefore the mean is 2 respondents per response class.

From the research findings in the table 4.9above, 7 out of 13 (54%) strongly agreed, and 6 out of 13 (6%) agreed. The mean is 2 respondents per response class and the modal class of responses is strongly disagree, which indicates that the majority of the respondents agreed that monitoring s a critical factor for efficient functioning of internal audit function. The research findings concurred with the study by Warren (2013) who asserts that monitoring is the major component for the successful functioning of internal audit function.

Overall, 13 out of 13 (100%) agreed that monitoring is important factor for efficient functioning of internal audit. This implies that majority of respondents at Bulawayo High court agreed that monitoring is absolutely an important factor. The above research finding contradicts with the study by Chiccola(2013) who mentioned that monitoring or supervision is not important in the efficient operation of an internal auditing function because the audit personnel are professionals who are guided by international principles and are charged according to the rules of professional conduct.

4.7 Internal audit and communication

4.7.1 Q Is communication a factor for efficient operation of an internal audit function?

The question required the respondents to indicate if communication results in the efficient operation of internal audit function

Table 4.7. 1Internal auditing and communication

Response		Percentage
Strongly agree	9	69
Agree	3	23
Uncertain	0	0
Disagree	1	8

Strongly disagree	0	0
Total	13	100

Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 3.6$. Therefore the mean is 2 respondents per response class.

From the research findings in the table 4.7 above, 9 out of 13 (69%) strongly agreed, 3 out of 13 (33%) agreed and 1 out of 13 was uncertain. .

Overall, 12 out of 13 (92%) of the respondents at Bulawayo high court agreed that communication influence the operation of an internal audit function. The modal class of response is strongly agreed. The research finding concurred with the study by Hubbard (2013) who articulated that companies which have a strong communication policies usually their internal audit personnel functions efficiently.

4.7.2 Do independence of internal audit function an important factor?

Table 4.7.2 **Internal audit and independence**

The question required the respondents to indicate if independence of internal function improves performance.

Response	Frequency	Percentage
Strongly agree	6	46
Agree	6	46
Uncertain	0	0
Disagree	1	8
Total	13	100

Source: Primary research

Mean equals the total number of respondents divided by number of response class

$(13/5) = 2.6$. Therefore the mean is 2 respondents per response class.

From the research findings in the table 4.8 above, 6 out of 13 (46%) strongly agreed, 6 out of 13 (46%) agreed, 1 out of 13 (8%) disagreed

Overall, 12 out of 13 (92%) agreed and 1 out of 13 (8%) disagreed. The mean is 2 respondents per response class and the modal class of respondents is strongly agreeing, indicating that the majority of respondents strongly agreed that independence of an internal audit function is important in the efficient functioning of internal audit function. The above research findings concurred with the study by Woolf (2011) who said that independence is a critical success factor of internal audit function.

4.7.3 Summary

The chapter dealt with the presentation and analysis of the research findings. Data presentation and analysis was also done through the use of tables, graphs, descriptive summaries and pie charts. Chapter five looks at the summary of findings, conclusions and recommendations on the course of action which Bulawayo high court will undertake

CHAPTER FIVE

SUMMARY OF FINDINGS ,DISCUSSIONS , CONCLUSION AND RECOMMENDATIONS.

5.1 Introduction

The previous chapter presented the data collected during the research. The research was designed and carried out to establish the impact of the absence of the internal audit function in the performance of Judicial Service Commission. This chapter outlines the discussions, recommendations and conclusions of the research findings presented and interpreted in chapter four based on the extent to which research findings confirm to the empirical findings. The conclusions were drawn up after having analysed the research objectives as outlined in chapter 1.4.2. and Recommendations will also be given in line with the findings from literature review in chapter two and if correctly and accordingly implemented will lead to an increase in the performance of Judicial Service Commission . Also suggested for further research are also presented. All of which are presented in accordance to the research objectives.

5.2 Discussions and Summary of Findings.

5.2.1 Existence of the Audit Function.

The results indicated that most respondents strongly disagreed that there is the existence of an internal audit function in the Judicial service commission. In addition the research by Prahad (2012) also indicated that a substantial number of government departments do not have internal audit functions.

5.2.2 The relationship between internal audit function and performance of the Commission.

The findings showed that above average the presence of an internal audit function improves the performance of the commission.

5.2.3 The relationship between Internal audit function and service delivery.

The results indicated the presence of an internal audit function does not have any effect on service delivery but there are other surrounding factors that may include the professional experience of an audit personnel (Venebales and imply(2012).

5.2.4 Internal audit impedes financial malpractices.

The research findings demonstrated that the majority of respondents agreed that the presence of an internal audit function enhances improved efficiency. Also the research by Hermansion and Ritternberg (2013) indicated that internal audit enhances efficient use of resources.

5.2.5 The relationship between internal audit and cost savings.

The results implied that the majority of respondents at the Bulawayo High Court admitted that cost saving be accruing to the finance department if the internal audit department is established. The research by Fadzli(2010) indicated that establishment of an internal audit function is cost reduction and cost saving.

5.2.6 The relationship between internal audit and competence(critical success factors of internal audit function).

The results from the research findings supported by KPMG(2013) indicated that competence of the audit personnel is a very crucial and important element and need to be first assessed before recruiting employees.

5.2.7 The relationship between internal audit and control environment.

The research findings showed that most respondents agreed that control environment must be scanned before establishing an internal audit function. Crawford (2011) articulated that for internal function to be effective control environment must be established.

5.2.8 Monitoring a critical success factor.

The research findings indicated that the majority of respondents at the Bulawayo High Court agreed that monitoring is absolutely an important factor. The above research findings contradicts with the study by Chiccola (2013)who mentioned that monitoring or supervision is not important in the efficient operation of an internal audit function because the audit personnel are professionals who are guided by international principles.

5.2.9 The relationship between internal audit and communication.

The research findings indicated that 92% of the respondents at the Bulawayo High Court agreed that communication influence the operation of an internal audit function . Also Hubbard (2013) articulated that companies which have a strong communication policies usually their internal audit personnel functions effectively.

5.2.10 The relationship between internal audit and independence.

The research findings showed that most of the respondents strongly agreed that independence of an internal audit function is important in the efficient functioning of internal audit function . Also Woolf(2011) said independence is a critical success factor of internal audit function.

5.3 Conclusion.

The research project aimed at investigating impact of the absence of an internal audit function in the Judicial Service Commission. The review of literature of various authors detailed the impact of the absence of an internal audit function in the performance of the commission and other related factors. The outcome of questionnaires showed that the presence of an internal audit function could increase the performance and efficiency of Judicial Service Commission. Limitation- There was no results of the interviews since the managers who were supposed to be interviewed indicate that they were busy. Therefore the commission tend to benefit from the presence of an internal audit function in that it assist in cost saving, improves financial performance, impedes financial malpractices, enhanced improved efficiency, monitoring of the activities being executed, communication and independence benefits accrued to the entity.

5.4 Recommendations.

Having known the significance and impact for the absence of the internal audit function in the Judicial Service Commission , management needs to ensure that it implement the internal audit department so as to ensure compliance with set standards and set procedures.

5.5 Areas for further research.

The results from the study point out a number of opportunities for further research into compliance. Future research should attempt to collect data from other commissions in Zimbabwe to find out if absence of an internal audit department has got any impact in the service delivery and performance of Judicial Service Commission.

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APPENDIX

Appendix 1 Questionnaires

MIDLANDS STATE UNIVERSITY.

Dear/Sir

I am Yedwa Ncube a student at Midlands State University carrying out an academic research on the impact of the absence of an internal audit function/ Department on the performance of Judicial Service Commission . A case study of Bulawayo High Court.

I am kindly requesting you to spare me some minutes of your time to respond to the questions below For the purpose of the requirement of the award of commerce degree of Midlands State University . Note that this is for academic purposes and your answers will be treated with utmost confidentiality.

PART A.

Personal Data

1. Sex:

Male

Female

2.What is your age bracket?

15-----30 years	31-----45 years	46- years and above

3.Level of education.

Degree	Diploma	Certificate

4.Which department do you work for.

Accounts / Finance	Courts	Other

5. For how long have you been to the organization.

Less than a year.	1---5 years.	More than 5 years.

PART B

Existence of the Audit function.

6. Does Bulawayo High Court have audit function?

Statements	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree
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Audit Function					

Internal audit function and financial performance.

7. Does internal audit function correlates with improved financial performance of the company?

Disagree	Agree	Strongly Agree	Strongly Disagree

Internal Audit function and service delivery.

8. Q. Does internal audit improve service delivery?



Response	
Strongly Disagree	
Strongly Agree	
Disagree	
Agree	
Uncertain	
Total	

9. Q. –Does internal audit impedes financial malpractices?

RESPONSE	
Strongly agree	
Agree	
Uncertain	
Disagree	
Strongly Disagree	

10. Q.- Does internal audit enhance to improve efficiency?

Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree	Total

Internal Audit and Cost Savings

11.Q—Does internal audit function improves cost savings?

Response	Frequency	Sample
Strongly Agree		
Agree		
Uncertain		
Disagree		
Strongly Disagree		

Critical success factors of internal audit function .

12.-Q- Is competence a critical success factor in auditing?

Response	
Strongly Agree	
Agree	
Uncertain	
Disagree	
Strongly Agree	

13. Q- Is monitoring a critical success factor in auditing?

Response	Results
Strongly Agree	
Agree	
Total	

Internal audit and Communication.

14.-Q- Is communication a factor for efficient operation of an internal audit function?.

Response	
Strongly Agree	
Agree	
Uncertain	
Disagree	
Strongly Disagree	

Internal audit and Independence.

15. -Q- DO Independent of internal audit function an important factor?

Response	
Strongly Agree	
Agree	
Uncertain	
Disagree	
Total	

Appendix 2 -Interview

1. When was Judicial Service Commission formed .
2. How is the performance of Bulawayo High Court in the absence of an internal audit .
3. What is the impact of the absence of an internal audit .
4. What are the critical success factors for the establishment of the audit function.
4. What the merits and demerits associated with the presence of audit function.
5. What recommendations and suggestions can you make for Judicial Service Commission.